

STARTING POINT



By Doug Dean
Director

Many residents, businesses and city officials along RTD's Gold commuter rail corridor—the G-Line—are understandably frustrated by the delays in the opening of the corridor. There is a perception that the Public Utilities Commission (PUC)

somehow is dragging its feet in approving the highway/rail crossings along the new line. This could not be further from the truth.

More than three years ago, RTD applied for and received approval for these crossings from the PUC. The problem is that RTD and its vendor have not been able to get the gates operating according to the design proposed by RTD and approved by the Commission. Had they done so, the lines would have been fully operational long ago.

The PUC cannot act on a case without the examination of evidence in a formal record. Recently, RTD submitted a filing asking the PUC to approve crossing warning times that do not conform to previous Commission decisions. However, the filing did not include any evidence about the impact of the proposed changes on motorists, bikers and others that will be using the crossings, so the filing was denied.

The PUC has given RTD an opportunity to bring forth additional evidence to support its contention that the modified crossing warning times are safe at a re-hearing in either February or March, depending on whether there is opposition to the company's new testimony. RTD proposed the procedural schedule for the re-hearing, on the belief that it would provide a decision in the most expedited manner, and the PUC granted it.

The PUC is bound by the State Administrative Procedures Act (APA), which contains the same rules that govern the courts. The APA contains timeframes that must be followed to ensure due process for all parties. Due to the requirements of the APA, we are not allowed to shorten timeframes except as allowed by law. If we did, any decision the Commission would reach would be subject to challenge in District Court, which would significantly delay the process.

We understand the urgency of the situation and the need to expedite a decision on this matter as quickly as possible. I have personally instructed the Administrative Law Judge on this case to act as quickly as the APA allows. But our first and foremost obligation is to protect the public by ensuring the safety of railroad crossings in Colorado, and we will continue to fulfill that obligation.

PUC cites Rasier for driver violations

\$8.9 million penalty issued to Uber parent

Criminal investigators with the Colorado Public Utilities Commission (PUC) on November 20 issued a Civil Penalty Assessment Notice (CPAN) totaling \$8.9 million to Rasier, LLC, the parent company of Uber, for allowing individuals with disqualifying criminal or motor vehicle offenses, or without valid licenses, to drive for the company.

The CPAN listed violations involving 57 Uber drivers over the last year and a half who should not have been permitted to drive for the company. The company was cited \$2,500 a day for each day a disqualified driver was found to have worked.

PUC transportation enforcement staff launched an investigation earlier this year after a referral from the Vail Police Department about an Uber driver accused of assaulting a passenger. In cross-checking driver records produced by the company with information obtained from the Colorado Crime Information Center (CCIC) and court databases, PUC staff found that Uber allowed individuals to drive with

CIVIL PENALTY ASSESSMENT or NOTICE OF COMPLAINT TO APPEAR						
Public Utilities Commission of the State of Colorado			(Complainant)			
Rasier LLC			(Respondent)			
PUC Authority Number(s): TNC-00091						
Physical Address: 1455 Market ST 4th FL San Francisco, CA 94103						
Mailing Address: 1455 Market ST 4th FL San Francisco, CA 94103						
No.	Date of Violation	Violation Code	Place of Violation	Penalty \$/Surcharge 15%	10 Calendar Day Penalty + Surcharge 15%	
1	1/31/2016	4 CCR 723-6-6706 (a)	Denver, CO	\$2500.00	\$2875.00	\$1437.50
Nature of Violation: Permitting a person to act as a driver that is not qualified to drive based on no valid driver's license. (Driver [REDACTED])						
2	1/31/2016	4 CCR 723-6-6706 (a)	Denver, CO	\$2500.00	\$2875.00	\$1437.50
Nature of Violation: Permitting a person to act as a driver that is not qualified to drive based on rule 6711 (driving history) and rule 6712 (criminal history). (Driver [REDACTED])						
3	1/31/2016	4 CCR 723-6-6706 (a)	Denver, CO	\$2500.00	\$2875.00	\$1437.50
Nature of Violation: Permitting a person to act as a driver that is not qualified to drive based on rule 6711 (driving history) and no valid driver's license. (Driver [REDACTED])						
4	2/1/2016	4 CCR 723-6-6706 (a)	Denver, CO	\$2500.00	\$2875.00	\$1437.50
Nature of Violation: Permitting a person to act as a driver that is not qualified to drive based on rule 6711 (driving history) and rule 6712 (criminal history). (Driver [REDACTED])						
5	2/1/2016	4 CCR 723-6-6706 (a)	Denver, CO	\$2500.00	\$2875.00	\$1437.50
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6	2/1/2016	4 CCR 723-6-6706 (a)	Denver, CO	\$2500.00	\$2875.00	\$1437.50
Nature of Violation: Permitting a person to act as a driver that is not qualified to drive based on no valid driver's license. (Driver [REDACTED])						
7	2/1/2016	4 CCR 723-6-6706 (a)	Denver, CO	\$2500.00	\$2875.00	\$1437.50
Nature of Violation: Permitting a person to act as a driver that is not qualified to drive based on no valid driver's license. (Driver [REDACTED])						

previous felony convictions, major moving violations (DUI, DWI, reckless driving, driving under restraint), and numerous instances of individuals driving with suspended, revoked or cancelled driver's licenses.

"We have determined that Uber had background check information that should have disqualified these drivers under the law, but they were allowed to drive anyway," PUC Director Doug Dean said. "These actions put the safety of passengers in extreme jeopardy."

Under Colorado law, a Transportation Network Company (TNC) must perform a criminal history record check prior to allowing a person to act as a driver for the company. The company must also obtain and review a driving history report for individuals before they are allowed to drive. Drivers must have a valid driver's license.

TNCs are required to disqualify drivers who have been convicted of specific offenses listed in statute—such as felony convictions, alcohol or drug-related driving offenses, unlawful sexual offenses, and major moving vehicle violations.

"PUC staff was able to find felony (Continued on page 2)

PUC asked to allow portfolio changes

Evidentiary hearings are scheduled in February on a proposed stipulation asking the Public Utilities Commission (PUC) to consider an additional portfolio of new generation resources for Xcel Energy's electric resource plan.

The proposed stipulation, signed by more than a dozen parties in the case—including the company, PUC staff, the Office of Consumer Counsel, large energy consumers, renewable energy advocates, environmental organizations, and labor groups—does not seek approval of the "Colorado Energy Plan Portfolio" at this time. Rather, if the stipulation is approved, it would allow Xcel to present the portfolio for consideration in Phase II of the resource planning process, which is already under way.

The evidentiary hearing on the proposed stipulation is scheduled for February 7-9 at the PUC in Denver.

The proposed Colorado Energy Plan Portfolio calls for Xcel to retire two coal units at its Comanche plant in Pueblo and replace them with new renewable and natural gas resources. The stipulation allows Xcel to own 50 percent of the nameplate capacity of all new renewable resources and 75 percent of the natural gas resources in the Colorado Energy Plan Portfolio. Xcel said it would only bring forth the new plan for consideration if there is no additional cost to the company's electricity customers.

Xcel also has committed to building a new transmission switching station to

promote new utility resource development in the Pueblo area.

The PUC conducted a public comment hearing on the proposed stipulation in Pueblo in December. A second public comment hearing is scheduled from 4-7 p.m. on February 1 at the PUC office in Denver.

Xcel issued its resource plan-related request for proposals in August. Bids were due November 28. The PUC granted a 30-day extension to the filing of Xcel's bid evaluation and selection report in Phase II to accommodate the potential inclusion of the Colorado Energy Plan portfolio. Xcel will now file the 120-day report on April 27.

A final Phase II decision expected by the end of July 2018.

August hearing set for Xcel electric proposal

Hearings are not expected until the latter half of 2018 on a proposal by Xcel Energy to increase its net electric revenues by approximately \$245 million over a four-year period.

The proposal, filed in October, would increase typical residential electric rates by about 9.6 percent, or \$6.92 per month, between 2018 and 2021. A procedural schedule approved in December by the Public Utilities Commission (PUC) includes 10 days of hearing beginning August 21.

The multi-year proposal is based on revenue requirements derived from forecasted test years for 2018, 2019, 2020 and 2021. Some 22 percent of the increase is attributable to the approved settlement regarding depreciation expenses that was adjudicated in 2016. The rest of the proposed increase is comprised of capital, operations and maintenance expenses for advanced metering

infrastructure; increases for distribution system improvements; higher property taxes; and a credit for increased revenues attributable to projected growth in sales.

In addition, the company intends to transfer costs of projects previously recovered through the Clean Air Clean Jobs Act and the Transmission Cost Adjustment to base rates. These transfers would add another \$132.7 million to base rates.

According to Xcel's projections, rates for typical residential customers would increase approximately 2.3 percent a year, or a cumulative 9.62 percent over the four years. The average monthly residential electric bill would increase from its current \$71.96 per month in 2017 to \$78.88 by 2021. Small commercial rates would increase a cumulative 9.8 percent, or about \$10.71 per month, by 2021.

Xcel proposes to continue the current

Quality of Service Plan for the electric department through the term of the proposed multi-year plan, and it would continue to operate under an earnings test mechanism, which provides for the annual sharing of electric department earnings above a certain threshold with customers.

The company has proposed an initial return on equity of 10.0 percent for the four-year plan that would be adjusted for years 2019, 2020 and 2021.

Along with Xcel, PUC staff and the Office of Consumer Counsel, 15 additional parties have been granted permission to participate in the proceeding, including environmental organizations, representatives of large commercial and industrial customers, labor organizations, municipal and federal agency intervenors, and groups representing low-income and other consumer interests.

No-call telemarketer fees set for 2018

The Colorado Public Utilities Commission (PUC) has established the registration fees for 2018 that telemarketers will pay to obtain the state's do-not-call list.

The fees are set on a sliding scale based on the number of employees of the soliciting company. The fees collected are used to pay the annual contract costs for the Designated Agent to administer the Colorado No-Call program, and to support enforcement activities provided by the Colorado Attorney General's Office.

The 2018 fees will range from \$275 for telemarketers with 5-10 employees, up to \$500 for companies with more than 1,000 employees. Telemarketers with less than five employees are not charged an annual registration fee.

PUC staff estimates that approximately 245 telemarketers will register with the Colorado No-Call program in 2018 and pay registration fees that will

generate roughly \$105,235 in annual revenues.

Colorado's No-Call program allows residential and wireless telephone subscribers to notify solicitors of their objection to receiving solicitations by telephone or fax by placing their telephone numbers on a do-not-call list at no charge. Telemarketers must update these do-not-call lists four times a year to help reduce unwanted telephone calls.

A state enforcement action may be brought against commercial telemarketers for three or more violations in a month. Certain types of calls are excluded from no-call rules, including political calls, calls from charitable organizations, and calls from businesses that have an existing relationship with a customer.

As of December 1, 2017, nearly 3.8 million telephone numbers had been registered with Colorado's no-call list, which began in 2002.

Telephone subscribers may register a residential or wireless phone number or file a complaint about possible violations of the no-call law by either calling toll-free at 1-800-309-7041, or by going on-line at www.coloradonocall.com.

2018 Telemarketer Registration Fees

Number of Employees	Fee Amount
1-4	\$0
5-10	\$275
11-50	\$375
51-100	\$450
101-250	\$480
251-400	\$490
401-1,000	\$495
1,001+	\$500

POSITIVE CHARGES

⚡ Congratulations to **Gene Camp, Ron Jack and Becky Quintana** who were named Deputy Directors in a recent PUC reorganization.

Gene was named Deputy Director of Fixed Utilities, including Energy, Economics and Rate/Financial Analysis, and Telecommunications; Ron was named Deputy Director of Safety and Operations, including Transportation, Operations, Rail/Transit Safety, and Pipeline Safety; Becky was named Deputy Director of Policy and External Affairs, including Commission Advisors, Administrative Support, Consumer Affairs, and Research and Emerging Issues.

⚡ Kudos to **Gary Gramlick**, a rate/financial analyst in the Transportation section, who received the 2017 Dom Hidalgo customer service award. The annual award recognizes the PUC employee who displays consistent and superior customer service throughout the year.

Gary was nominated for his excellence in providing assistance and information to regulated carriers, attorneys and citizens on a daily basis. He routinely spends above and beyond the time required to explain and educate individuals so that they can understand the application process. And he is diligent in assisting applicants where English is not their first language and those who are unfamiliar with the regulatory process.

PUC colleagues submit nominations for the annual award. After a committee narrows the list of nominations to three finalists, PUC employees vote to determine the winner.

Fiona Sigalla and Mona Romero were this year's other finalists.

⚡ Special recognition goes to the following PUC employees for hitting milestones in their years of service to the state of Colorado:

5 years—**Bryan Fry, Jennifer Garcia, Marianne Ramos**

10 years—**Bill Dalton, Katie McBride, Nate Riley**

20 years—**Christine Ware**

25 years—**Ron Jack, Terry Bote**

⚡ Welcome to three new members of the PUC's Rail/Transit Safety Section: **Cindy Terry**, a State Safety Oversight Engineer; **Jessica Sava**, a State Safety Oversight Specialist; and **Julie Whalen**, a State Safety Oversight Specialist. Also, welcome to new employees **Eric Haglund**, an economist in the Economics Section; and **Daniel Yuen**, the PUC's new Director of Systems Enhancement.



Cindy Terry



Jessica Sava



Julie Whalen



Eric Haglund



Daniel Yuen

PUC proposes modifying transportation rules

The Public Utilities Commission (PUC) has issued a notice of proposed rulemaking (NPR) to consider modifications to its transportation rules.

The purpose of the proposed rule changes is to enhance public safety, protect consumers of regulated transportation utilities, and make the rules more effective and efficient. In addition, the proposed rules address recent legislative changes, including the creation of the Medicaid Client Transport permit, and the clarification of the period of ineligibility of a motor carrier that fails to pay a civil penalty assessment.

As part of the rulemaking process, the PUC is seeking input from interested parties on a wide-ranging array of

topics, including required insurance levels; maximum driver hours and calculation methods for hours of service; condition, age and mileage of allowable vehicles; and the PUC process for summarily suspending an authority or permit when a motor carrier has engaged in a deliberate or willful violation where the public health, safety or welfare requires an emergency action.

The proposed rules also modify the boundaries of Zone C (Boulder area) for flat-rated taxi fares to and from Denver International Airport; and create a new Zone D (Tower Road) with a corresponding flat rate for that zone. The proposed rules would also create a flat rate for taxi transportation entirely within Zone A (downtown Denver).

The PUC has scheduled two days of hearing February 20-21 to take oral comment on the proposed rules. The first day of the hearing will focus on common and contract carriers, including taxi and shuttle service carriers. The second day will focus on limited regulation carriers, including luxury limousine carriers.

Persons interested in providing written comments on the proposed rules prior to the hearing are encouraged to submit them through the PUC's E-Filings system in proceeding number 17R-0796TR no later than January 12. Reply comments should be submitted no later than February 2.

A PUC decision on any rule changes is not expected until mid-2018.

INSIDE CONNECTIONS

As a criminal investigator in the PUC's Transportation section, **Tony Cummings** deals with rogue motor carriers, angry drivers and frustrated consumers on a routine basis. But he refuses to let those challenges get the best of him.

"I choose not to dwell on problems, but rather find solutions," he says.

Tony, who joined the Public Utilities Commission in November 2010, recently was named supervisor of the Investigations unit, overseeing the day-to-day operations of four criminal investigators. The unit performs investigations of motor carriers subject to PUC jurisdiction, including passenger carriers, transportation network companies, household goods movers and towing companies, to ensure compliance with Colorado statutes and PUC rules.

The unit also is involved in transportation civil penalty proceedings

before the PUC, and maintains inter-agency and industry relationships in regards to transportation issues.

"I like that no day is the same," he said. "Every day brings a new challenge and an opportunity to learn."

Tony's professional background has prepared him well for his current responsibilities. Prior to joining the PUC, he spent 15 years as a police officer, assigned to various units including the SWAT team, Explosive Canine Handler, and Explosive Ordinance Disposal team.

Tony, who is a Colorado native, holds a bachelor's degree in Organizational Development from Regis University, along with paralegal certification.

When he's not on the job, he enjoys participating in several forms of martial arts, including Brazilian Jui Jitsu and Muay Thai. His interest in those sports began with boxing and karate as a youngster, and evolved into kickboxing



Tony Cummings

and other combat sports. He teaches martial arts classes five days a week.

His favorite quote comes from Winston Churchill: "Some people dream of success while others wake up and work hard at it."

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

Uber civil penalty

(Continued from page 1)

convictions that the company's background checks failed to find, demonstrating that the company's background checks are inadequate," Dean said. "In other cases, we could not confirm criminal background checks were even conducted by Uber."

Among the findings of the investigation were 12 drivers with felony convictions; 17 drivers with major moving vehicle violations; three drivers with interlock driver's licenses, which are required after recent drunk driving con-

victions; and 63 drivers with driver's license issues.

Uber's background checks also failed to identify a number of aliases used by their drivers, including one driver who was a convicted felon, habitual offender, and at one point in his past had escaped from the Colorado Department of Corrections. Nevertheless, after he was released from prison, he became a driver for Uber.

Rasier has requested a hearing before an administrative law judge to contest the CPAN. A procedural schedule, including hearing dates, is expected to be established at a pre-hearing conference in mid-January.



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:

Terry Bote
1560 Broadway, Suite 250
Denver, Colorado 80202

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The Colorado PUC hosted delegations from Nigeria (right) and Mexico (above) in November. A nine-member delegation from the Nigerian Electric Regulatory Commission visited on November 13. PUC staff discussed the application of Uniform System of Accounting in a regulated utility environment. On November 15, the PUC hosted a Mexico Energy Regulators Study Tour. The delegation, which also met with energy regulatory officials in California and Arizona, was seeking advice on distributed generation regulatory policies. The Mexican regulators are preparing a policy appendix to present to their federal government in January 2018.



PUC grants expedited hearing on RTD crossings

RTD seeks to alter warning times along A/G commuter lines

The Public Utilities Commission (PUC) has granted a request by the Regional Transportation District (RTD) for a rehearing pertaining to warning times at its A-Line and G-Line commuter rail crossings.

The rehearing before an Administrative Law Judge (ALJ) will allow RTD to provide additional factual evidence to support its request to alter the warning times at crossings along the routes. The rehearing is scheduled for March 12-14, but that date could move up to

February 15-16 if none of the intervening parties object to RTD's written testimony, which is due January 16.

On December 26, the ALJ granted a motion by RTD to resume testing on the G-Line. The judge ruled that testing could resume immediately pursuant to the limited testing parameters outlined in RTD's testing plan filed in May, which includes the use of flaggers at all G-Line crossings and that train horns will sound as trains approach crossings.

Trains have not run on the G-Line since earlier testing was completed in July. The 15 crossings on the G-Line utilize the same technology as the A-Line crossings.

The PUC in October denied RTD's request to approve an additional 15

seconds of variable warning time at three crossings on the A-Line because RTD failed to provide any information about the safety of its proposed variance between the design previously approved by the PUC and the actual warning times at the crossings.

RTD in November filed an application for reconsideration of that decision, asking the PUC to re-open the record and grant a rehearing to take additional factual evidence and allow additional legal briefing on the request. The PUC granted the request, consolidated all the A-Line and G-Line crossings into a single proceeding, and referred the matter to the Administrative Law Judge to expedite a decision on the crossing warning time issue.

When RTD made its initial applica-

tions for A-Line and G-Line crossings with the PUC, filed between 2012 and 2014, it requested to provide constant warning time train detection. However, RTD was unable to get the crossings to operate to the design that it requested and was approved by the PUC.

The A-Line, which runs from downtown to Denver International Airport, opened in April of 2016. But due to the crossing issues, the PUC directed RTD to post flaggers at all A-Line crossings to prevent drivers from moving towards the crossing if it has been activated for a longer time than expected. The PUC ordered that the flaggers would remain until RTD demonstrated that the crossings were operating according to the design submitted and approved by the Commission.

911 surcharge hike approved for Jeffco

The Public Utilities Commission (PUC) has approved a request to increase the E-911 monthly surcharge for the Jefferson County Emergency Communications Authority (JCECA).

The PUC in October approved a settlement without modification allowing the authority to increase its surcharge from \$0.70 to \$1.15 a month. The authority originally had asked to increase the surcharge to \$1.20 per month, but agreed to the lower charge based on revised budget projections of revenues and expenditures after negotiations with PUC staff. The new surcharge was expected to take effect in early 2018.

The Jefferson County ECA serves all of Broomfield and Jefferson counties, except for those portions of Littleton in Jefferson County. It also serves portions of Arvada and Westminster in Adams County and several small areas in Arapahoe and Douglas counties.

The PUC concluded the increase was necessary to fund investments, expenditures and costs that are required to allow the JCECA to continue to provide adequate, reliable and reasonable emergency telephone services in its territory.

Land-line and wireless 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.

On November 17, the Prowers County Emergency Telephone Authority filed a request to increase its 911 monthly surcharge from \$.70 to \$1.40. The authority provides 911 telecommunications services to Lamar, Wiley, Holly, Granada, Hartmann and several rural fire protection districts in Prowers County in southeastern Colorado.

In its application, the authority stated it needed the extra funding to cover a larger share of employee costs for its dispatch center, as well as maintenance, repair and replacement of increasingly complex technical 911 systems as necessary.

The PUC was expected to consider the request in early January.

Interim Xcel Energy gas rates go into effect at start of year

Hearings were held December 11-19 on a proposal by Xcel Energy to increase natural gas base rates by \$139 million over the next three years to pay for capital improvements to its natural gas distribution system.

A decision by the Public Utilities Commission (PUC) is not expected until March. However, the company received approval to implement the 2018 portion of the proposed rate increase on an interim basis beginning January 1, subject to refund pending the final outcome of the rate case.

Xcel Energy's proposal, filed in June, also includes rolling into base rates in 2019 about \$93.8 million from the Pipeline System Integrity Adjustment (PSIA) that is being collected through a separate charge on customer bills.

The company has proposed to increase revenues in steps over the course of the three-year plan. If approved as filed, residential customers using 64 therms of natural gas a month would see monthly rates increase by about \$2.73 (6.08 percent) in 2018; \$2.19 (4.58 percent) in 2019; and \$1.74 (3.49 percent) in 2020. The average small commercial customer's bill, based on 291 therms a month, would increase \$10.91

(5.67 percent) in 2018; \$6.97 (3.43 percent) in 2019; and \$6.95 (3.31 percent) in 2020.

The company is asking for a 10.0 percent return on equity (ROE), up from its currently authorized 9.5 percent. The ROE is the profit that a utility is authorized to earn on its investments. The PUC sets a maximum return on equity, but it is not guaranteed.

Xcel said it has invested approximately \$300 million a year in capital improvements since its last base rate review in 2015, and is proposing a similar level of annual capital investments over the term of its proposed multi-year plan.

The base rate component of a monthly natural gas bill includes a fixed monthly customer charge and a volumetric charge, which varies from month to month depending on the amount of gas used. The base rates cover costs for infrastructure, equipment, labor, materials, meter reading and billing.

Base rates are separate from the rates charged for the gas commodity itself, which are passed on to customers on a dollar-for-dollar basis through a separate charge called the "gas cost adjustment." Gas commodity charges account for 65-75 percent of the total monthly bill.

Negative REC prices legal for solar gardens bids

The Public Utilities Commission (PUC) has ruled that Xcel Energy may lawfully accept bids for community solar gardens with negative renewable energy credit (REC) values.

In oral deliberations on December 13, the PUC concluded that state law allows, but does not require, Xcel to purchase the energy and RECs from community solar gardens as a bundle.

The PUC also concluded that negative RECs are in the public interest, but only in that they serve as a means to reduce costs to ratepayers. The PUC emphasized that Colorado's solar gardens statute lists other considerations to promote the development of community solar gardens, and negative REC prices may

not be in the public interest for all public policy goals.

The issue of negative RECs arose in Xcel's two most recent Solar*Rewards community solar gardens (CSG) solicitations, when developers submitted bids to develop CSGs that included negative REC prices. However, the issue of whether it was lawful for Xcel to accept negative REC values remained unsettled because the company's past two renewable energy compliance plans were both resolved by negotiated settlements. That led Xcel to file a petition with the PUC seeking a declaratory order resolving the legality of negative REC bids.

The Colorado Legislature adopted CSG legislation in 2010 to provide

Colorado residents and businesses "with the opportunity to participate in solar generation in addition to the opportunities available for rooftop solar generation on homes and businesses."

Each utility must include in its renewable energy compliance plan a plan for "purchasing the electricity and renewable energy credits generated from one or more community solar gardens over the period covered by the plan." The PUC authorizes in each renewable energy compliance plan a minimum and maximum amount of new CSG capacity the company may purchase.

To award CSG capacity, the utility conducts a competitive request for proposal solicitation process. While Xcel

considers several components when awarding CSG bids, the REC price is one of the key factors.

The developer of a selected CSG receives revenue three ways: from subscribers for the share of the garden that they purchase, from a utility for excess energy, and from the utility for RECs.

In its oral decision, the PUC noted that the dollar value assigned to RECs is completely separate from the value of CSGs, and negative REC prices do not diminish the value of CSGs or renewable energy. The Commission also ruled that Xcel may accept negative REC values in its 2017-2019 CSG requests for proposals.

Hearings set in March on DSM strategic issues

The Public Utilities Commission (PUC) has scheduled hearings March 5-9 on Xcel Energy's application for approval of the guiding principles to be used in developing its next electric and gas demand-side management (DSM) plan.

The company's application in the DSM "strategic issues" proceeding seeks to re-examine a number of the overarching policy guidelines associated with its energy efficiency and demand response activities.

Under Colorado law and PUC rules, utilities are required to develop programs to meet specific energy savings and demand reduction goals, which are established by the PUC. DSM programs encourage consumers to use less energy, and to move energy use to off-peak hours, such as nights or weekends, to reduce the need for additional utility investments in generation and distribution systems.

Among the key issues to be decided in the DSM strategic issues application are

the appropriate energy savings and demand reduction goals and incentives for both Xcel's electric and gas operations; how costs for the programs are to be recovered; and how the PUC will determine whether the programs are cost effective, which is required under state law.

The PUC approved the company's first DSM application in 2008. Since then, the company generally has filed combined gas and electric DSM plans every other year. The current application is the fourth application in which Xcel is asking the PUC to re-examine a number of the larger strategic issues associated with its DSM activities.

In its application, Xcel outlines a number of challenges with respect to its energy efficiency and demand response portfolio, including a declining opportunity for energy savings. The company also said it continues to experience significant net revenue losses attributable to DSM.

"These factors, combined with others, reduce the impact that utility-sponsored

DSM programs can have on energy usage and demand, which makes it more difficult for the company to meet aggressive DSM goals," the company stated in its filing.

One tool the company seeks to implement is the use of DSM geo-targeting to strategically reduce stresses on its distribu-

tion system. By concentrating DSM marketing and outreach efforts on specific geographic areas with significant system constraints, the company said it can maximize benefits to all stakeholders.

The PUC's decision in the strategic issues proceeding will form the basis of Xcel's next DSM plan, to be filed in 2018.

PUC extends time for Boulder filings

The Public Utilities Commission (PUC) has granted the City of Boulder an additional 90 days to file completed agreements with Xcel Energy and a corrected list of assets to be acquired in its effort to create its own municipal electric utility.

The PUC in December approved Boulder's request to extend the deadline for filing the documents until March 13.

In a written decision issued September 14, the PUC approved with three conditions a list of distribution facilities outside of substations that Boulder needs to operate its own utility. The city could use that list in a future condemnation proceeding that would set the value that Boulder would have to pay for the assets. The PUC denied as premature Boulder's request to authorize inclusion of facilities inside substations.

The PUC conditioned final approval of the assets to be transferred on (1) the filing of an agreement between Boulder and Xcel providing permanent rights for Xcel to place and access facilities in Boulder it needs to continue to serve its customers; (2) the filing of a revised list of assets that is accurate and complete; and (3) the filing of an agreement that addresses payment from Boulder to Xcel

for costs incurred by Xcel during separation. The PUC requested those filings within 90 days.

In its request for additional time, Boulder stated it had held numerous face-to-face meetings with Xcel and the parties had made significant progress in satisfying the Commission's conditions. The parties agreed to meet at least every other week starting in January through the 90-day extension period.

In its September decision, the PUC declined to approve other parts of Boulder's proposed separation plan, stating that the requests were premature, outside of PUC authority and/or not in the public interest. The PUC rejected a proposal that Xcel be required to finance and construct the proposed separation work; and declined to require co-location of facilities at substations or joint use of electric poles.

The PUC also denied as premature IBM's request to be excluded from the municipal utility's service territory, stating that there is insufficient evidence at this time to determine if Boulder is unwilling or unable to serve IBM. But the PUC said IBM could raise the issue again at a later date.

New taxi company receives authority

Denver Taxi, Inc. is the latest company to receive authority to provide taxi service in the Denver metropolitan area.

The Public Utilities Commission (PUC) issued a Certificate of Public Convenience and Necessity to Denver Taxi on October 17, following the company's compliance with tariff and insurance requirements. The authority is for taxi service within the counties of Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas and Jefferson; along with service from any point within those counties to all points in Colorado.

Denver Taxi obtained permits for eight vehicles to begin providing service.

Denver Taxi is the latest cab company to receive authority under a 2015 law that relaxed entry standards for taxi companies in the Denver and Colorado Springs areas. Green Taxi Cooperative, Pikes Peak Cab and All Cities Taxi are other taxi start-ups that have taken advantage of the new law over the past two years to enter the taxi market.

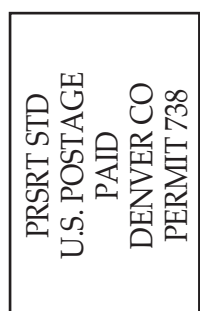
Under the 2015 law, if the PUC determines that an applicant has proved its operational and financial fitness, the Commission must grant a certificate to

operate. The law 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.

The new standard applies to applications to provide taxi service within the seven-county Denver metro area, along with El Paso County.

Outside of the metropolitan counties, the entry standard of "regulated competition" is applied for counties 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.



1560 Broadway, Suite 250, Denver, CO 80202