

# Connections

NEWSLETTER OF THE COLORADO PUBLIC UTILITIES COMMISSION

MAY 2020

## STARTING POINT



By Doug Dean  
Director

What a difference a couple of months can make. As we have learned from the COVID-19 outbreak, our jobs—and our lives—are never as stable as we believe and expect them to be. I have found, as I am sure that many of you

have, that working from home is not as easy as it sounded at first.

Staying in one place for an extended period of time is difficult in and of itself. Many of us are working longer hours, and the situation can sometimes create frustration. But while we have encountered a few bumps along the way, I am proud of the work that has continued to be performed at the Commission during the crisis, along with the flexibility and tenacity that staff has shown in getting that work done. I want to extend a big thank you to everyone for stepping up during this extraordinary time.

We have accomplished a number of PUC firsts over the past two months – things that we probably never thought we'd see during our working lives. At the top of the list was bringing a new commissioner on board sight unseen. Commissioner Megan Gilman was sworn in remotely on March 16 from her home in Eagle County and immediately began remote orientation sessions with PUC section chiefs. Ron Davis and his advisors have been getting Commissioner Gilman up to speed on all issues before the PUC, so she is ready for the weekly deliberations meetings. We are delighted to have her on board, and look forward to actually meeting her in person.

Speaking of Commissioner weekly meetings, the PUC conducted its first remote deliberations meeting on March 16 and those have continued since. In addition, the Commissioners and administrative law judges are conducting hearings by video-conference, and the PUC even held a remote statewide public comment hearing in one proceeding. In summing up the remote experience, one judge remarked, "I particularly enjoyed being turned into tech support."

Remarkably, we also have continued to bring on board new staff members during this challenging time. We've hired an economist, a rate/financial analyst, and two transportation criminal investigators to fill staff vacancies, and are finding creative ways to get them trained.

Thanks to the efforts of numerous tech-savvy folks

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## New commissioner serving remotely

### *Megan Gilman joins PUC from Edwards in stay-at-home time*

Megan Gilman was appointed by Governor Jared Polis to the Public Utilities Commission (PUC) on March 6 and confirmed by the Colorado Senate on March 13. Gilman, from Edwards, was appointed after Susan Perkins withdrew her name from consideration.

"Megan's experience and expertise make her a great addition to the Commission," Polis said. "The PUC plays a critically important role in the lives of so many Coloradans and I believe Megan's vision and focus on saving ratepayers money and making renewable energy work is a positive step for Colorado."

Gilman holds a Bachelor's Degree in Mechanical Engineering and has done extensive work on energy issues for ratepayers, as well as within the utility industry. She spent 14 years working as a small business owner, where she was

deeply involved in energy use in the built environment working in projects in various countries.

From 2011–2020, Gilman served on the Board of Directors of Holy Cross energy and as the chair since 2015. In this role, Gilman was involved in rate analysis and strategy, large power supply changes and approving customer-facing programs and offerings.

With Holy Cross Energy, she also served as a representative to the Colorado Rural Electric Association, working with 22 different rural electric utilities throughout the state to understand the issues and impacts for ratepayers in each area.

Gilman, whose term will expire in January of 2024, joined Chairman Jeff Ackermann and Commissioner John Gavan 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



Megan Gilman

appointees may be from the same political party. Ackermann and Gilman are Democrats; Gavan is an Independent.

## June hearings set on Xcel TOU rates

A Public Utilities Commission (PUC) Administrative Law Judge will conduct an evidentiary hearing June 16–19 on a proposal by Xcel Energy to permanently implement time-of-use (TOU) electric rates for its residential customers.

Xcel's proposal would make a modified TOU rate schedule the default rate schedule for all residential customers once Advanced Metering Infrastructure (AMI) meter deployment is completed in their area. The company said it plans to start deployment of smart meters in the second quarter of 2021, and have all residential meters swapped out by the end of 2024.

Since 2017, Xcel has been conducting a large-scale trial for a voluntary TOU service rate schedule called Residential Energy Time-of-Use. TOU customers in the trial program would migrate to the new schedule when it becomes effective, which

is proposed to be January 1, 2021.

Based on what the company has learned from the residential TOU trial, Xcel has proposed a modified TOU rate schedule that is designed to encourage residential customers to shift their summer energy usage away from periods when electricity demand is greatest, which is when system costs as well as fossil fuel generation and associated carbon dioxide emissions are at their highest.

In addition to creating the opportunity for customers to reduce their bills by moving their energy usage to off-peak periods, reductions in load as a result of changes in customer behavior in response to the price signals established in the modified TOU rates can help reduce carbon emissions on (Xcel's) system, according to the company's filing.

If approved by the PUC, the proposed TOU rates would replace

summer tiered rates for Xcel customers in Colorado. The current tiered rate schedule focuses pricing on the amount of energy customers use, regardless of what time of the day that energy is used. TOU rates can assist in informing customers that at certain times of the day it costs more or less to deliver the energy they are using.

As proposed, the On-Peak rate would apply from 3–7 p.m. each weekday (except holidays) June through September. Off-Peak rates would stay in effect for most of the year (October to May), plus summer weekends and holidays.

Members of the public may submit written comments about the proposal by using the PUC's on-line comment form at [puc.colorado.gov/puccomments](http://puc.colorado.gov/puccomments) under proceeding 19AL-0687E.

A PUC decision on the proposal is expected later this year.

## Xcel seeks \$126.7 million gas rate increase

A Public Utilities Commission (PUC) administrative law judge will conduct hearings over two weeks in July on a proposal by Xcel Energy to increase natural gas base rates by a net \$126.7 million to pay for improvements to its natural gas distribution system.

Hearings are scheduled to begin July 7 at the PUC and run through July 17.

Xcel's proposal, filed in January, also includes rolling into base rates about \$17.7 million from the Pipeline System Integrity Adjustment (PSIA) that is being collected through a separate charge on customer bills.

If approved as filed, residential customers would see monthly rates increase by about \$6.44 (15.9 percent). The average small commercial customer's bill would

increase \$19.51 a month (11.7 percent).

The company is asking for a 9.95 percent return on equity (ROE), up from its currently authorized 9.35 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 its proposal supports extensive investments across its Colorado natural gas network to enhance reliability and build resiliency, especially during severe weather; reduce methane emissions; and strengthen safety through revitalized infrastructure and technology.

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 as 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.

Members of the public may submit written comments about the proposal by using the PUC's on-line comment form at [puc.colorado.gov/puccomments](http://puc.colorado.gov/puccomments) under proceeding 20AL-0049G. A final decision on the rate proposal must be issued by November 12.



# PUC/OCC advise utility customers to avoid scams

The Colorado Public Utilities Commission (PUC) and the Colorado Office of Consumer Counsel (OCC), two divisions within the Department of Regulatory Agencies (DORA), are helping to raise awareness about scams being perpetrated on utility consumers during the COVID-19 outbreak.

Unfortunately, scammers haven't taken a break during this public health crisis, and utility customers may be especially vulnerable. It is important for consumers to know that, in response to Governor Jared Polis' March 20, 2020 Executive Order D 2020 012, all Colorado electric and gas utilities have ceased disconnections during this time. If a utility customer receives any call threatening an immediate shutoff, it is a scam.

Colorado consumers can obtain information about their specific utility provider's policies in response to COVID-19 at this link: [Statewide Utility Measures Undertaken in Response to Executive Order](#).

### Signs of a Scam

- **Disconnection Deception:** Scammers call threatening disconnection of your utility service, demanding immediate payment by prepaid cards purchased at a local

retail store (or credit card, debit card, bank draft, wiring money, etc.) and insisting you call them back. This may also be done in person or via email.

- **Contractor Con:** Scammers posing as utility workers or contractors affiliated with your utility may knock on your door claiming to be employed or hired by the utility company to read, upgrade, reset, repair, replace, or inspect your utility meter or other utility-related device.
- **Bogus Bills:** Scammers send suspicious emails that appear to be a bill sent by your utility company, potentially featuring your utility's logo and color scheme.

### How Customers Can Protect Themselves

- Customers should never purchase a prepaid card to avoid service disconnection or shut off. Legitimate utility companies do not specify how customers should make a bill payment and always offer a variety of ways to pay a bill, including accepting payments online, by phone, automatic bank draft, mail, or in person. Utilities do not demand immediate payment over the phone. Further, companies never send a single notifi-

cation one hour or less before disconnection.

- At this time, utilities are not sending employees into homes to read in-home meters in an effort to promote social distancing to prevent further spread of the virus. Anyone claiming otherwise is not legitimate
- Do not click on any links or attachments in any email unless you have verified the sender. You may be directed to a scam website designed to steal your personal information or you might install malicious software onto your computer without ever knowing it. Utility companies typically send bills via mail, unless you have opted to receive your bill electronically.

Customers who suspect that they have been victims of fraud, or who feel threatened during contact, should alert local law enforcement authorities immediately. The Federal Trade Commission is also a good source of information about how to protect personal information. The Colorado Attorney General's Office Consumer Protection Section also provides consumer protection information for victims of fraud.

The Utilities United Against Scams

("UUAS") released an alert focused on scams in the time of the COVID-19 crisis:

<https://www.utilitiesunited.org/-/media/Files/UNITED/Documents/UUAS-overview-Covid-19v2.ashx>

## POSITIVE CHARGES

A giant pat on the back to **Daniel Yuen, Harris Adams** and **Christie Nicks** for their invaluable work in identifying and implementing technical platforms to keep PUC meetings and hearings in operation under the governor's stay-at-home and working remotely orders.

Kudos to **Daryl Branson**, PUC Advisor and State 911 Program Manager, for his leadership role in developing a COVID-19 resource page containing valuable resources and links of particular interest to Emergency Communications Centers. The web page was jointly produced by the Colorado 911 Program, the Colorado 9-1-1 Resource Center, and the Colorado Chapter of NENA/APCO and can be found at the link below:

[sites.google.com/state.co.us/colorado911program/covid-19-resources](https://sites.google.com/state.co.us/colorado911program/covid-19-resources)

Welcome to new PUC employees: **Michael Eden**, a rate/financial analyst in the Advisory Section; **Nardos Ghebregziabher**, an economist in the Energy & Water Section; **Jon O'Leary** and **Steve Seeger**, criminal investigators in the Transportation Section; and **Chris Duncan**, a rate/financial analyst in the Energy & Water Section.



Michael Eden



Nardos Ghebregziabher



Jon O'Leary



Steve Seeger



Chris Duncan

## INSIDE CONNECTIONS

**Mike Gullatte** was once ranked eighth among amateur dart players in the southeast region by the American Darters Association. He doesn't play much these days, but he can still land a bullseye at any moment.

Among his colleagues at the Public Utilities Commission (PUC), Gullatte is known for his sharp, quick-witted sense of humor. He is sure to zero in with a pointed barb in any situation.

"There are no such things as accidents," he says. "We all wake up just below the 'dumb' line and have to work every day to stay above it. When an 'accident' happens, it just means we had a momentary lapse and fell below the 'dumb' line."

Gullatte transitioned into a new role as an advisor in the PUC Advisory section at the end of April, after previously filling positions in the transportation section as a criminal investigator, rates and authorities analyst, and lead criminal investigator. As a policy advisor, he assists commissioners and administrative law judges in



Mike Gullatte and his wife on one of their frequent hikes.

preparation for hearings and deliberations, providing written analyses and recommendations about complex and highly-technical issues.

"I really like the fact that I have to constantly look at matters from all different views and consider how actions from the PUC may impact stake-

holders," he said. "I enjoy talking with others and learning from others. Many times conversations with others have led to me revising what I thought I knew."

Along with a 10-year state career with the Colorado Department of Public Health and Environment and the PUC, Gullatte has approximately 10 years' prior law enforcement experience in Alabama and Colorado, where he served as both a Field Training Officer and a certified Hostage Negotiator. Prior to law enforcement, he served eight years in the U.S. Army as a non-commissioned officer in the JAG Corps and his last year in the Criminal Investigations Division.

Outside of work, Gullatte considers himself an amateur war history buff, and enjoys learning about past military conflicts with a focus on air and armored warfare. He and his wife also enjoy taking hikes, or as he calls them, "death marches," in Colorado's national forests.

One of his favorite quotes comes from Gen George S. Patton, and seems appropriate in this uncertain time. "Success is how high you bounce when you hit bottom."

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

## Call 811 before digging to stay 'safer at home'

The Public Utilities Commission (PUC) reminds all Colorado residents to always contact 811 at least three business days before any digging project.

April is Safe Digging Month, an annual campaign to remind homeowners and contractors to call 811 before starting a home project that involves digging. But the requirement to "call before you dig" extends year round, and becomes even more important as people look for projects to complete during this "safer at home" time.

Whether you're a do-it-yourselfer

installing a fence, adding a mailbox or planting a tree, or a contractor working on a larger project, call 811. By dialing 811, homeowners and contractors are connected to Colorado 811, the local one call center, which notifies the appropriate utility companies of their intent to dig. Professional locators are then sent to the requested digging site to mark the approximate locations of underground lines with flags, paint or both.

Every six minutes an underground utility line is damaged because someone decided to dig without first contacting 811. Striking a single utility line can

cause injury, repair costs, fines and inconvenient outages. Every digging project, no matter how large or small, warrants a call to 811. Installing a mailbox, building a deck and planting a tree or garden are all examples of digging projects that should only begin after contacting 811.

"As the spring landscaping and construction season moves into full swing, this campaign is a way to remind homeowners and contractors that state law requires them to call 811 before starting any excavation or digging project," said **Joe Molloy**, chief of the PUC's Gas Pipeline Safety section.

The depth of utility lines can vary for a number of reasons, such as erosion, previous digging projects and uneven surfaces. Utility lines need to be properly marked because even when digging only a few inches, the risk of striking an underground utility line still exists.

Colorado 811 encourages all residents to visit [www.co811.org](http://www.co811.org) for more information about digging safely.

### Starting Point

(Continued from page 1)

within our agency and the department's IT staff, we have the capability for 100 percent of our staff to work from home if needed, while

still providing the necessary services and guidance to the industries that we regulate. The lesson to be learned here is that it's best to be as prepared for anything as we can be and, from there, just roll with the punches.

**COLORADO**  
Department of  
Regulatory Agencies  
Public Utilities Commission

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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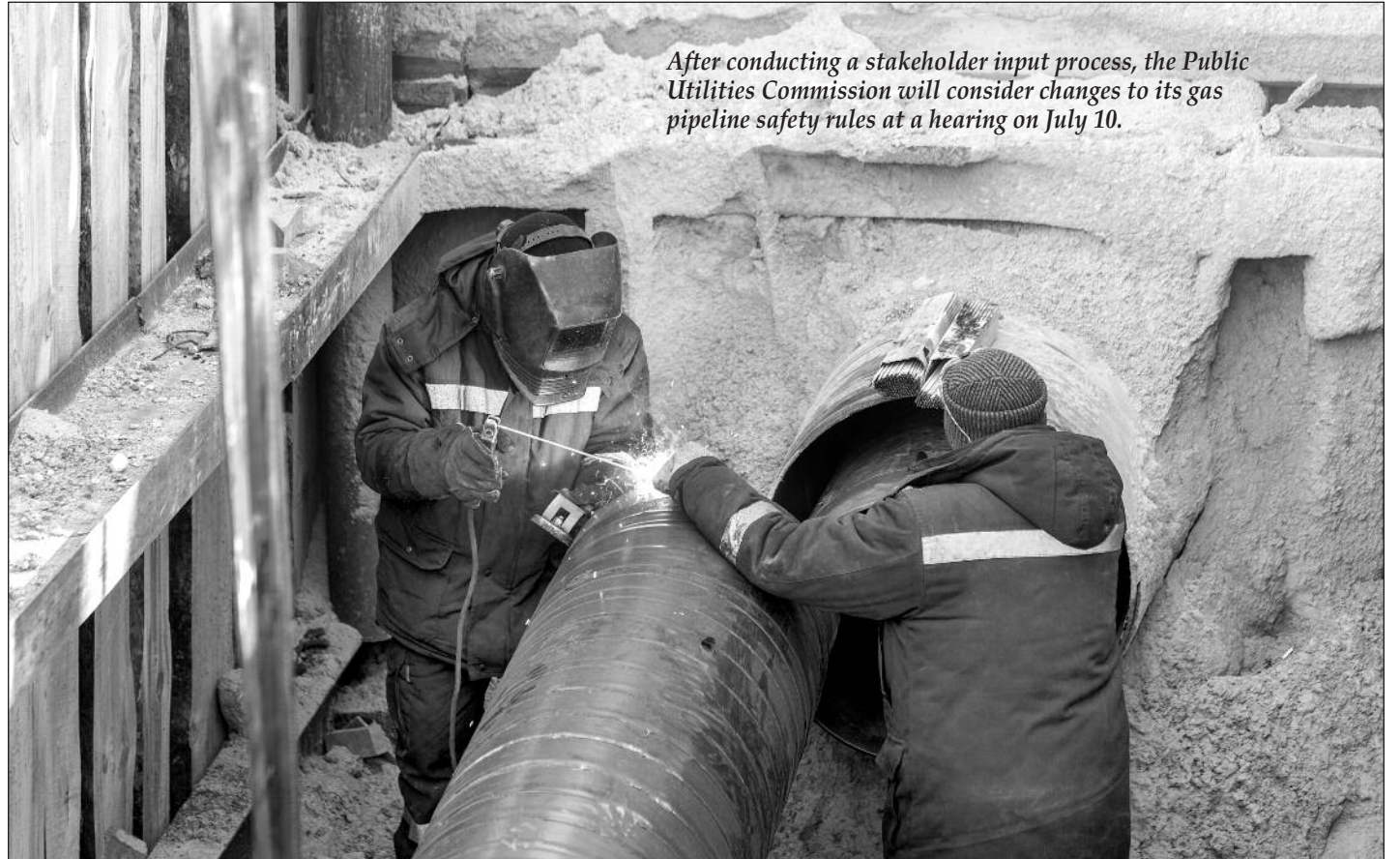
# PUC making changes to gas pipeline safety rules

The Colorado Public Utilities Commission (PUC) is undertaking its first comprehensive upgrade of its gas pipeline safety rules in nearly a decade.

The PUC issued a Notice of Proposed Rulemaking (NOPR) last December proposing significant changes to its pipeline safety rules, which were last updated in 2011. The aim of the proposed rules is to incorporate lessons from pipeline safety events that have occurred in subsequent years, make technical and substantive improvements, and provide procedural clarity and added transparency.

The Colorado PUC shares responsibility for pipeline safety oversight with other federal and state agencies, commissions, and regulatory bodies. The proposed rules include processes and requests for comment on continued coordination given these multi-jurisdictional interests, information sharing and enforcement efforts, which are all directed at the singular goal of ongoing improvements in pipeline safety.

The NOPR also recognized that funding for the PUC's pipeline safety program is less robust than the duties required to operate and enforce investigation efforts for the thousands of miles of gas pipelines in Colorado. The proposed rules include the potential for payment from certain pipeline operators that, although regulated by the PUC's gas pipeline safety rules, do not currently contribute financially at the federal or state level to enforce-



After conducting a stakeholder input process, the Public Utilities Commission will consider changes to its gas pipeline safety rules at a hearing on July 10.

ment or administration of the rules.

A PUC administrative law judge (ALJ) conducted an initial public hearing on the proposed rules on February 10. Based on the input of the commenters at the hearing, the ALJ directed interested parties to participate in an informal stakeholder

process in an attempt to develop consensus changes to the proposed rules.

A new version of the revised rules was due to be filed by May 15. Written comments and response comments concerning the revised rules are due June 5 and June 19 respectively. The ALJ has scheduled a second public hearing

on the proposal at 9 a.m. on July 10 at the PUC.

Members of the public may submit written comments about the revised rules by using the PUC's on-line comment form at [puc.colorado.gov/puccomments](http://puc.colorado.gov/puccomments) under proceeding 19R-0703GPS.

## Xcel proposes rate for opting out of advanced meter

The Public Utilities Commission (PUC) has suspended and set for hearing a proposal by Xcel Energy to provide an optional service rate for customers who wish to receive an alternative to the Advanced Meter Infrastructure (AMI) meter that the company proposes to roll out to all residential electric customers.

The PUC in 2017 approved a settlement supported by a broad spectrum of parties allowing Xcel to install AMI and associated components of an advanced communications network for all of its Colorado customers. The advanced metering and other new technologies will boost power reliability, allow for better integration of distributed generation on to the electric grid, and provide customers with more information to control and track their energy usage. The company expects to begin the AMI rollout in 2021.

The proposed tariff change would allow customers who desire to opt-out of the AMI meter and instead receive an Interval Data Meter (IDM).

Under the proposal, customers who elect to receive an alternative IDM meter who live within the Denver metro service area (including Boulder) would pay a monthly meter reading charge of \$11.84 to cover the costs associated with the manual read of the IDM. Customers outside the Denver metro service area would pay a \$23.64 monthly charge.

The company states that the proposed charges are the current contract cost the company pays to an outside vendor to manually read a meter at a customer's premise.

Xcel also is proposing a \$46 trip charge for the IDM meter removal and/or installation, equal to the current trip charge. Customers who elect to

receive an IDM meter prior to an AMI meter being installed on their premises would receive a one-time waiver of the trip charge.

The PUC on April 7 suspended the proposed tariff change and referred the proceeding to an administrative law judge for an evidentiary hearing to determine whether the proposed rates, terms and conditions are just and reasonable.

The Office of Consumer Counsel (OCC) filed a protest, claiming that the company's vendor already performs meter reading services for its natural gas customers, since Xcel has not installed AMI for its natural gas customers. The OCC contends that since a majority of Xcel's electric customers are also natural gas customers, the proposed cost to read electric meters at the same location is too high.

## Area code relief needed by 2023

Colorado's 303/720 area code is within three years of needing relief from number exhaust, according to the latest projections by the national telephone numbering administrator.

The 303/720 area code, which encompasses the Denver metro area, is projected to run out of useable telephone numbers by the second quarter of 2023. That is one quarter later than the previous forecast of first quarter 2023, which was released in October of 2019.

Once 303/720 reaches exhaust, a new area code will be required to overlay on top of the existing numbers.

Somos, Inc., the North American Numbering Plan Administrator, released its latest area code exhaust dates in April. The administrator revises its area code exhaust projections twice a year, based on demand for telephone numbers.

For Colorado, the exhaust dates for both the 970 and 719 area codes were pushed ahead in the latest projections.

The exhaust forecast for Colorado's 970 area code, which includes Fort Collins, Grand Junction and the western and northern parts of the state, is now the fourth quarter of 2027, a full two years sooner than the previous forecast.

The 719 area code, which encompasses Colorado Springs, Pueblo and the southeastern part of the state, remains in the best position for numbering resources, according to the projections. The exhaust forecast for 719 is for the third quarter of 2038. However, that projection did jump seven years earlier than last October's projection of third quarter 2045.

Colorado had just one area code (303) until 1988, when 719 was introduced in southeast Colorado. In 1995, the 970 area code was added to serve the northern and western part of the state. Then, in 1998, the 720 area code was overlaid on top of the 303 code to provide number relief in the Denver metro area.

## Xcel seeks authority to build 230-kV transmission project

Xcel Energy has filed an application with the Public Utilities Commission (PUC) seeking approval of a new 230-kilovolt transmission project and three transmission line upgrades associated with its Colorado Energy Plan Portfolio.

The company is requesting that the PUC grant a Certificate of Public Convenience and Necessity (CPCN) to construct the Greenwood to Denver Terminal 230 kV Transmission Project. The proposed project includes:

- Installing approximately 15 miles of new transmission facilities located in existing rights-of-way originating at the existing Greenwood substation in the southeast Denver metro area, and terminating at the Denver Terminal substation on the west side of the City of Denver's city center and;
- Modifications to the existing Greenwood, Arapahoe, and Denver Terminal substations to accommodate the new 230 kV circuit, including an expansion of the Denver Terminal substation.

Xcel also plans to perform minor upgrades to three existing transmission lines by modifying termination equipment within existing substations.

The company said the GDT project and transmission line upgrades are needed to implement the Colorado

Energy Plan Portfolio (CEPP) approved by the PUC in 2018. The CEPP was designed to develop a significantly cleaner energy mix and reduce carbon emissions in Colorado through the specific acquisition and retirement of certain generation facilities through 2025.

Through the CEPP, Xcel is expected to add approximately 1,100 megawatts (MW) of wind generation, 700 MW of solar generation, and 275 MW of battery storage to the system. Xcel also will retire 660 MW of coal-fired generating facilities (Comanche 1 in 2022 and Comanche 2 in 2025) in Pueblo.

Xcel estimates that construction of the project will cost approximately \$50.1 million with an additional \$1.8 million for the three transmission line upgrade projects.

In addition to granting a CPCN, Xcel is requesting that the PUC grant a presumption of prudence for the costs of the project; and find that the projected noise and magnetic field levels that will result from its operating are reasonable and require no further mitigation.

The PUC on April 1 deemed the application complete and referred it to an administrative law judge for an evidentiary hearing. PUC staff and the Office of Consumer Counsel have intervened in the proceeding.



# Hearings set for Black Hills proposal to amend ERP

A Public Utilities Commission (PUC) administrative law judge has scheduled hearings for August 18–19 on a proposal by Black Hills Colorado Electric to amend its 2016 Electric Resource Plan (ERP) to solicit competitive bids for up to 200 megawatts (MW) of renewable energy and energy storage from individual projects.

The proposed “Renewable Advantage” project, filed late last year, would significantly increase renewable penetration on the company’s system while providing annual savings to customers, according to the company’s application. As proposed by Black Hills, after hosting a competitive solicitation and evaluating the bids,

the company will report to the PUC on the acquisitions that can take place to result in customer savings.

In support of its application, Black Hills said there have been two major developments since its last ERP that have caused the company to reevaluate whether there is an opportunity to acquire increased renewables while also reducing customer bills. One was a 2019 competitive solicitation by Xcel Energy that resulted in very low prices of new solar resources. Second, existing tax credits for wind and solar generation resources are expiring and phasing-out after 2019.

Black Hills is proposing to expedite the solicitation, evaluation and acquisition

process to facilitate the entering of an energy purchase agreement within 12 months, if a determination is made that new resources can be added to the company’s system resulting in annual customer savings. In the event that Renewable Advantage results in bids that would increase rates, then Black Hills said it would recommend to the PUC that procurement decisions be delayed until the company’s next ERP filing.

Black Hills asserts that customer savings will occur by displacing higher-cost power supplies with lower-cost renewable energy supplies. Customers would receive the benefits of these saving through the company’s Energy Cost

Adjustment. In addition, Black Hills asserts that Renewable Advantage has the potential to increase the company’s retail load served by renewables to approximately 55–65 percent.

In an interim decision on April 10, the administrative law judge denied a motion by PUC staff to dismiss the application and adopted a procedural schedule, including hearing dates in August. A recommended decision on the proposal is expected later this fall.

Members of the public may submit written comments about the proposal by using the PUC’s on-line comment form at [puc.colorado.gov/puccomments](https://puc.colorado.gov/puccomments) under proceeding 19A-0660E.

## Xcel proposes community energy storage initiative

Xcel Energy is asking the Public Utilities Commission (PUC) to approve a plan to develop and construct community-based energy storage system projects that will provide important safety and reliability benefits for communities while at the same time expanding the integration and utilization of battery technology on the system.

Xcel’s proposed Community Resiliency Initiative (CRI) was filed in accordance with Colorado’s 2018 Energy Storage Procurement Act, which allowed electric utilities to file applications for rate-based projects, not to exceed 15 megawatts, for energy storage systems.

The company seeks to develop targeted, community-based microgrid projects throughout its territory that will benefit customers while increasing resource diversity, grid safety and resiliency on the Xcel system.

Many communities are establishing “resiliency centers” to maintain stable

functions, including a secure power supply, during and immediately following a major or extreme weather event or other disruptions. These resiliency centers are typically existing structures, services and/or facilities considered crucial to the community.

According to the proposal, the benefits of the initiative include: (1) improving resiliency within Colorado communities; (2) supporting the company’s clean energy transition through the integration of distributed energy storage; (3) providing additional benefits to the grid such as system peak reduction and distribution feeder support; and (4) providing clean energy jobs to the Colorado workforce.

Following a competitive request for proposals for the design and construction of the projects, Xcel has identified seven discrete projects totaling 6 megawatts and 15 megawatt-hours of rate-based energy storage systems with an estimated

cost of \$23.4 million. The company seeks approval of the initiative, and also requests a finding of prudence for these projects, for which the costs will then be brought forward in a later rate review proceeding.

A notice was filed with the Public Utilities Commission (PUC) on April 27 announcing that the parties had reached

a settlement in principle in the proceeding. A PUC administrative law judge has scheduled a hearing for June 23 on the proposed settlement.

Members of the public may submit written comments about the proposal by using the PUC’s on-line comment form at [puc.colorado.gov/puccomments](https://puc.colorado.gov/puccomments) under proceeding 19A-0225E.

## E-911 authority boards receive approval for surcharge hikes

The Public Utilities Commission (PUC) has approved several more requests by emergency telephone service authority boards in Colorado for increases in monthly surcharges to offset rising costs of providing E-911 service.

The PUC on April 8 approved a request by the Montezuma County Emergency Telephone Authority to raise its E-911 surcharge from \$.70 to \$1.40 a month effective July 1, 2020. The increase is expected to provide necessary funding for equipment and operations at the Cortez Communications Center, which provides E-911 services for all of Montezuma and Dolores counties in southwest Colorado.

Two other authority boards were approved to implement E-911 surcharge increases in March. The Gunnison-Hinsdale 911 Authority Board received approval to raise its monthly surcharge from \$1.00 to \$2.00 a month; and the Las Animas County authority board was granted an increase from \$1.50 to \$3.00 per month.

On April 2, Clear Creek County authority board submitted a request to increase its E-911 monthly surcharge from \$ 1.25 to \$2.40. The application states that additional funding is

needed to stabilize the county’s budget for emergency telephone services, as well as keep pace with technology and industry standards. The PUC is expected to consider Clear Creek’s request later this spring.

Land-line and wireless telephone customers in Colorado pay a monthly surcharge to fund the equipment and operational expenses of the E-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 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 permission from the PUC. Anything above that amount requires PUC approval.

The PUC has seen a rise in surcharge increase requests in the last two years as emergency telephone service authority boards experience higher costs in transitioning to Next Generation 911 service, and as cities and counties reduce their support for 911 services due to budget constraints, according to **Daryl Branson**, the PUC’s 911 program manager.

## PUC staff report summarizes EV infrastructure comments

The Colorado Public Utilities Commission (PUC) in February released a staff report summarizing comments from interested parties about what information would be useful for electric utilities to include in upcoming proposals to support transportation electrification.

Legislation adopted last year directs electric public utilities to file no later than May 15, 2020, and every three years thereafter, an application for a program for regulated activities to support widespread transportation electrification within the utility’s service area. The legislation established several criteria for evaluating the proposals, including: seek to maximize benefits and minimize costs; improve use of the electric grid; increase access to electricity as a transportation fuel; ensure safety and reliability;

contribute to air quality standards; foster competition for charging; include transparent public reporting; and provide access for low-income customers.

The PUC opened a miscellaneous proceeding in October to gather information from stakeholders regarding utility applications for transportation programs prior to utilities filing their plans. The report captures those comments and organizes them into a singular document. In the conclusions section of the report, PUC staff identifies certain areas of information and analysis that it encourages utilities to consider in their upcoming filings.

The report can be found on the PUC website at the following location: <https://drive.google.com/open?id=1Jegh8tpk6pRhv2XBVt7HqDO3APq5I1Lr>.



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