

Connections

NEWSLETTER OF THE COLORADO PUBLIC UTILITIES COMMISSION

SEPTEMBER 2020

STARTING POINT



By Doug Dean
Director

Access to local emergency services and community resources is vital to all residents, and can improve and possibly save many lives.

The National Telephone Discount Program—or Lifeline—helps low-income consumers connect to the nation’s voice and broadband networks, find jobs, access health care services, connect with family, and call for help in an emergency. For some, being connected can be the difference between social connection and complete isolation, and it is even more important during these difficult times.

The Colorado Public Utilities Commission (PUC) wants residents to “stay connected” and is reaching out to those who need telecommunications service but can’t afford it by supporting educational efforts to promote the Lifeline program.

The National Association of Regulatory Utility Commissioners (NARUC), the National Association of State Utility Consumer Advocates (NASUCA) and the Federal Communications Commission (FCC) have designated the first week after Labor Day—this year September 14–18, 2020,—as National Telephone Discount Lifeline Awareness Week. The week is designed to both raise awareness of and increase participation in Lifeline, a federal/state program that helps make telephone service more affordable for qualified customers.

Under the federal Lifeline program, customers who participate in certain public assistance and veterans’ pension programs, or qualify based on income, can receive a discount of at least \$9.25 per month off their monthly bill for phone, broadband, or bundled phone and broadband service. More information on program eligibility and rules is available at <http://www.lifeline-support.org>.

Almost 87,000 people in Colorado receive the Lifeline discount, according to 2015 statistics from the Universal Service Administration Company. To see a list of telecom companies that offer Lifeline service in Colorado, visit the following link: <https://data.usac.org/publicreports/CompaniesNearMe/State/StateOption/CO>.

(Note: not all companies service all areas of the state. Please contact the company to find out if they offer service to your address.)

PUC sets hearing on Xcel EV plan

The Public Utilities Commission (PUC) has scheduled hearings in November on Xcel Energy’s proposed three-year plan to support transportation electrification in Colorado.

The company filed an application with the PUC on May 15 seeking approval of its 2021–2023 Transportation Electrification Plan (TEP). The plan is intended to support the state’s goal of getting 940,000 electric vehicles (EV) on the road by 2030 and to help position Colorado as a national leader in vehicle electrification.

Legislation adopted in 2019 required 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 conducted a stakeholder process and issued a staff report earlier this year after gathering information regarding utility applications for transportation programs prior to utilities filing their plans.

In its application, Xcel said its plan is designed to benefit all drivers, all



Xcel Energy’s Transportation Electrification Plan would support the state’s goal of putting 940,000 electric vehicles on the road by 2030.

customers, and the state by helping reduce greenhouse gas emissions and air pollution while keeping electric bills low and benefitting the electric grid.

“It will achieve these outcomes by fostering greater awareness of the opportunities and benefits of electric transportation; reducing barriers to adopting electric transportation; increasing access to the benefits of electric transportation; and encouraging EV charging in ways that reduce system costs and enable our vision to realize a 100 percent carbon free grid,” according to the application.

Xcel’s plan is organized into five portfolios: Residential; Multi-Unit Dwelling; Commercial; Research, Innovation and

Partnerships; and Advisory Services. Xcel also is proposing a flexible notice process to enable the company to make changes necessary to accomplish program goals in an agile manner while promoting transparency and stakeholder engagement.

The company is proposing a total budget of about \$102 million over the three-year timeframe of the TEP, with the flexibility to increase the annual TEP funding level up to 125 percent of the overall annual budget for each plan year.

Hearings on the Xcel application are scheduled November 12–13 and November 16–18 at the PUC, with a decision expected by early next year.

Settlement proposed in gas rate case

A Public Utilities Commission (PUC) decision is expected later this fall on a proposed settlement in Xcel Energy’s request to increase its natural gas base rates to pay for improvements to its natural gas distribution system.

Xcel filed an “unopposed and comprehensive” settlement proposal in July, addressing all issues of the company’s gas rate case originally filed in January. The filing stated that all parties to the proceeding joined in, in whole or in part, or did not oppose the settlement.

The settling parties agreed to a net increase of \$77.3 million in annual revenue for the company, down from the original request for an increase of \$126.7 million. The additional revenue will be used to support extensive investments across Xcel’s 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.

Under the proposed settlement, residential customers would see bills increase by about \$3.83 a month (9.36 percent). The average small commercial customer’s bill would increase \$12.14 a month (7.55 percent).

The proposed settlement established a 9.2 percent return on equity (ROE) for the company, down 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.

Although the proposed new rates would become effective in November under the agreement, the settlement defers rate changes on customer bills until April 1, after the upcoming 2020–21 heating season, in recognition of the economic impacts

of the continuing COVID-19 crisis.

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.

A PUC administrative law judge conducted a hearing on the proposed settlement in mid-August. The judge is expected to issue a recommended decision on the agreement by the end of September.

ALJ sides with co-ops in Tri-State complaints

A Public Utilities Commission (PUC) Administrative Law Judge (ALJ) has ruled in favor of United Power and La Plata Electric Association (LPEA) in their battle with Tri-State over the charge for the cooperatives to leave the generation and transmission association’s system.

The ALJ issued a recommended decision on July 10 concluding that Tri-State’s refusal to provide an exit charge to United and La Plata was

“unjust, unreasonable and discriminatory.” The ALJ adopted an exit charge methodology proposed by United, with minor adjustments, as the proper methodology to calculate an exit fee for members of Tri-State.

Tri-State is a generation and transmission association that is owned by 42 not-for-profit rural distribution cooperatives and public power districts in Colorado, Nebraska, New Mexico and Wyoming, as well as three

non-utility members. Several members have sought to withdraw from the association over the past five years in search of cleaner and cheaper power alternatives.

LPEA filed a formal complaint against Tri-State on November 5, 2019, requesting that the PUC determine a just, reasonable and non-discriminatory exit charge for LPEA, which serves more than 46,000 meters in southwest

(Continued on page 2)

Utility bill assistance options available

Colorado customers of electric and natural gas service who need assistance have options for help paying their bills. With the temporary moratorium on utility disconnections lifted by the governor, the Colorado Public Utilities Commission (PUC) and the Office of Consumer Counsel (OCC) want consumers to be aware of their options for assistance in paying their energy bills.

To avoid disconnection, customers who have fallen behind in their payments are encouraged to contact their electric or gas utility. Information about how to contact the utility can be found on the customer's bill, the utility's website or the PUC's website at "[Colorado Electric & Gas Utility Contact Information](#)."

Most utilities will work with customers who are having difficulties in paying their bills to make payment arrangements, especially during the COVID-19 pandemic. The payment arrangements can spread payments across multiple months giving

customers the opportunity to become current. Many utilities are also waiving related fees.

Residential customers of investor-owned utilities (Xcel Energy, Black Hills Energy, Atmos Energy, Colorado Natural Gas) also may prevent a shutoff by providing the utility company a "medical certification" from a doctor, or health practitioner acting under a doctor's supervision, stating that disconnecting service would be especially dangerous to the health or safety of the customer or a permanent resident of the customer's household.

If a medical certification is given to the company, no shut off of service will occur for up to 90 days from the date of the certificate. A medical certificate can delay a disconnection for no more than 90 days during any consecutive 12-month period.

For more information about utility disconnections and collections, see the PUC's For-Your-Information fact sheet

on "[Your Rights as an Electric or Natural Gas Utility Customer](#)."

If customers cannot reach an agreement with their utility, they may contact the PUC consumer affairs unit for assistance at 303-894-2070 or by filing a complaint via the [PUC website](#).

If a customer is having difficulty paying their energy bill or receives a disconnection notice, they may be eligible for assistance from Colorado's Low-Income Energy Assistance Program (LEAP) or Energy Outreach Colorado. To determine eligibility or to apply online, go to the [Colorado Department of Human Services](#) or call 1-866-HEAT-HELP (1-866-432-8435) to apply over the phone.

Energy Outreach Colorado, a non-profit organization, provides payment assistance beyond that offered by the utilities and LEAP to help customers with their energy costs. For information visit <https://www.energyoutreach.org/programs-for-individuals/bill-payment-assistance/>.

POSITIVE CHARGES

⚡ Congratulations to **Daryl Branson**, PUC Advisor and State 911 Program Manager, who was named the recipient of the 2020 PSAPs' Finest Lifetime Achievement Award from NICE Public Safety in August. NICE is a vendor that sells 911 center equipment, but also conducts an annual awards program to recognize dedicated individuals and team standouts in public safety emergency communications.

Winners are chosen by an independent panel of volunteer judges from the public safety community who evaluate nominees based on their accomplishments, skills, knowledge and dedication. Daryl was nominated for the prestigious award by Jennifer Kirkland, 911 center manager in Grand Junction.

⚡ Kudos to **Susan Sampson** on her recent promotion to rate/financial analyst in the Rate Analyst unit of the PUC's Fixed Utilities Section; and to **Jemima Arthur-Asmah** on her promotion to rate/financial analyst in the Advisory section.

⚡ A big pat on the pack to the Consumer Affairs team for a great job on resolving informal complaints for the fiscal year. For the year ending June 30, the team resolved an outstanding 99.45 percent of informal complaints within 15 days. Team members include **April Woods**, **Deb Fajen**, and **Katie McBride**. **Gladys Rey** also was a member of the team for most of the year before taking a position as a rate/financial analyst in the Telecom unit.

⚡ Welcome to new PUC employees: **Kelly Crandall**, a rate/financial analyst working in the Advisory section; **Steve Dahlke**, an economist working in the Fixed Utilities Economics unit; **Dan Greenberg**, a rate/financial analyst working in the Advisory section; and **Ross Smith**, a legal assistant working in the Administrative Hearings section.

Complaint unit nets consumer savings

The Public Utilities Commission's (PUC) External Affairs section secured \$32,110 in credits, refunds and avoided costs on behalf of utility customers during the 2019-2020 fiscal year, according to the section's annual consumer assistance summary.

The section works to resolve informal disputes between customers and utilities, including transportation companies. For the 12 months ending June 30, 2020, the Consumer Assistance unit fielded 4,031 calls during the past year, a decrease from 4,911 calls in the previous fiscal year.

However, due to the unexpected COVID-19 closure of the office, staff was unable to answer "live" calls for approximately three months. During this period, calls were not able to be tracked to be included in the above statistics, however they were handled by timely

returning messages left by the public.

In all, consumer assistance staff addressed inquiries regarding 223 different telecommunications, gas, electric, water and transportation companies. The staff took in 1,560 contacts and closed 1,572 for the fiscal year, compared to 1,795 contacts and 1,812 closed contacts a year ago.

A contact is a phone call, letter, email or on-line complaint that requires some follow-up action from the consumer assistance staff. The number of contacts received and closed is not the same because a contact is not necessarily opened and closed within the same fiscal year.

The unit resolved 99.45 percent of its contacts within 15 business days for the fiscal year.

For the most recent fiscal year, the

section closed 362 contacts concerning Xcel Energy (Public Service Company of Colorado), down from 529 contacts the previous year. The PUC closed 211 complaints related to Qwest (CenturyLink QC), compared to last year's total of 233.

When closing a contact, the staff determines the appropriate category. If the consumer files a general inquiry requiring follow-up by a specialist, the contact is closed as an "information" request. If the complaint is in opposition to a proposed rate increase or a utility's service or action, it is counted as an "objection." When the staff determines that a utility has not complied with PUC rules or regulations, the complaint is closed as "not in compliance."

The section also handled 217 media contacts and issued 21 news releases for the fiscal year.

INSIDE CONNECTIONS

Marquita Riley has the perfect attitude for navigating through the pandemic and the challenges of working remotely.

"Great things never come from comfort zones," she said.

Riley is a Program Assistant in the PUC's transportation section. In that role, she provides general administrative support, performs qualifications for driver fingerprints, reviews petitions from companies and drivers for vehicle and medical waivers, assists transportation investigators, and testifies at transportation insurance show cause hearings.

"I'm a people person and I really like working on a team," Riley said. "During this remote work period I believe we have all picked up a few extra duties and become more of a team player."

Riley started at the PUC in April of 2017. Before that she worked at



Marquita Riley

ADT Security Service in the Department of Defense for 12 ½ years. She also worked at Rose Medical Center as a dietician assistant.

She attended Metro State University,

studying Criminal Justice, but did not earn a degree. Her goal is to finish school at some point (she has about a year and a half left), but she never intends to stop learning.

"I enjoy learning. If I could I would be a professional student, provided I didn't have to worry about tuition," she said. "That would be my dream job—knowing random facts about a lot of things."

Riley, who has a 10-year-old daughter, is the youngest of 10 siblings so she enjoys hanging out with family whenever she can. She also likes do-it-yourself projects around the house, reading, watching television, shopping, and going to comedy clubs.

"I love to have and laugh," she said. "Life is too short to be miserable."

She also takes comfort in a favorite quote from Sophia Bush—"You are allowed to be both a masterpiece and a work in process simultaneously."

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



Kelly Crandall



Steve Dahlke



Dan Greenberg



Ross Smith

Tri-State complaints

(Continued from page 1)

Colorado. United, which serves more than 93,000 members in Adams, Weld, Jefferson, Boulder, Gilpin and Broomfield counties, filed a similar complaint the next day.

Both cooperatives purchase power and services from Tri-State under a Wholesale Electric Service Contract, which runs until 2050. The contract requires that La Plata and United

purchase 95 percent of their power from Tri-State.

The formal complaints were consolidated into a single proceeding and a remote hearing was held May 18-19.

In siding with United and La Plata, the ALJ noted that "rather than propose a competing methodology, Tri-State pursued a strategy of attempting to thwart the Commission of its jurisdiction and encouraging the Commission not to exercise its authority."

"It is important that (Tri-State) Members who wish to seek alternatives

can easily assess the pros and cons of continuing membership. The evidence presented in this proceeding, and the reason this proceeding was filed, makes it clear that Tri-State is not overly concerned with addressing the concerns of its Members," the ALJ wrote.

Tri-State, United and La Plata have filed exceptions to the ALJ's recommended decision, which will be taken up by the PUC Commissioners at a later date. Tri-State also has filed appeals in court and with the Federal Energy Regulatory Commission.



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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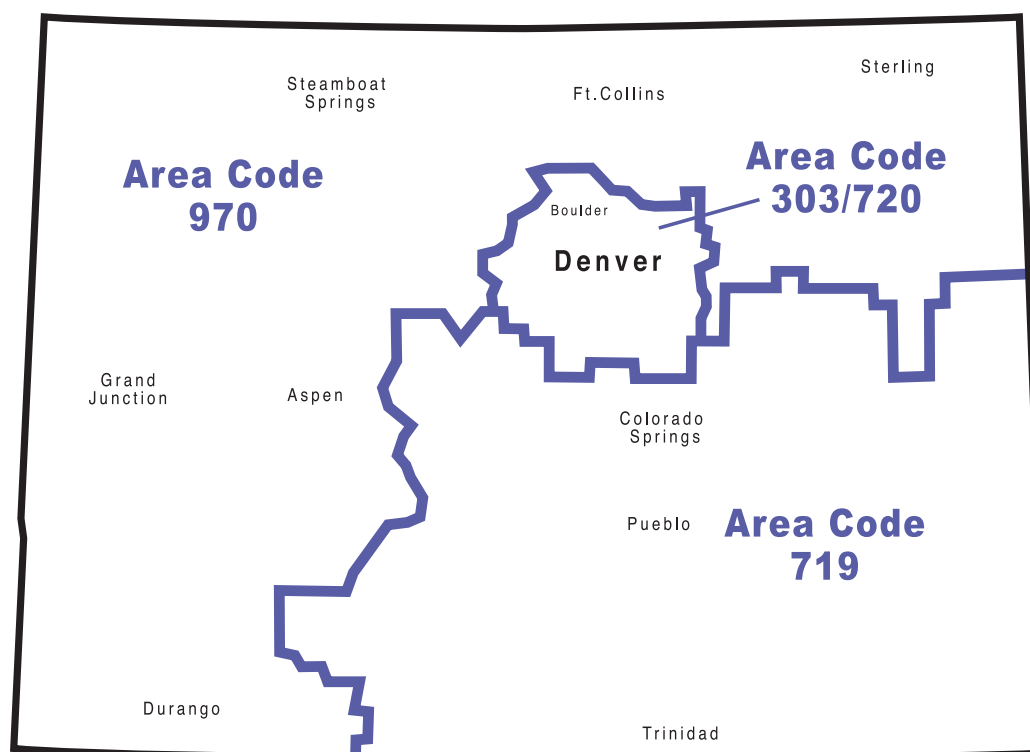
New overlay proposed for 303/720 area code relief

The North American Numbering Plan Administrator (NANPA) has filed a petition requesting that the Public Utilities Commission (PUC) approve an all-services overlay of a new area code to provide numbering relief for Colorado's current 303/720 area code.

NANPA, the neutral third-party numbering plan area relief planner, filed the request in May on behalf of the Colorado telecommunications industry. Absent the relief, the supply of central office codes (also known as NXX codes), in the 303/720 area code is projected to exhaust during the second quarter of 2023.

In order for relief to be implemented before numbering exhaust occurs in the 303/720 area code, the industry requests the PUC issue an order no later than fourth quarter of 2021 approving a nine-month implementation schedule. Adherence to this schedule will allow the new area code to be implemented six months prior to the projected exhaust, according to the petition.

The 303/720 area code covers the north-central portion of Colorado,



including the Denver metro area.

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.

The proposed all-services overlay would superimpose a new area code

over the same geographic area covered by the existing 303/720 area code and is projected to last 25 years. All existing customers would retain their 303 or 720 area code and would not have to change their telephone numbers. The current dialing pattern—10-digit local calling and 1 + 10-digit long-distance calling—would remain the same.

Industry participants reached consensus to recommend to the PUC a nine-month schedule for implementing the all-services overlay. That period would include customer education and network preparation by telecommunications providers. Activation of the new area code would take place no later than the fourth quarter of 2022.

Currently, 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. For the 719 area code, which encompasses Colorado Springs, Pueblo and the southeastern part of the state, the exhaust forecast for 719 is for the third quarter of 2038.

In July, the PUC referred the proceeding to an administrative law judge for a hearing.

Statewide 911 surcharge among funding changes

The Public Utilities Commission (PUC) has opened a proceeding to implement changes approved in 2020 by the Colorado Legislature to the state's emergency telephone service statutes.

The legislature earlier this year adopted House Bill 20-1293 in an effort to provide for the future of 911 technology and funding in Colorado. It is the first major overhaul of 911 funding legislation in the state in 30 years.

The new law directs the PUC by October 1 to establish several changes to how 911 services are funded by:

(1) adjusting the threshold at which PUC approval is required for increased local emergency telephone charges;

(2) establishing a new statewide 911 surcharge to be assessed on every phone bill in Colorado;

(3) setting a flat-rate 911 surcharge for each pre-paid wireless services retail transaction; and

(4) determination of the formula for distribution of money to governing bodies from the prepaid wireless 911 charge.

"It is the intent of the General Assembly to maintain and strengthen the existing local funding structure for emergency telephone service in the state, while also creating a new funding mechanism for local expenditures that will improve the quality of the emergency telephone service statewide," the new law states.

All land-line, wireless, and Voice-over-Internet-Protocol (VOIP) 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 authority boards.

Prior to the new law, a 911 authority could 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 required PUC approval. The 70-cent threshold has not been adjusted since 1990.

The new law requires that the PUC establish a new threshold rate by October 1 of each year above which local authorities must seek PUC approval. In setting the rate, the PUC is to consider inflation and the needs of the governing bodies. The new threshold rate will take effect January 1.

The PUC by October 1 also must establish a new statewide 911 monthly surcharge, not to exceed 50 cents, to provide additional funding support to local 911 authorities. The PUC has proposed an initial rate of 10-cents per month.

Interested persons may submit written comments about the 911 surcharge changes by using the PUC's on-line comment form under proceeding number 20M-0337T.

Local 911 authorities granted increases in monthly surcharge

The Public Utilities Commission (PUC) has approved two 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 May 27 approved a request by the Archuleta County Board of County Commissioners to raise its E-911 surcharge from \$1.25 to \$2.25 a month. The increase is needed to provide necessary funding for equipment and operations at the Archuleta County Combined Dispatch Center, which provides E-911 services for Archuleta County, including Pagosa Springs, in southwest Colorado.

The increase, the first since 2010, will be used for capital equipment upgrades, facility relocation, and increased costs for EISnet implementation. With the increase, funding for E-911 services is expected to be sufficient for at least five years, according to the application.

On May 15, the PUC approved a request from the Clear Creek County authority board to increase its monthly E-911 surcharge from \$ 1.25 to \$2.40.

The additional funding is needed to stabilize the county's budget for emergency telephone services, as well as keep pace with technology and industry standards.

Both surcharge increases were scheduled to take effect in July.

Land-line, wireless and Voice over Internet Protocol (VoIP) 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.

Previously under Colorado law, a 911 authority could 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 required PUC approval. Under a new law passed this year, the PUC will establish a new threshold rate by October 1 of each year at which PUC approval is required for increased local emergency telephone charges.

FCC designates dialing code for suicide prevention hotline

The Colorado Public Utilities Commission (PUC) wants consumers to be aware that the Federal Communications Commission (FCC) is making it easier for callers in crisis to receive help.

The FCC in July adopted an order to designate "988" as a nationwide abbreviated dialing code for a suicide prevention and mental health crisis hotline.

The order gives all telecommunications carriers and interconnected VoIP (voice over Internet protocol) service providers until July 16, 2022, to make any necessary changes to their networks to ensure callers can dial 988 to reach the existing National Suicide Prevention Lifeline, which consists of 170 crisis centers around the country, the FCC said.

The current 10-digit number, 800-273-TALK, or 800-273-8255, will remain available during the transition and after it is completed, the Commission said. Veterans can press 1 after connecting to reach the Veterans Crisis Line.

In adopting the order, the FCC noted that suicide has ranked as the 10th leading cause of death in the U.S. since 2008, and that more than 48,000 Americans committed suicide in 2018.

FCC Chairman Ajit Pai said during the agency's deliberations that establishing 988 will result in "millions more Americans receiving the services they need. When more Americans receive those services, we know that more lives will be saved."

The number could also help "reduce the stigma" regarding suicide and mental illness that may dissuade people from seeking help, he said.

"My hope is that establishing a government-backed 988 suicide and mental health three-digit dialing code on par with the 911 dialing code that all Americans know for emergencies, we will send a powerful signal that there's nothing shameful about seeking help in times of crisis," Pai said. "That it's a sign of strength, not one of weakness. We will let people know that they are not alone."

Pai also said the FCC made the correct decision to reject requests by some providers for a phased-in implementation for 988 service.

"We believe that a uniform implementation date will minimize potentially deadly consumer confusion that could result from having 988 in some, but not all areas," he said.

Settlement filed supporting Black Hills ERP change

Parties have filed an unopposed and comprehensive settlement supporting a proposal by Black Hills Colorado Electric for approval of an amendment to its 2016 Electric Resource Plan (ERP) concerning a competitive solicitation for up to 200 megawatts (MW) of renewable energy and energy storage.

The proposed settlement, filed August 13 by Black Hills, was joined by staff of the Public Utilities Commission (PUC), the Office of Consumer Counsel, the city of Pueblo, Pueblo County commissioners, the Colorado Energy Office, Western Resource Advocates and the Colorado Independent Energy Association. The agreement must be approved by the PUC.

Black Hills filed its “Renewable Advantage” application late last year, stating that it would significantly increase renewable penetration on the company’s system while providing annual savings to customers.

In support of its application at the time, Black Hills said there had been two major developments since its last ERP that have caused the company to reevaluate whether there was 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 were

expiring and phasing-out after 2019.

In reaching a settlement, parties agreed that the PUC should approve Black Hills’ request to amend its previously-approved ERP and the PUC should issue a decision finding that the company’s preferred bid—a new 200-megawatt low-cost solar energy resource—is in the public interest. The preferred bid provides fixed-price certainty for 15 years that offers energy cost savings and lowers system carbon emissions, according to testimony supporting the settlement.

The settlement also calls for approval of two back-up bids, which provide the company needed flexibility and leverage in negotiating with project developers,

according to the settlement. The designation of back-up bids increases the likelihood that ratepayers will get the benefit of Renewable Advantage resources consistent with the company’s intent.

In addition, the settlement includes reporting provisions that will provide the PUC needed monitoring and transparency.

Supporters of the settlement said it will further the utility’s progress in meeting the goal of reducing greenhouse gas emissions by 80 percent relative to 2005 levels pursuant to House Bill 19-1251, and the acquisition is also supportive of the governor’s goal of achieving 100 percent renewables by 2040.

Xcel proposal for advanced grid rider set for hearing

The Public Utilities Commission (PUC) has suspended and set for hearing a proposal by Xcel Energy to implement a new charge on customer bills for the next five years to fund its advanced electric distribution grid efforts.

The company in July submitted a filing seeking approval to implement an Advanced Grid Rider to recover capital expenses and operations and maintenance costs associated with its Advanced Grid Intelligence and Security Initiative. The time period for which Xcel is seeking recovery is for calendar years 2021–2025, along with other associated costs that have been incurred since the company’s 2019 electric rate case.

The PUC in 2017 approved a settlement supported by a broad spectrum of parties that authorized Xcel to install advanced metering infrastructure (AMI) and associated components of an

advanced communications network for all of its Colorado customers. The advanced metering and other new technologies are expected to enhance 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, according to the company’s proposal.

Xcel initially is seeking to recover \$52.7 million in expenses through the rider, which the company seeks to become effective by May 1, 2021. If approved by the PUC, the proposed rider would increase bills for typical residential customers by \$1.90 a month (or 2.75 percent), from \$69.04 to \$70.94, based on average monthly usage. A typical small commercial customers’ bill would increase by an additional \$3.35 a month (or 3.25 percent),

from \$102.99 to \$106.34, based on average monthly usage.

After that, Xcel would file by November 15 of each year, beginning in 2021, an adjustment to the rider containing the projected costs for the

following calendar year, along with a true-up of the previous year’s costs.

The PUC on August 11 suspended the proposal and referred the matter to an administrative law judge to conduct a hearing.

CNG seeks pipeline safety rider

Colorado Natural Gas Company (CNG) has filed an application with the Public Utilities Commission (PUC) seeking approval of a new customer charge to pay for pipeline system improvements that would increase system integrity and reliability.

The proposed System Safety and Integrity Rider (SSIR) would enable the company to address system improvements identified after the settlement of CNG’s last rate case and recover those investments on a more real-time basis, both important considerations for a company the size of CNG, according to the application.

CNG serves about 17,300 customers in its Mountain Division, which includes the towns of Cripple Creek, Pine and Bailey, as well as areas in Jefferson, Gilpin and Teller counties. CNG also serves about 4,200 customers in its Eastern Colorado Division, which it acquired from Eastern Colorado Utility Company in 2011.

As part of a settlement agreement reached last year with PUC staff and the Office of Consumer Counsel in the company’s Quality of Service Plan (QSP) proceeding, CNG agreed to file an SSIR by the end of the second

quarter of 2020. The agreement stipulated that CNG’s SSIR filing would address issues identified in a Notice of Probable Violation (NPV) issued by the PUC’s gas pipeline safety staff last summer.

In its application, CNG identifies a list of pipeline integrity projects it expects to complete in 2020 and 2021 to be recovered through the SSIR. The company is seeking to recover \$150,700 in the first year of the SSIR for the Mountain Division, and \$284,824 in the first year in the Eastern Division.

Customer bill impacts would range from an additional \$0.46 to \$0.74 a month for residential customers in the Mountain Division, depending on the district in which they are served, and \$4.27 a month for residential customers in the Eastern Division. Monthly bills for commercial customers would increase between \$2.40 to \$3.88 in the Mountain Division, and \$9.08 for commercial customers in the Eastern Division.

On August 12, the PUC referred the application to an administrative law judge for hearing. The company is requesting the new rider take effect in January of 2021.

Survey examines electric rates

The Colorado Public Utilities Commission (PUC) in June opened a proceeding to conduct a survey of electric public utility retail rates as specified in legislation approved last year.

Senate Bill 19-236 directed the PUC to open a proceeding to examine retail rates of electric utilities in Colorado, and specifically consider recommendations that would result in rate relief for certificated electric utility territories with retail rates materially greater than the state average. The PUC is required to file a report on its findings to the legislature by February 1, 2021.

To complete the survey, PUC staff intends to solicit responses from regulated electric utilities to survey questions on basic cost, rate structure usage and demographic statistics, as well as survey questions on factors that may provide context and meaningful correlation with rates. Although rural electric cooperatives are excluded from the survey by statute, the PUC also will

solicit voluntary survey responses from those entities and municipal utilities to provide a more complete picture of the state of electric retail rates in Colorado.

Data from survey responses and publicly available sources will be used to determine the average state retail rate and to develop a proposed definition for rates that qualify as “materially greater” than the state average.

PUC staff will solicit stakeholder input on the results of the survey, the proposed definition of “materially greater,” and rate relief options.

Commissioner **Megan Gilman** was designated as Hearing Commissioner and will work with PUC staff, stakeholders and other interested participants to collect and organize information required by statute.

Individuals may also submit written comments by using the PUC’s on-line comment form at www.dora.state.co.us/pacific/puc/puccomments under proceeding number 20M-0251E.



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