

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO**

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IN THE MATTER OF ADVICE NO. 1029-)
GAS OF PUBLIC SERVICE COMPANY OF)
COLORADO TO REVISE ITS COLORADO)
PUC NO. 6-GAS TARIFF TO INCREASE) PROCEEDING NO. 24AL-___G
JURISDICTIONAL BASE RATE)
REVENUES, IMPLEMENT NEW BASE)
RATES FOR ALL GAS RATE)
SCHEDULES, AND MAKE OTHER)
PROPOSED TARIFF CHANGES)
EFFECTIVE FEBRUARY 29, 2024)

**MOTION OF PUBLIC SERVICE COMPANY OF COLORADO
FOR COMMISSION APPROVAL OF ALTERNATIVE FORMS OF NOTICE**

Public Service Company of Colorado (“Public Service” or the “Company”), through its undersigned counsel and pursuant to § 40-3-104(1)(c)(l)(E), C.R.S., and Rule 1207(b) of the Rules of Practice and Procedure, 4 *Code of Colorado Regulations* (“CCR”) 723-1, hereby requests that the Colorado Public Utilities Commission (“Commission”) approve alternative forms of notice that will apply to Public Service’s Advice No. 1029-Gas, which is a Phase I (revenue requirement) filing to revise rates for all natural gas services and to make additional tariff changes in the Company’s Colorado P.U.C. No. 6 – Gas tariff, as explained in more detail therein and as supported by the Company’s Direct Testimony and attachments filed concurrently therewith (“2024 Gas Rate Case”). In support of this Motion, Public Service states as follows:

1. On January 29, 2024, the Company filed its 2024 Gas Rate Case. Pursuant to § 40-3-104(1)(a), C.R.S., Public Service has proposed a February 29, 2024 effective

date for the rates and tariff changes in this proceeding. However, the Company expects that the Commission will set the matter for hearing and suspend the effective date of the tariffs, pursuant to § 40-6-111(1), C.R.S., and Rule 1210, 4 CCR 723-1, which would result in a tariff effective date of November 5, 2024, after the end of the maximum 250-days suspension period. Advice No. 1029-Gas requests, however, that the Commission establish an effective date of November 1, 2024 for the tariffs adjudicated in this proceeding.¹ Advice No. 1029-Gas also requests that, pursuant to § 40-3-102.5(1)(b), C.R.S., and Temporary Rule 4109(f) of the Rules Regulating Gas Utilities, 4 CCR 723-4, the Commission certify this advice letter and tariff filing for completeness.

2. For a utility base rate tariff filing, temporary Rule 4109(f)(III)(A), 4 CCR 723-4, requires that, “The utility shall serve a copy of the utility base rate tariff filing on all parties to its previous base rate proceeding within three business days of the utility’s base rate tariff filing with the Commission.” Public Service will comply with this requirement by (1) emailing all parties to its previous gas rate case (Proceeding No. 22AL-0046G) a copy of the Advice Letter and attached tariffs, with the Proceeding Number, and a link to e-filings where the remainder of the filing can be accessed;² and filing a Notice of this filing in Proceeding No. 22AL-0046G.

2. Based upon the Company’s anticipation that the Commission will set the matter for hearing and suspend the effective date of the tariffs pursuant to § 40-6-111(1), C.R.S., by this Motion, the Company seeks authority to provide alternative forms of notice of the 2024 Gas Rate Case to its affected retail natural gas customers. The particular

¹ See § 40-6-109(4), C.R.S

² See Rule 1205(a) of the Rules of Practice and Procedure, 4 *Code of Colorado Regulations* 723-1, governing service of pleadings and other documents.

forms of notice for which the Company seeks approval have been designed to (a) provide a means for the vast majority of the Company's customers to obtain notice of the filing within twenty (20) days of the filing; and (b) provide actual notice of the filing to customers in advance of the intervention deadline expected to be set by the Commission. [DSH1]

3. The legal notice the Company proposes to provide is set forth in Attachment A to this Motion. In addition to posting the customer notice on its public website³ and keeping the filing open for public inspection as mandated by § 40-3-104 (1)(c)(I), C.R.S., Public Service is seeking Commission approval to use the following alternative forms of notice:

- a. Publishing a legal notice, in the form attached hereto as Attachment A, in *The Denver Post*, for two (2) consecutive Sundays, consistent with the requirements of § 40-3-104(1)(c)(I)(A), C.R.S.;
- b. Posting a copy of the entire 2024 Gas Rate Case filing (Advice Letter, tariffs, non-confidential testimony, and attachments) on the Company's website;
- c. Providing the customer bill onsert (attached as Attachment B to this Motion) to Public Service's retail natural gas customers with all mailed and e-billed customer bills, which are expected to be mailed or e-billed, as applicable, during a regular billing cycle over the course of approximately five (5) weeks commencing approximately two (2) weeks after this filing;
- d. Providing an email within the first twenty (20) days of the thirty (30) day noticing period to all retail natural gas customers for whom the Company has an email

³ https://www.xcelenergy.com/company/rates_and_regulations/filings at the "Recently Filed Notices" section.

- address and who have elected to receive email notifications from the Company, in the form shown as Attachment C to this Motion; and
- e. Providing email notification with a link to the bill onsert to Online View and Pay⁴ customers.

4. By this Motion, the Company seeks authority under § 40-3-104 (1)(c)(I)(E), C.R.S., and Rule 1207(b), 4 CCR 723-1, to provide alternative forms of notice for the Company's filing to its affected retail natural gas customers. The following paragraphs of this Motion address each of the forms of notice set forth in § 40-3-104(1)(c)(I)(A) through (D), C.R.S., and explain why the Company seeks the proposed alternative forms of notice.

5. The Company is requesting Commission authorization to provide notice of the proposed tariff changes through publication in the Legal Classified Section of *The Denver Post*, a newspaper of general circulation, consistent with § 40-3-104(1)(c)(I)(A), C.R.S. This notice procedure is less costly than the procedures prescribed by statute. Newspaper notice is a reasonable form of notice for this filing, because it provides nearly all customers the opportunity to obtain notice of the filing within twenty (20) days of the filing.

6. The Company has approximately 1.5 million natural gas customers in Colorado. The Company believes that mailing a notice to each retail natural gas customer within the first twenty (20) days of the thirty (30) day noticing period, in accordance with § 40-3-104(1)(c)(I)(B), C.R.S., is not an effective or reasonable method of providing notice to our customers. Such mailed notice is not reasonable because it would be prohibitively expensive, and those costs could be included in rates. Such mailed notice may not be

⁴ Online View and Pay customers are a subset of paperless billed customers, who are not signed up for MyAccount.

effective when timely delivery of the mailed notice before the end of the noticing period cannot be ensured. In contrast, the alternative forms of notice proposed in this Motion will be effective and reasonable methods of providing notice to the Company's customers.

7. The proposed newspaper notice procedure is also reasonable because this alternative form of notice is in addition to notice that will be provided via bill inserts, which is permitted by § 40-3-104(1)(c)(I)(C), C.R.S., and via email, which is permitted by § 40-3-104(1)(c)(I)(D), C.R.S. The notice that the Company proposes will be sufficient to notify parties that may be interested in reviewing the Company's 2024 Gas Rate Case filing.

Additionally, § 40-3-104(1)(c)(I)(D), C.R.S., contemplates notice by sending a text message. The Company is concerned that sending frequent texts to customers for noticing or regulatory messages may drive customers to unsubscribe or to opt out of receiving texts. The Company notes that text messaging is primarily used for outage and restoration information and not for noticing purposes. In lieu of sending text notifications of the proposed changes, the Company is providing the alternative forms of notice listed above.

8. The Company plans to go forward with these alternative forms of notice. Should the Commission deny this Motion, the Company will proceed to provide additional notice consistent with the Commission's order.

9. The Company believes that the proposed alternative forms of notice listed above will provide the required information concerning the 2024 Gas Rate Case filing to the general public, including the estimated impact on average gas customers. The proposed alternative notice should be sufficient to alert affected customers and interested parties in a timely fashion of the changes that the Company is proposing by its filing.

Therefore, good cause exists for the Commission to grant the alternative form of notice requested by this Motion.

WHEREFORE, pursuant to § 40-3-104(1)(c)(I)(E), C.R.S., and Rule 1207(b), 4 CCR 723-1, Public Service respectfully requests that the Commission grant this Motion and approve the alternative forms of notice set forth in this Motion.

Dated this 29th day of January, 2024.

Respectfully Submitted,

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**ATTORNEYS FOR PUBLIC SERVICE
COMPANY OF COLORADO**

**NOTICE OF REVISION IN THE COLORADO P.U.C. NO. 6-GAS TARIFF
OF PUBLIC SERVICE COMPANY OF COLORADO
1800 LARIMER STREET, DENVER, COLORADO 80202-5533**

You are hereby notified that Public Service Company of Colorado (“Public Service” or the “Company”) has, in compliance with the Public Utilities Law, filed with the Colorado Public Utilities Commission (“Commission”) an Advice Letter for permission to revise the Company’s Colorado P.U.C. No. 6 – Gas Tariff (“Gas Tariff”) to reflect revised rates for all gas services, and to make additional tariff and service changes. Consistent with Commission rules and Colorado statutes, the effective date for the changed tariffs accompanying the Advice Letter is February 29, 2024. However, if the Commission sets the revised Gas Tariffs for hearing and thereby suspends the effective date of the revised Gas Tariffs, the Company has requested a rate effective date of November 1, 2024.

The Company is filing this 2024 Phase I Gas Rate Case because Public Service has continued to make fundamental infrastructure investments in the safety and reliability of the natural gas system to serve customers since the Company’s last natural gas rate case (Proceeding No. 22AL-0046G). As such, the primary purpose of this tariff filing is to revise base rate revenue for all natural gas sales and transportation services in the Company’s Gas Tariff, as proposed in the Direct Testimony and Attachments accompanying the Advice Letter and tariff filing. The Company also is proposing certain other changes to its Gas Tariff, as discussed below.

Specifically, Public Service is seeking a total increase in base rate revenues of \$170,655,825, when compared to the Company’s present base rate revenue of \$793,561,237, using a test year consisting of the twelve months ended December 31, 2023 (“2023 Test Year”). The 2023 Test Year is based upon actual historical operations and maintenance costs for the 12 months ended September 30, 2023, with certain known and measurable adjustments; 2023 Test Year revenues based on forecasted customer counts and Dekatherm throughput data by customer class through December 31, 2023; and capital additions expected to close to plant in-service by December 31, 2023. The total 2023 Test Year base rate revenue requirement of \$964,217,062, excluding costs collected through the Gas Cost Adjustment, Extraordinary Gas Cost Recovery Rider (“EGCRR”), and Gas Demand-Side Management Cost Adjustment, is based on a revenue requirement study using a return on equity of 10.25 percent, a cost of long-term debt of 4.05 percent, a short-term cost of debt of 5.81 percent, and a capital structure of 55.0 percent equity, 43.18 percent long-term debt, and 1.82 percent short-term debt, which results in an overall weighted average cost of capital of 7.50 percent. In addition to the requested change in base rate revenue, the Company has requested Commission approval of certain tariff revisions, including, but not limited to: a new revenue deferral surcharge (“RDS”) tariff, a new revenue stability mechanism (“RSM”) reflecting the Company’s revenue decoupling proposal, an updated General Rate Schedule Adjustment (“GRSA”) based on the Company’s proposed revenue requirement, an updated Gas Quality of Service Plan (“QSP”) tariff, an updated schedule of charges for rendering service, updates to standardized costs for gas line extensions, and changes to the Gas Storage Inventory Cost to allow for a return at the Company’s weighted average cost of capital. In addition to the foregoing, the Company has requested that the Commission approve its proposed trackers and deferrals, and amortization of previously deferred costs at the Company’s weighted average cost of capital (with the exception of rate case expenses, for which the Company does not propose a carrying cost).

As part of its changed tariffs filed with the Advice Letter, the Company has specifically

proposed the following:

- RDS: The RDS is a proposed revenue deferral mechanism that would moderate the impact of the necessary rate increases in this proceeding. The Company's proposal would not change the effective date of new rates but would defer collection of the incremental increases in base rate revenue from customers until February 15, 2025, when costs collected through the EGCR (implemented as a result of Winter Storm Uri) will no longer be a component of customer bills. Beginning on February 15, 2025, the Company proposes to start collecting both new base rates in effect on November 1, 2024¹ and incremental revenue deferred from that date through February 14, 2025. Beginning February 15, 2025, the RDS would be billed over a period of 12 months, subject to true up. Under this proposal, customers will not pay for both extraordinary gas costs and increased base rates at the same time, thereby helping to stabilize customers' monthly bills.
- RSM: The RSM is a decoupling mechanism based on a total revenues approach, which would become effective at the beginning of the month in which rates become effective, which is proposed by the Company to be November 1, 2024. The RSM applies to the Residential and Small Commercial rate schedules, Schedules RG and CSG, respectively.
- GRSA: Revise the GRSA in the Gas Tariff so that it is applied to base rates, exclusive of Service and Facility charges,² with such change effective on February 15, 2025, consistent with the Company's RDS proposal.
- QSP: Extend the Company's QSP for an additional two years, through 2026, retaining the metrics that just became effective on January 1, 2023.

The Company's filing also addresses compliance matters resulting from Senate Bill ("SB") 23-291 and the Commission's subsequent temporary rules for rate case filing procedures adopted in Proceeding No. 23R-0408EG ("Temporary Rules"). SB 23-291 places many new requirements on public utilities, some of which are applicable to rate case filings. For example, SB 23-291 and the Commission's Temporary Rule 4109(e) require the filing of a Rate Trend Report, which has been provided as Attachment 1 to the filed Advice Letter. Public Service has also requested that the Commission certify the Advice Letter and tariff filing as complete, pursuant to Rule 1303(c), 4 *Code of Colorado Regulations* 723-1, and Temporary Rule 4109(f), 4 *Code of Colorado Regulations* 723-4.

Overall, the Company seeks to place into effect new gas base rates and other affected rates and charges based on the Company's increased base rate revenue requirement. The following tables present projected bill impacts of the Company's filing on average monthly bills for the seven major rate schedules. The table labeled "Average Monthly Bill Impacts with GRSA Implementation February 29, 2024" illustrates the difference between the current average monthly bills under existing rates and the average monthly bill if the GRSA were to become effective on February 29, 2024. The table labeled "Average Monthly Bill Impacts Under the Company's Deferral Proposal" illustrates the average monthly bill impacts as compared to the average monthly bill under current rates at three different points in time: the Company's proposed rate effective

¹ As noted herein, the Company requests an effective date of November 1, 2024, after suspension.

² The current structure of the GRSA applies to all base rates, including the Services and Facility charges.

date, the implementation of the RDS, and the end of the RDS. Both tables held all other riders constant to facilitate these comparisons.

Average Monthly Bill Impacts with GRSA Implementation February 29, 2024				
	Current Bill	Bill with GRSA & No Deferral Proposal	Average Monthly Change (\$)	Average Monthly Change (%)
Residential (RG)	\$62.43	\$68.38	\$5.94	9.52%
Small Commercial (CSG)	\$268.94	\$291.68	\$22.74	8.46%
Large Commercial (CLG)	\$4,910.19	\$5,389.34	\$479.15	9.76%
Interruptible Gas (IG)	\$21,647.71	\$22,857.60	\$1,209.89	5.59%
Small Firm Transportation (TFS)	\$803.24	\$906.04	\$102.80	12.80%
Large Firm Transportation (TFL)	\$8,034.25	\$8,995.66	\$961.41	11.97%
Interruptible Transportation (TI)	\$46,094.58	\$49,915.12	\$3,820.54	8.29%

Average Monthly Bill Impacts Under the Company's Deferral Proposal						
	Current Bill	Average Monthly Change (%)	Bill With Deferral Proposal*	Average Monthly Change (%)	Bill With Deferral Proposal**	Average Monthly Change (%)
	November 1, 2024		February 15, 2025		February 15, 2026	
Residential (RG)	\$62.43	0%	\$67.07	7.44%	\$64.02	2.54%
Small Commercial (CSG)	\$268.94	0%	\$281.69	4.74%	\$270.57	0.61%
Large Commercial (CLG)	\$4,910.19	0%	\$5,089.80	3.66%	\$4,925.44	0.31%
Interruptible Gas (IG)	\$21,647.71	0%	\$20,678.71	-4.48%	\$20,222.46	-6.58%
Small Firm Transportation (TFS)	\$803.24	0%	\$948.40	18.07%	\$906.04	12.80%
Large Firm Transportation (TFL)	\$8,034.25	0%	\$9,310.29	15.88%	\$8,995.66	11.97%
Interruptible Transportation (TI)	\$46,094.58	0%	\$51,168.74	11.01%	\$49,915.12	8.29%

*EGCRR concludes on February 14, 2025 through Decision No. C22-0413 issued in Proceeding No. 21A-0192EG.

**RDS concludes on February 14, 2026, with any true-up to be included for recovery as part of the Q2 GCA deferred gas cost.

Copies of the current and proposed Gas Tariff summarized above and as filed with the Commission, are available for examination and explanation at the main office of Public Service, 1800 Larimer Street, Suite 1100, Denver, Colorado 80202-5533, and available by appointment at the Commission office, 1560 Broadway, Suite 250, Denver, Colorado 80202-5143. Also, a copy of this Notice is available on the Company's website at https://www.xcelenergy.com/company/rates_and_regulations/filings. A copy of the Rate Trend Report is available on the Company's website at https://www.xcelenergy.com/company/rates_and_regulations/rates/rate_books. Customers who have questions may call the Commission at 303-894-2000, call Xcel Energy at 1-800-895-4999, fax to Xcel Energy at 1-800-895-2895, or email to inquire@xcelenergy.com.

Anyone who desires may file written comments or objections to the proposed action. Written comments or objections shall be filed with the Commission, 1560 Broadway, Suite 250, Denver, Colorado 80202-5143 or by visiting <https://puc.colorado.gov/puccomments>.

The Commission will consider all written comments and objections submitted prior to the evidentiary hearing on the advice letter. The filing of written comments or objections by itself will not allow you to participate as a party in any proceeding on the proposed action. If you wish to participate as a party in this matter, you must file written intervention documents in accordance with Rule 1401 of the Commission's Rules of Practice and Procedure or any applicable Commission order.

The Commission may hold a public hearing in addition to an evidentiary hearing on the advice letter. If such a hearing is held, members of the public may attend and make statements even if they did not file comments, objections or interventions. If the advice letter is uncontested or unopposed, the Commission may determine the matter without a hearing and without further notice. Anyone desiring information regarding if and when a hearing may be held, shall submit a written request to the Commission or, alternatively, shall contact the Consumer Affairs section of the Commission at 303-894-2070 or 1-800-456-0858. Notices of proposed hearings will be available on the Commission website under "News Releases" or through the Commission's e-filing system.

By: Steven P. Berman
Regional Vice President, Regulatory Administration and
Pricing

Bill Onsert Copy

IMPORTANT NOTICE ABOUT YOUR NATURAL GAS SERVICE AND PRICING

The energy sector is in a period of profound change – driven by technological advancements, environmental and regulatory mandates, climate commitments, energy security needs and resiliency efforts, alongside evolving and growing customer expectations. Xcel Energy is taking proactive steps to anticipate and keep pace with these changes, all while maintaining dependable service and keeping energy costs affordable.

Following significant investments to make Colorado’s natural gas system safer and more reliable and resilient for customers today, we have asked the Colorado Public Utilities Commission to review our rates. The request supports the existing natural gas system while we simultaneously work to increase electrification opportunities, transition to cleaner fuels and continue progress toward our net-zero 2050 vision.

We’re strengthening our systems to meet your needs. This natural gas rate review will fund largely historical investments in:

- Increased **safety** and **security** initiatives.
- Enhanced **reliability** and **resiliency**.
- Preparedness for **severe weather** events.
- A **cleaner** and **smarter energy** future.
- Improvements for a **better customer experience**, while keeping energy **affordable**

We’re requesting a net revenue increase of approximately \$171 million but would defer any increases until 2025. If approved, there will be no customer bill impacts until February 2025 when the bill impact for Winter Storm Uri is no longer in effect. Beginning Feb. 15, 2025, a typical residential bill would increase by approximately 7.4% compared to current rates. Beginning Feb. 15, 2026, this bill impact would decrease to 2.5% compared to current rates.

We’re here for you

Xcel Energy is committed to helping customers with their bills when they need it. We will always work with our customers to find ways to lower electricity use through energy efficiency options, conservation programs and rebates. We also provide payment plans and income-qualified assistance programs to get them through difficult times. Learn more by visiting xcelenergy.com/EnergyAssistance or calling **1-800-895-4999**.

Learn more

This proposal is subject to approval by the CPUC. Rates are set through a transparent process with the Commission, which includes opportunities for public input and participation.

Details about this request, including the legal notice, are available on the back of this page and at xcelenergy.com/company/Rates_and_Regulations/Rates/Rate_Cases.

[Call out box] Puede encontrar esta noticia en español en nuestro sitio web:
xcelenergy.com/Company/Rates_and_Regulations/Rates/Rate_Cases.

Draft Onsert - 2024 CO Natural Gas Rate Case

LEGAL NOTICE WILL APPEAR ON SECOND PAGE

2024 CO Gas Rate Case: Customer Email

Subject Line: Customer Notice: New Natural Gas Rate Proposal
Header: Proposal submitted for updated natural gas pricing

Dear Customer,

Safety is our number one priority. That's why we're continually improving our natural gas system to help protect the communities we serve and deliver reliable energy to our customers every day. We recently asked the Colorado Public Utilities Commission to review our natural gas rates to help cover these investments over the last several years to ensure safe, reliable, affordable and increasingly clean energy service.

These new rates support safety programs and protocols to help keep your neighborhood safe. Here's what that looks like:

- Testing pipes that carry gas to make sure they are safe and strong. This way, we can have enough gas for growing communities.
- Replacing and upgrading old pipelines. This helps keep your neighborhood safe from leaks and blowing gas.
- Using leak-detection technology. This helps us identify and fix problems in order to keep the community safe from harmful emissions.

If approved, rate changes would take effect in late 2024 or early 2025.

READ OUR CUSTOMER NOTICE [Button linking to bill onsert with legal notice]

Additional Resources

[Public Safety](#) [linked]

Protecting the communities we serve.

[Understanding Your Rates](#) [linked]

Learn about the factors that influence your energy bill.

[Payment Programs & Assistance](#) [linked]

If you or someone you know need help paying energy bills, we have programs and resources to help.