



P.O. Box 840
 Denver, Colorado 80201-0840

December 5, 2018

Advice No. 938 - Gas

Public Utilities Commission
 of the State Of Colorado
 1560 Broadway, Suite 250
 Denver, Colorado 80202

The accompanying tariff sheets issued by Public Service Company of Colorado (“Public Service” or the “Company”) are sent to you for filing in accordance with the requirements of the Public Utilities Law:

COLORADO P.U.C. NO. 6 - GAS

and the following sheets are attached:

<u>Colorado P.U.C. Sheet No.</u>		<u>Title of Sheet</u>	<u>Cancels Colorado P.U.C. Sheet No.</u>	
Sub. Seventh Revised	R1	Index	Sub. Sixth Revised	R1
First Revised	R1B	Index	Original	R1B
Original	R1C	General Statement	---	
Sub. Original	R60	Rules and Regulations Gas Service	---	
Sub. Original	R61	Rules and Regulations Gas Service	---	

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Sub. Original	R62	Rules and Regulations Gas Service	---
Sub. Original	R63	Rules and Regulations Gas Service	---
Original	R64	Rules and Regulations Gas Service	---
Original	R65	Rules and Regulations Gas Service	---
Original	R66	Rules and Regulations Gas Service	---
Original	R67	Rules and Regulations Gas Service	---
Original	R68	Rules and Regulations Gas Service	---
Original	R69	Rules and Regulations Gas Service	---
Original	R70	Rules and Regulations Gas Service	---
Original	R71	Rules and Regulations Gas Service	---
Original	R72	Rules and Regulations Gas Service	---
Original	R73	Rules and Regulations Gas Service	---
Original	R74	Rules and Regulations Gas Service	---
Original	R75	Rules and Regulations Gas Service	---

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Original	R76	Rules and Regulations Gas Service	---
Original	R77	Rules and Regulations Gas Service	---
Original	R78	Rules and Regulations Gas Service	---
Original	R79	Rules and Regulations Gas Service	---
Original	R80	Rules and Regulations Gas Service	---
Original	R81	Rules and Regulations Gas Service	---
Original	R82	Rules and Regulations Gas Service	---
Original	R83	Rules and Regulations Gas Service	---
Original	R84	Rules and Regulations Gas Service	---
Original	R85	Rules and Regulations Gas Service	---
Original	R86	Rules and Regulations Gas Service	---
Original	R87	Rules and Regulations Gas Service	---

The principal proposed change is to implement a new Distribution Extension Policy in the Company's P.U.C. No. 6 – Gas tariff. The new Distribution Extension Policy is intended to provide administrative efficiencies, increased transparency, and improved customer satisfaction for customers requesting gas service at premises not connected to the Company's distribution

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system or that request an increase or change in their gas service that necessitates additional Company investment. The new Distribution Extension Policy includes new methodologies for determining customer cost responsibilities and appropriate investment in distribution system infrastructure by the Company. The new Distribution Extension Policy affects Residential and Commercial customers that take service or will take service under the following Rate Schedules: Schedules RG, CSG, CLG, IG, TFS, TFL, and TI.

While the new Distribution Extension Policy tariffs could be effective on thirty days' notice or January 5, 2019, the Company requests that these new tariffs be suspended by the Commission on or before January 5, 2019, and become effective approximately 120 days after that suspension or May 1, 2019. To accommodate a procedural schedule to allow the new Distribution Extension Policy tariffs to become effective on that date, we respectfully request a Commission Decision in this proceeding by April 1, 2019, to allow time for final implementation of all necessary internal processes and program changes.

Public Service subsequently will file to close its existing Service Lateral Extension and Distribution Main Extension Policy, Colorado P.U.C. Sheet Nos. R30-R54, to new Applicants commensurate with the proposed May 1, 2019 effective date of the new Distribution Extension Policy in the accompanying tariff sheets. Customers who have executed Distribution Line Extension or Construction Agreements prior to the effective date of the new Distribution Extension Policy will be grandfathered in and subject to the terms and conditions of service under Colorado P.U.C. Sheet Nos. R30-R54.

In summary, the new Distribution Extension Policy includes the following:

- a) New title – Distribution Extension Policy to encompass all types of extension requests received from Applicants;
- b) New and revised definitions;
- c) Four separate extension agreement options specific to the type of extension and work being requested;
- d) Upfront Off-Site Distribution Main Extension Credit;
- e) Separation of Off-Site Distribution Main Extensions and On-Site Distribution Extensions;
- f) Standardized cost for single family and townhome lots as part of the On-Site Distribution Extensions;
- g) A 100 ft. allowance for Residential Service Lateral Agreements;
- h) New methodology for calculation of Construction Allowances;
- i) New Commercial Service Lateral Credit and Transportation Credit terminology;

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- j) New Natural Gas Vehicle Fueling Station methodology for awarding Construction Allowance;
- k) Updated description of Indeterminate Service to remove real estate subdivisions and adding a provision to provide Construction Allowance for Non-LDC gas Compressor Stations;
- l) New provisions on the timing of when the Construction Allowance by Service Class and Construction Costs and Credits tariff sheets may be updated;
- m) New provisions for transparency with respect to timelines and status updates in the extension process;
- n) New terms and conditions governing when construction cost estimates are provided to the Applicant; and
- o) Removal of Construction Payment Agreements.

Applicants requesting new or additional gas service from the Company after the effective date of the new Distribution Extension Policy will be affected by the new and updated provisions. Such effects will vary with each extension or reinforcement of the Company's gas distribution system and will depend upon the service class, the amount of the Construction Costs, the Construction Payment and any applicable Construction Allowance, Off-Site Distribution Main Extension Credit, Commercial Service Lateral Credit, or Transportation Credit.

This filing does not require a determination of the utility's revenue requirement and there is no change in the base rates charged to customers. Additionally, no net change in revenue to Public Service will result from implementation of the tariffs proposed in this filing, and the annual effect on the Company's revenues is dependent on a wide variety of factors, including the number and types of extension requests, customer growth, and numerous other factors.

Contemporaneously filed with this Advice Letter is the testimony and attachment of Michelle Moorman Applegate, Director of Regulatory Administration for Public Service, in support of the new Distribution Extension Policy.

On December 3, the Company filed Advice No. 1785 - Electric to propose a substantively similar new Electric Distribution Extension Policy in its P.U.C. No. 8 – Electric tariff.

Pursuant to the Motion for Alternative Form of Notice filed with the Commission contemporaneously herewith, the Company plans to provide notice of this filing by:

- a. Filing of the tariff change with the Commission and keeping open for public inspection the filing;

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- b. Publishing a legal notice in the Denver Post for two consecutive Sundays, on December 9 and December 16, 2018;
- c. The new tariff sheets will be available for examination at the main office of Public Service, 1800 Larimer Street, Suite 1400, Denver, Colorado 80202-5533 and a copy of the filing will be posted on the Company's website;
- d. Electronic service of the filing on all parties to Proceeding No. 18M-0082EG.

A copy of the legal notice is included as Attachment 1 to the Motion for Alternative Form of Notice.

It is requested that the changed tariffs accompanying this advice letter become effective May 1, 2019.

Please send copies of all notices, pleadings, correspondence, and other documents regarding this filing to:

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and

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and in electronic form only to:

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The Company also requests that copies of all pleadings, correspondence, notices, rulings, orders, decisions, testimony, exhibits, discovery, and/or notices of any open meetings relating to this proceeding be forwarded electronically to Jennifer Baker at Jennifer.Baker@xcelenergy.com.


Director

MMA:sdw

Enclosures