



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

April 20, 2021

Advice No. 1854 - Electric

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

The accompanying tariff sheet issued by Public Service Company of Colorado (“Public Service or the “Company”) is sent for filing in accordance with the requirements of the Public Utilities Law and the applicable rules of the Public Utilities Commission of the State of Colorado (“Commission”), including Rule 1210, 4 Colorado Code of Regulations 723-1:

COLORADO P.U.C. NO. 8 - Electric

and the following sheet is attached:

<u>Colorado P.U.C. Sheet No.</u>		<u>Title of Sheet</u>	<u>Cancels</u> <u>Colorado P.U.C. Sheet No.</u>	
First Revised	133F	Revenue Decoupling Adjustment Pilot	Original	133F

The principal purpose of this filing is to revise the Company’s Revenue Decoupling Adjustment (“RDA”) Pilot tariff (“RDA Pilot Tariff”), in the Company’s Colorado P.U.C. No. 8- Electric tariff, and place into effect updated RDA rates for Residential and Small Commercial customers, effective June 1, 2021, as required by the RDA Pilot Tariff. Schedules R, RE-TOU, R-OO, and Pilot RD-TDR are affected for Residential customers and Schedule C is affected for Small Commercial customers.

The RDA Pilot and associated RDA Pilot Tariff were implemented effective April 1, 2020 in compliance with Decision No. C20-0096 issued in Proceeding No. 19AL-0268E (the “2019 Phase I Electric Rate Case”).<sup>1</sup> The RDA Pilot is a four-year pilot for our Residential and Small

<sup>1</sup> The RDA Pilot was originally approved in Decision No. R17-0337 in Proceeding No. 16A-0546E, as modified on Exceptions by Decision No. C17-0557 (the “RDA Proceeding”). Pursuant to Decision No. C20-0096 in the 2019 Phase I Electric Rate Case, on March 17, 2020 the Company filed Advice No. 1821 – Electric in Proceeding No. 20AL-0106E, to place into effect the RDA Pilot Tariff. Through that Advice Letter, as amended, the RDA Pilot Tariff went into effect on April 1, 2020 by operation of law.

Public Utilities Commission  
of the State of Colorado

Advice No. 1854 – Electric

Page 2

Commercial customers effective April 1, 2020 through December 31, 2023. The RDA compares differences between a baseline of fixed cost recovery authorized by the Commission and actual fixed costs recovered in base rates. Over or under recovery of fixed costs is then translated into a surcharge or credit for Residential and Small Commercial customers, as applicable. The RDA Rate is subject to a symmetrical three percent soft cap of the forecasted base rate revenue over the applicable recovery period for the respective rate schedule, as further set forth in the RDA Pilot Tariff.

The initial measurement period under the RDA Pilot Tariff is the period between the April 1, 2020 effective date and December 31, 2020, and on a calendar year basis thereafter through December 31, 2023. On or before May 1, beginning in 2021, the Company is required to file an advice letter adjusting the RDA in compliance with the RDA Pilot Tariff. Pursuant to the decisions issued in the RDA Proceeding, the Company is also required to file an annual report for 2020 (“2020 Annual Report”) in the RDA Proceeding. In support of this filing, a copy of the 2020 Annual Report simultaneously being filed in the RDA Proceeding is included as Exhibit 1.

As mentioned earlier, the Company’s approved RDA is a four-year full revenue decoupling mechanism that includes sales impacts for all sources. The RDA focuses primarily on measuring Lost Fixed Cost Recovery (“LFCR”) associated with decreased sales. LFCR is defined as the change in sales times the base kilowatt or kilowatt-hour charge, inclusive of any General Rate Schedule Adjustments for base rates, minus the component of the charge designated as recovery of Variable Operations and Maintenance expenses. Once LFCR is determined, the Company subtracts Commission-approved Demand-Side Management (“DSM”) disincentive offset amounts for Residential and Small Commercial customers that are collected through DSM recovery mechanisms, if any, and adds over-recovery or under-recovery of RDA amounts from two years prior (also known as the RDA True-up). The RDA True-up consists of the difference between the revenues the RDA Rate was designed to recover, and the actual revenue dollars collected under the RDA Rate. In 2020 and 2021 the RDA True-up value will be \$0. The Residential Class RDA then incorporates LFCR from the RE-TOU Trial that concluded on December 31, 2020 and the RD-TDR Pilot. LFCR from the RE-TOU Trial and RD-TDR Pilot measure the difference between what was collected under the Trial and Pilot versus what would have been collected under Schedule R tiered base rates.

The RDA Rate is applied to customer bills beginning on June 1 for the applicable recovery period. For Schedule R, Schedule RE-TOU, and Schedule R-OO, the recovery period is the four summer months beginning June 1 of the year subsequent to the current year for which the RDA was being calculated (here, 2020). For Pilot Schedule RD-TDR and Schedule C, the recovery period is the twelve months beginning June 1.

As reflected in more detail in the Report (“Exhibit 1”), after application of the symmetrical three percent soft cap, the RDA Rates denoted in RDA Pilot Tariff Sheet No. 133F were calculated to refund \$9,578,975 to Residential customers and to collect an additional \$3,495,207 from Small

Public Utilities Commission  
of the State of Colorado

Advice No. 1854 – Electric

Page 3

Commercial customers. The effect of this filing on average Residential electric bills is a decrease of \$1.87 per month or 2.09 percent (for Schedules RE-TOU, R-OO, and Pilot RD-TDR, a decrease of \$1.73 or 1.90%, \$1.60 or 1.92%, and \$1.73 or 2.13%, respectively). The effect of this filing on average Small Commercial electric bills is an increase of \$2.55 per month or 1.98 percent. This filing has the effect of reducing the Company's revenues by \$6,083,768.

Pursuant to and as further detailed in the Motion for Alternative Form of Notice ("Motion") filed with the Commission contemporaneously herewith, the Company plans to provide notice of this filing to its Residential and Small Commercial electric customers by publishing the legal notice attached to the Motion in *The Denver Post*, posting the legal notice and this filing on its website,<sup>2</sup> including the bill insert with Residential and Small Commercial electric customer bills (which is attached to the Motion), and emailed to Online View and Pay customers,<sup>3</sup> and sending an email with a link to this filing as contained in the Commission's E-Filing System to those on the certificate of service for the Company's 2019 Phase I Electric Rate Case (Proceeding No. 19AL-0268E).

It is desired that the changed tariff accompanying this Advice Letter become effective on June 1, 2021 consistent with the RDA Pilot Tariff.

---

<sup>2</sup> [https://www.xcelenergy.com/company/rates\\_and\\_regulations/filings](https://www.xcelenergy.com/company/rates_and_regulations/filings)

<sup>3</sup> Subset of Xcel customers who receive paperless billing, but are not in the Company's MyAccount system.

Public Utilities Commission  
of the State of Colorado

Advice No. 1854 – Electric

Page 4

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

Marci McKoane  
Manager, Regulatory Administration  
Public Service Company of Colorado  
1800 Larimer Street, Suite 1100  
Denver, Colorado 80202-5533  
Phone: 303-294-2578  
Fax: 303-294-2329  
E-mail: [Marci.McKoane@xcelenergy.com](mailto:Marci.McKoane@xcelenergy.com)

Anne Zellner Sherwood, #44438  
Lead Assistant General Counsel  
Public Service Company of Colorado  
1800 Larimer Street, Suite 1400  
Denver, CO 80202  
Telephone: (303) 294-2556  
Fax: 303-294-2988  
E-mail: [anne.sherwood@xcelenergy.com](mailto:anne.sherwood@xcelenergy.com)

Tana Simard-Pacheco, #17051  
Assistant General Counsel  
Xcel Energy Services Inc.  
1800 Larimer Street, Suite 1400  
Denver, Colorado 80202-5533  
Phone: 303-571-2958  
Fax: 303-294-2988  
Email: [Tana.K.Simard-Pacheco@xcelenergy.com](mailto:Tana.K.Simard-Pacheco@xcelenergy.com)

and in electronic form only to:

Dawn Moffit  
Email: [dawn.e.moffit@xcelenergy.com](mailto:dawn.e.moffit@xcelenergy.com)



---

Manager, Regulatory Administration

MM:dem

Enclosures