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- a. Volume 1: *An Evaluation of Low-Income Utility Protections in Maine: Winter Requests for Disconnect Permission.*
- b. Volume 2: *An Evaluation of Low-Income Utility Protections in Maine: Payment Arrangements for Maine's Electric Utilities.*
- c. Volume 3: *An Evaluation of Low-Income Utility Protections in Maine: Fuel Assistance and Family Crisis Benefits.*

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Grenier and Colton. (1984). *Utility Conservation Financing Programs for Nebraska's Publicly Owned Utilities: Legal Issues and Considerations*. Prepared under contract to the Nebraska Energy Office. July.

Colton. (1984). *The Financial Implications to the Utility Industry of Pursuing Energy Management Strategies*. Prepared under contract to the Nebraska Energy Office. January.

COLTON TESTIMONY EXPERIENCE

1988 - PRESENT

CASE NAME	ROLE	CLIENT NAME	TOPIC	JURIS.	DATE
I/M/O Emergency Petition Regarding Budget Billing & Credit Reporting	Witness	Cook County (IL) Ofc of State's Atty	Response to natural gas price fly-up	Illinois	01
I/M/O NICOR Proposal for Billing Plan	Witness	Cook County (IL) Ofc of State's Atty	Response to natural gas price fly-up	Illinois	01
I/M/O Bell Atlantic--New Jersey Alternative Regulation	Witness	Division of Ratepayer Advocate	Telecommunications universal service	New Jersey	01
I/M/O T.W. Phillips Gas and Oil Co.	Witness	Office of Consumer Advocate	Ratemaking of universal service costs.	Pennsylvania	00
I/M/O Peoples Natural Gas Company	Witness	Office of Consumer Advocate	Ratemaking of universal service costs.	Pennsylvania	00
I/M/O UGI Gas Company	Witness	Office of Consumer Advocate	Ratemaking of universal service costs.	Pennsylvania	00
I/M/O PFG Gas Company	Witness	Office of Consumer Advocate	Ratemaking of universal service costs.	Pennsylvania	00
Armstrong v. Gallia Metropolitan Housing Authority	Witness	Equal Justice Foundation	Public housing utility allowances	Ohio	00
I/M/O Bell Atlantic--New Jersey Alternative Regulation	Witness	Division of Ratepayer Advocate	Telecommunications universal service	New Jersey	00
I/M/O Universal Service Fund for Gas and Electric Utilities	Witness	Division of Ratepayer Advocate	Design and funding of low-income programs	New Jersey	00
I/M/O Consolidated Edison Merger with Northeast Utilities	Witness	Save Our Homes Organization	Merger impacts on low-income	New Hampshire	00
I/M/O UtiliCorp Merger with St. Joseph Light & Power	Witness	Missouri Dept. of Natural Resources	Merger impacts on low-income	Missouri	00
I/M/O UtiliCorp Merger with Empire District Electric	Witness	Missouri Dept. of Natural Resources	Merger impacts on low-income	Missouri	00
I/M/O PacifiCorp	Witness	The Opportunity Council	Low-income energy affordability	Washington	00
I/M/O Public Service Co. of Colorado	Witness	Colorado Energy Assistance Foundation	Natural gas rate design	Colorado	00
I/M/O Avista Energy Corp.	Witness	Spokane Neighborhood Action Program	Low-income energy affordability	Washington	00
I/M/O TW Phillips Energy Co.	Witness	Office of Consumer Advocate	Universal service	Pennsylvania	00
I/M/O PECO Energy Company	Witness	Office of Consumer Advocate	Universal service	Pennsylvania	00
I/M/O National Fuel Gas Distribution Corp.	Witness	Office of Consumer Advocate	Universal service	Pennsylvania	00
I/M/O PFG Gas Company	Witness	Office of Consumer Advocate	Universal service	Pennsylvania	00

CASE NAME	ROLE	CLIENT NAME	TOPIC	JURIS	DATE
I/M/O UGI Energy Company	Witness	Office of Consumer Advocate	Universal service	Pennsylvania	00
Re. PSCO/NSP Merger	Witness	Colorado Energy Assistance Foundation	Merger impacts on low-income	Colorado	99 - 00
I/M/O Peoples Gas Company	Witness	Office of Consumer Advocate	Universal service	Pennsylvania	99
I/M/O Columbia Gas Company	Witness	Office of Consumer Advocate	Universal service	Pennsylvania	99
I/M/O PG Energy Company	Witness	Office of Consumer Advocate	Universal service	Pennsylvania	99
I/M/O Equitable Gas Company	Witness	Office of Consumer Advocate	Universal service	Pennsylvania	99
Allerruzzo v. Klarchek	Witness	Barlow Allerruzzo	Mobile home fees and sales	Illinois	99
I/M/O Restructuring New Jersey's Natural Gas Industry	Witness	Division of Ratepayer Advocate	Universal service	Pennsylvania	99
I/M/O Bell Atlantic Local Competition	Witness	Public Utility Law Project	Lifeline telecommunications rates	New Jersey	99
I/M/O Merger Application for SBC and Ameritech Ohio	Witness	Edgemont Neighborhood Association	Merger impacts on low-income consumers	Ohio	98 - 99
Davis v. American General Finance	Witness	Thomas Davis	Damages in "loan flipping" case	Ohio	98 - 99
Griffin v. Associates Financial Service Corp.	Witness	Earlie Griffin	Damages in "loan flipping" case	Ohio	98 - 99
I/M/O Baltimore Gas and Electric Restructuring Plan	Witness	Maryland Office of Peoples Counsel	Consumer protection/basic generation service	Maryland	98 - 99
I/M/O Delmarva Power and Light Restructuring Plan	Witness	Maryland Office of Peoples Counsel	Consumer protection/basic generation service	Maryland	98 - 99
I/M/O Potomac Electric Power Co. Restructuring Plan	Witness	Maryland Office of Peoples Counsel	Consumer protection/basic generation service	Maryland	98 - 99
I/M/O Potomac Edison Restructuring Plan	Witness	Maryland Office of Peoples Counsel	Consumer protection/basic generation service	Maryland	98 - 99
VMHOA v. LaPierre	Witness	Vermont Mobile Home Owners Association	Mobile home tying	Vermont	98
Re. Restructuring Plan of Virginia Electric Power	Witness	VMH Energy Services, Inc.	Consumer protection/basic generation service	Virginia	98
Mackey v. Spring Lake Mobile Home Estates	Witness	Timothy Mackey	Mobile home fees	State of Illinois	98

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Re. Restructuring Plan of Atlantic City Electric	Witness	New Jersey Division of Ratepayer Advocate	Low-income issues	New Jersey	97-98
Re. Restructuring Plan of Jersey Central Power & Light	Witness	New Jersey Division of Ratepayer Advocate	Low-income issues	New Jersey	97-98
Re. Restructuring Plan of Public Service Electric & Gas	Witness	New Jersey Division of Ratepayer Advocate	Low-income issues	New Jersey	97-98
Re. Restructuring Plan of Rockland Electric	Witness	New Jersey Division of Ratepayer Advocate	Low-income issues	New Jersey	97-98
Appleby v. Metropolitan Dade County Housing Agency	Witness	Legal Services of Greater Miami	HUD utility allowances	Fed. court: So. Florida	97 - 98
Re. Restructuring Plan of PECO Energy Company	Witness	Energy Coordinating Agency of Philadelphia	Universal service	Pennsylvania	97
Re. Atlantic City Electric Merger	Witness	New Jersey Division of Ratepayer Advocate	Low-income issues	New Jersey	97
Re. IES Industries Merger	Witness	Iowa Community Action Association	Low-income issues	Iowa	97
Re. New Hampshire Electric Restructuring	Witness	NH Comm. Action Ass'n	Wires charge	New Hampshire	97
Re. Natural Gas Competition in Wisconsin	Witness	Wisconsin Community Action Association	Universal service	Wisconsin	96
Re. Baltimore Gas and Electric Merger	Witness	Maryland Office of Peoples Counsel	Low-income issues	Maryland	96
Re. Northern States Power Merger	Witness	Energy Cents Coalition	Low-income issues	Minnesota	96
Re. Public Service Co. of Colorado Merger	Witness	Colorado Energy Assistance Foundation	Low-income issues	Colorado	96
Re. Massachusetts Restructuring Regulations	Witness	Fisher, Sheehan & Colton	Low-income issues/energy efficiency	Massachusetts	96
Re. FERC Merger Guidelines	Witness	National Coalition of Low-Income Groups	Low-income interests in mergers	Washington D.C.	96
Re. Joseph Keliikuli III	Witness	Joseph Keliikuli III	Damages from lack of homestead	Honolulu	96
Re. Theresa Mahaulu	Witness	Theresa Mahaulu	Damages from lack of homestead	Honolulu	95
Re. Joseph Ching, Sr.	Witness	Re. Joseph Ching, Sr.	Damages from lack of homestead	Honolulu	95
Joseph Keaulana, Jr.	Witness	Joseph Keaulana, Jr.	Damages from lack of homestead	Honolulu	95

CASE NAME	ROLE	CLIENT NAME	TOPIC	JURIS	DATE
Re. Utility Allowances for Section 8 Housing	Witness	National Coalition of Low-Income Groups	Fair Market Rent Setting	Washington D.C.	95
Re. PGW Customer Service Tariff Revisions	Witness	Philadelphia Public Advocate	Credit and collection	Philadelphia	95
Re. Customer Responsibility Program	Witness	Philadelphia Public Advocate	Low-income rates	Philadelphia	95
Re. Houston Lighting and Power Co.	Witness	Gulf Coast Legal Services	Low-Income Rates	Texas	95
Re. Request for Modification of Winter Moratorium	Witness	Philadelphia Public Advocate	Credit and collection	Philadelphia	95
Re. Dept of Hawaii Homelands Trust Homestead Production	Witness	Native Hawaiian Legal Corporation	Prudence of trust management	Honolulu	94
Re. SNET Request for Modified Shutoff Procedures	Witness	Office of Consumer Counsel	Credit and collection	Connecticut	94
Re. Central Light and Power Co.	Witness	United Farm Workers	Low-income rates/DSM	Texas	94
Blackwell v. Philadelphia Electric Co.	Witness	Gloria Blackwell	Role of shutoff regulations	Penn. courts	94
U.S. West Request for Waiver of Rules	Witness	Wash. Util. & Transp. Comm'n Staff	Telecommunications regulation	Washington	94
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Philadelphia Gas Works	Witness	Philadelphia Public Advocate	Low-income rates	Philadelphia	93
Central Maine Power Co.	Witness	Maine Assn Ind. Neighborhoods	Low-income rates	Maine	92
New England Telephone Company	Witness	Mass Attorney General	Low-income phone rates	Massachusetts	92
Philadelphia Gas Co.	Witness	Philadelphia Public Advocate	Low-income DSM	Philadelphia	92
Philadelphia Water Dept.	Witness	Philadelphia Public Advocate	Low-income rates	Philadelphia	92
Public Service Co. of Colorado	Witness	Land and Water Fund	Low-income DSM	Colorado	92
Sierra Pacific Power Co.	Witness	Washoe Legal Services	Low-income DSM	Nevada	92

CASE NAME	ROLE	CLIENT NAME	TOPIC	JURIS	DATE
Consumers Power Co.	Witness	Michigan Legal Services	Low-income rates	Michigan	92
Columbia Gas	Witness	Penn. State Office of Consumer Advocate (OCA)	Energy Assurance Program	Pennsylvania	91
Mass. Elec. Co.	Witness	Mass Elec Co.	Percentage of Income Plan	Massachusetts	91
AT&T	Witness	TURN	Inter-LATA competition	California	91
Generic Investigation into Uncollectibles	Witness	Penn OCA	Controlling uncollectibles	Pennsylvania	91
Union Heat Light & Power	Witness	Kentucky Legal Services (KLS)	Energy Assurance Program	Kentucky	90
Philadelphia Water	Witness	Philadelphia Public Advocate (PPA)	Controlling accounts receivable	Philadelphia	90
Philadelphia Gas Works	Witness	PPA	Controlling accounts receivable	Philadelphia	90
Mississippi Power Co.	Witness	Southeast Mississippi Legal Services Corp.	Formula ratemaking	Mississippi	90
Kentucky Power & Light	Witness	KLS	Energy Assurance Program	Kentucky	90
Philadelphia Electric Co.	Witness	PPA	Low-income rate program	Philadelphia	90
Montana Power Co.	Witness	Montana Ass'n of Human Res. Council Directors	Low-income rate proposals	Montana	90
Columbia Gas Co.	Witness	Penn. OCA	Energy Assurance Program	Pennsylvania	90
Philadelphia Gas Works	Witness	PPA	Energy Assurance Program	Philadelphia	89
Southwestern Bell Telephone Co.	Witness	SEMLSC	Formula ratemaking	Mississippi	90
Generic Investigation into Low-income Programs	Witness	Vermont State Department of Public Service	Low-income rate proposals	Vermont	89
Generic Investigation into Dmnd Side Management Measures	Consultant	Vermont DPS	Low-income conservation programs	Vermont	89
National Fuel Gas	Witness	Penn OCA	Low-income fuel funds	Pennsylvania	89
Montana Power Co.	Witness	Human Resource Develop. Council District XI	Low-income conservation	Montana	88
Washington Water Power Co.	Witness	Idaho Legal Service Corp.	Rate base, rate design, cost-allocations	Idaho	88

Residential Fixed Credit Rate

Section 1: Availability

The Residential Fixed Credit Rate is available to all residential customers who satisfy all the criteria set forth below:

1. Processing and verification by the Company or its authorized agents.
2. Ratepayer of Missouri Gas Energy using natural gas for space heating.
3. Annual or annualized gross income verified annually as being no greater than 150 percent of the federal poverty level.
4. Ratepayer is, on the date of enrollment, in arrears no less than \$200.

Section 2: Rate Table

1. Ratepayers will pay a levelized monthly bill calculated at rates pursuant to Schedule xxx net of a monthly fixed credit.
2. The annual fixed credit will be calculated as follows:

$$\text{Normal annual bill based upon Rate Schedule xxx} / 1 /$$
$$\text{minus Annual income} \times 0.04$$
3. The monthly fixed credit will be calculated by dividing the annual fixed credit into twelve equal monthly installments.

Section 3: Payments Toward Arrears

1. In addition to the ratepayer's obligation under the Rate Table above, the ratepayer shall make monthly payments toward his/her arrearage existing on the date he/she begins to take service under this tariff.
2. The monthly payment toward arrears will be calculated as follows:

$$(\text{gross annual income} \times 0.01) / 12$$

Section 4: Late Payment Charges

No late payment charge shall be applied to any arrearage subject to repayment under Section 3 of the Residential Fixed Credit Rate.

- /1/ The ratepayer's actual annual usage is normalized for weather and applied to the rates currently effective under Rate Schedule xxx.

RECEIVED
JAN 12 2001

PSCD

Decision No. C01-20

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

DOCKET NO. 00L-697G

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF
COLORADO FOR AN ORDER AUTHORIZING IT TO EFFECT CERTAIN REVISIONS
IN GAS RATES UPON LESS THAN STATUTORY NOTICE.

COMMISSION ORDER AUTHORIZING
UPWARD REVISIONS OF GAS RATES

Mailed Date: January 5, 2001
Adopted Date: January 5, 2001

T A B L E O F C O N T E N T S

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I. BY THE COMMISSION:

A. Statements

1. On December 22, 2000, Public Service Company of Colorado ("Public Service", "Applicant", or "Company") filed a verified application. Applicant seeks a Commission order authorizing it, without formal hearing and on less-than-statutory notice, to place into effect on January 6, 2001, tariffs resulting in an increase to its existing natural gas rates now on file with the Commission.

2. In addition, pursuant to Rule 4 Code of Colorado Regulations ("CCR") 723-8-7 of the Gas Cost Adjustment ("GCA") Rules, Public Service has filed under seal an original and six copies of GCA Exhibit No. 2 containing material that is highly confidential, proprietary, and market-sensitive. In accordance with GCA Rule 4 CCR 723-8-7.2, Public Service moves the Commission to issue a protective order for extraordinary protection governing GCA Exhibit No. 2.

3. The proposed tariffs are attached to the application, and affect Applicant's customers in its Colorado certificated areas on file with the Commission.

4. This application for authority to increase rates is made under § 40-3-104(2), C.R.S., and Rule 41, Commission's Rules of Practice and Procedure, 4 CCR 723-1.

B. Findings of Fact

1. Applicant is an operating public utility subject to the jurisdiction of this Commission and is engaged, *inter alia*, in the purchase, transmission, distribution, transportation, and resale of natural gas in various certificated areas within the State of Colorado.

2. Applicant's natural gas supplies for sale to its residential, commercial, industrial and resale customers, are purchased from numerous producer/suppliers located inside and outside of the State of Colorado. The rates and charges incident

to these purchases are established through contracts between Applicant and the various producer/suppliers.

3. These gas supplies are either delivered directly into Applicant's natural gas pipeline system or through several interstate pipeline and/or storage facilities with which Applicant is directly connected. The transportation of these gas supplies is made pursuant to service agreements between Applicant and upstream pipeline service providers based upon Applicant's system requirements for the various pipeline services, such as gathering, storage, and transportation. These upstream pipeline service providers include: Colorado Interstate Gas Company ("CIG"); Wyoming Interstate Company, Ltd. ("WIC"); Kinder Morgan Interstate Gas Transmission Company ("KMI"); Williams Gas Pipelines Central, Inc. ("Williams"); and Young Gas Storage Company, Ltd. ("Young").

4. CIG, WIC, KMI, Williams, and Young are natural gas companies under the provisions of the Natural Gas Act, as amended, and the rates and charges incident to the provision of the various pipeline delivery services to Applicant are subject to the jurisdiction of the Federal Energy Regulatory Commission. This Commission has no jurisdiction over the pipeline delivery rates of CIG, KNI, WNG, and Young, but it expects Applicant to negotiate the lowest prices for supplies of natural gas that are consistent with the provisions of the Natural Gas Policy Act of

1978, 15 U.S.C. §§ 3301-3432 (Public Law 95-621) and applicable federal regulations, or determinations made under applicable federal regulations.

5. The Commission's Gas Cost Adjustment Rules require that Applicant revise its GCA rates to be effective on October 1 of each year. See 4 CCR 723-8-2.1. Rule 4 CCR 723-8-4.2 provides, in pertinent part, that if the projected gas costs, such as the cost of gas commodity or Upstream Services, changes from those used to calculate the currently effective Current Gas Cost, or if the utility's Deferred Gas Cost balance increases or decreases sufficiently, the utility may file an application to revise its currently effective GCA to reflect such changes, provided that the resulting change to the GCA equates to at least one cent (\$0.01) per Mcf or Dekatherm ("Dth"). The recent increases in gas prices and gas price forecasts necessitate the instant interim GCA filing.

6. Applicant's currently effective GCA, placed into effect October 1, 2000, as authorized by the Commission in Docket No. 00L-526G (Decision No. C00-1095, mailed September 28, 2000), was based on a forecasted producer/supplier rate of \$4.0034 Dth. This rate was based on data provided to Public Service by Standard and Poor's, the publisher of the *DRI Monthly Natural Gas Price Outlook*, ("DRI Outlook"), in DRI Outlook's preliminary September 2000 forecast, coupled with the terms of the contracts

under which Applicant purchases natural gas. The instant GCA includes a revised composite forecasted commodity cost of gas from the various producers/suppliers of \$6.0941 per Dth for the period January 1, 2001 through December 31, 2001, as compared to the \$4.0034 per Dth weighted-average forecasted price reflected in Applicant's October 1, 2000 GCA application.

7. In addition to a projected increase in the commodity cost of gas, Applicant has included in the instant filing projections of costs for upstream pipeline service from CIG, WIC, KNI, Williams, and Young, based upon the rates and charges anticipated to be in effect on and after January 6, 2001, applied to the various transportation and storage services to be provided by each company.

8. Public Service proposes to reduce the Deferred Gas Cost Account (Account No. 191) balance by an amount attributable to certain refunds received by Public Service from various interstate pipeline suppliers, as discussed in more detail below, along with accumulated interest thereon. If this reduction is approved, Public Service states that its general body of gas sales customers will be credited with these refunds in the most efficient and expeditious manner at a time when consumer gas prices are at an all time high. In the event the Commission determines not to approve the credit to flow these refunds to Public Service's customers, Public Service has attached

alternative tariff sheets and exhibits as part of this application which reflect the appropriate GCA rates without the effect of the proposed credit.

9. Pursuant to Public Service's GCA tariff and Rules 4 CCR 723-8-3.6 and 4 CCR 723-8-4.2 of the Commission's GCA Rules, the full amount of the deferred account balance as of November 30, 2000, as adjusted pursuant to the discussion below, is included by Public Service in the calculation of the Deferred Gas Cost component of the GCA rates to provide for the recovery of these amounts. Thus, Applicant is including the effect of under-recovered gas costs of \$115,088,261 reflected in its Deferred Gas Cost balance at November 30, 2000, as adjusted by a credit of \$9,787,104 attributable to net refunds in Public Service possession, as discussed in detail below. The resulting adjustment for Deferred Gas Costs reflects a net under-collection of \$105,301,157. The magnitude of the Deferred Gas Cost balance reflects the substantial under-recovery of gas costs since August 31, 2000, even taking into account the effect of the increase in Applicant's GCA which was placed into effect on October 1, 2000.

10. Applicant, in accordance with the Treatment of Refund tariff provisions set forth on Sheet 50E of Applicant's gas tariff, is proposing to credit net refunds to the deferred account (Account No. 191) as an alternative method for the

distribution of refunds, subject to Commission approval. Applicant represents that this method of distributing these refunds is the most logical based on the period to which the refunds relate and the amount of dollars involved. Applicant states that the test period for the Kansas ad valorem tax refunds is October 4, 1983 through June 28, 1988, and that customer data relating to this test period no longer exists. Therefore, developing and processing a refund on this test period would be virtually impossible and, at the very least, would not be a cost-effective way to process the Kansas ad valorem tax refunds received. In addition, part of the basis for the settlement¹ in the CIG Kansas ad valorem tax refund proceeding was the need to have refunds paid to Public Service and the other local distribution companies so that they could be used to help offset customers' high winter heating bills resulting from high gas prices. An attempt to identify Public Service's and Western Gas Supply Company's ("WestGas") customers from the 1980's would not only be costly, it would take many months to accomplish. Accordingly, Public Service submits that the most cost-efficient

¹ As the result of a settlement among Public Service, CIG, other CIG customers and numerous gas producers in Federal Energy Regulatory Commission ("FERC") Docket No. R98-54-000 and other proceedings, Public Service received approximately \$11.8 million in refunds on December 20, 2000, associated with overcharges by gas producers under the Natural Gas Policy Act attributable to Kansas ad valorem taxes during the period 1983 to 1988. The FERC issued its order approving the settlement on November 21, 2000. Colorado Interstate Gas Co., 93 FERC ¶ 61,185 (2000).

and timely mechanism to credit the accumulated refunds to its gas sales customers is through a credit to the Deferred Gas Cost account.

11. In addition, as reflected in Rule 4 CCR 723-4-32.7 of the Commission's Rules Regulating the Service of Gas Utilities, the Commission has the authority under § 40-8-101(2), C.R.S., to order up to 90 percent of any undistributed refund be paid to the Colorado Energy Assistance Foundation ("CEAF"). These undistributed amounts usually result from the Company's inability to locate customers who have left no forwarding address or who have not cashed their refund check. Except for Public Service's proposal to offset the refund against the under-recovered deferred account balance, Public Service could conceivably be ordered by the Commission to make a separate customer-by-customer refund (albeit with a more recent test period due to the lack of historical customer data). Public Service is proposing that the Commission approve the carving out of a portion of the CIG refund to be donated directly to CEAF. In Docket No. 98L-409G, concerning Public Service's October 1, 1998 GCA Application, Public Service proposed and the Commission approved a 25 percent carve out and payment to CEAF of the total Kansas *ad valorem* tax refunds received by Public Service in 1998. Applicant requests that the Commission approve the carving out of 25 percent of the net amount of the CIG Kansas *ad valorem* tax

refund, including interest thereon, for CEAF. Doing so acknowledges CEAF's forgone interest in Public Service otherwise going through the process of making a separate refund which, if it could be made at all, would likely be made during the Spring of 2001, considering the period of time it would take for Public service to develop and acquire customer data. Public Service is proposing, therefore, that the Commission authorize the Company to set aside \$3,262,368 of the amount received from CIG as a donation to CEAF.

12. In addition, for purposes of Public Service's obligation to match customer donations pursuant to Decision No. C95-52, adopted by the Commission in Docket No. 94A-679EG, on January 13, 1995, Public Service states that it will consider the \$3,262,368 carved out of the total CIG refund as customer donations toward meeting the \$500,000 threshold for the purposes of matching by Public Service.

13. To allow the Commission flexibility in this docket to approve Public Service's proposal to set aside a portion of the accumulated refunds for payment to CEAF, Public Service is tendering as part of this filing alternative tariff sheets. The Primary tariff sheets reflect the setting aside of \$3,262,368 of the CIG Kansas ad valorem tax refund and other accumulated refunds for CEAF prior to application of the refund against the under-recovered deferred balance. The Alternate tariff sheets do

not credit any of the accumulated refunds against the under-recovered deferred balance. Thus, these Alternate sheets reflect the use of a deferred Gas Cost account balance of \$115,088,261. Should the Commission determine not to carve out a portion of the CIG Kansas ad valorem tax refund for CEAF, Public Service requests that it be permitted to place the alternative tariff sheets into effect on January 6, 2001.

14. A share of the refund principal and interest equal to \$392,005 of the CIG Kansas ad valorem tax refunds received by Public Service relates to sales for resale to other Colorado gas utilities by WestGas, a former intrastate pipeline company affiliate of Public Service. WestGas merged with Public Service effective January 1, 1993. Applicant proposes to reduce the current amount of these refunds available for a credit to sales gas customers by \$392,005 and will file an application with the Commission to refund these amounts back to the former WestGas sales for resale customers at a later date.

15. The following is a detailed description of the amounts accumulated by Public Service, including the recent receipt of Kansas ad valorem tax refunds, which it proposes herein to credit to its gas sales customers through a reduction in the Deferred Gas Cost account:

a. In Decision No. C95-905, mailed on September 14, 1995 in Docket No. 95A-409G, the so-called 1995 CIG Mass Refund docket, the Commission

ordered the Company to retain for inclusion in a future refund any amounts less than or equal to \$1.50 per customer. In its Final Refund Report in that docket, Public Service reported that these undistributed funds totaled \$50,222 including interest through November 1, 1995. Further, in Decision No. C97-139 mailed on February 14, 1997 in Docket No. 95A-409G, the Commission ordered the Company to retain for inclusion in a future refund 10% of the unclaimed refunds totaling \$218,705, which included interest through November 1, 1995. The total of these two amounts of \$268,927, plus interest through December 31, 2000 of \$71,827, equals \$340,754. Applicant proposes to carve out 25% of this total, or \$85,189, for CEAF and credit the remaining \$255,566 to the Deferred Account.

b. On January 29, 1998 and April 8, 1998, Public Service received \$974 and \$1,159 respectively from Williams Gas Pipelines Central, Inc. in Kansas ad valorem tax refunds. Interest from the time of receipt of this refund through December 31, 2000 is \$299. This results in a total of principal and interest of \$2,432. Applicant proposes to carve out 25% of this total, or \$608, for CEAF and credit the remaining \$1,824 to the Deferred Account.

c. On April 15, 1998, July 17, 1998, and September 29, 1998, Public Service received \$29,796, \$155,901, and \$41,269 respectively from KN Interstate Gas Transmission Gas Company in Kansas ad valorem tax refunds. Interest from the time of receipt of these refunds through December 31, 2000 is \$26,931. This results in a total of principal and interest of \$253,896. Applicant proposes to carve out 25% of this total, or \$63,474, for CEAF and credit the remaining \$190,422 to the Deferred Account.

d. Remaining from the 1998 CIG Kansas ad valorem tax refund is \$390,222, plus interest through December 31, 2000 of \$42,664. This results in a total of principal and interest of \$432,886. This amount includes the \$326,900 that Public Service held in escrow for legal expenses. Applicant no longer desires to seek reimbursement of these legal expenses and proposes not to retain these funds. Applicant proposes to carve out 25% of this total, or \$108,221, for CEAF and credit the remaining \$324,665 to the Deferred Account.

e. On March 16, 2000, Public Service received \$198,574 in refunds from Kinder Morgan Interstate Gas Transmission LLC pursuant to the Settlement and Agreement as approved by FERC on December 22, 1999 in Docket Nos. RP98-117, et. al. Interest from the time of receipt of these refunds through December 31, 2000 is \$7,147. This results in a total of principal and interest of \$205,721. Applicant proposes to carve out 25% of this total, or \$51,430, for CEAF and credit the remaining \$154,291 to the Deferred Account.

f. In 1998, Public Service received CIG Kansas *ad valorem* tax refunds that relate to sales of gas for resale by WestGas which, including interest through September 30, 1998, totals \$82,569. Again, on December 20, 2000, Public Service received 2000 CIG Kansas *ad valorem* tax refunds of \$299,999 that relate to sales of gas for resale on WGS. Interest from the time of receipt of both these refunds through December 31, 2000 is \$9,437. This results in a total of principal and interest of \$392,005. Since these monies pertain to sales for resale made by Colorado gas utilities to their gas customers, Public Service proposes that these amounts be flowed back to these former WestGas sales for resale customers. These sales for resale customers include Citizens Utilities, ComFurT Gas, Greeley Gas Company, Rocky Mountain Natural Gas Company, the Town of Center and the Town of Nunn, and/or their respective successors and assigns. As noted above, Applicant proposes to retain this amount with additional interest for future refund to these customers at a later date.

g. On December 20, 2000, Public Service received \$11,797,676 from CIG 2000 Kansas *ad valorem* tax refunds. Interest from the time of receipt of these refunds through December 31, 2000 is \$16,106. This results in a total of principal and interest of \$11,813,783. Applicant proposes to carve out 25% of this total, or \$2,953,446, for CEAF and credit the remaining \$8,860,337 to the Deferred Account.

16. Because CEAF will gain a more immediate benefit from the method Public Service is proposing, as well as the fact that the Company will avoid future costs associated with

processing a separate refund, which would reduce the amount available for refunding, the \$3,262,368 proposed to be transferred to CEAF is a fair and equitable resolution of the refund issue.

17. This acceptance for filing of the refund plan and related set aside for allocated legal expenses and contribution to CEAF within the GCA application shall not be construed as constituting approval of the underlying filing or of any rate, charge, classification, or any rule, regulation, or practice affecting such rate or service; nor shall such acceptance be deemed as recognition of any claimed contractual right or obligation associated therewith; and such acceptance is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against Public Service.

18. The net effect of the revision in the GCA on an annual basis would be to increase revenues by \$361,646,861 above that yielded by the currently effective GCA, based on the projected transportation volumes and forecasted sales volumes for the period January 6, 2001 through September 30, 2001.

19. The proposed tariffs attached as Appendix A will increase annual revenues by \$361,646,861, which is an increase of 36.88 percent.

20. Applicant's last authorized rate of return on rate base was 9.43 percent, and its last authorized rate of return on equity was 11.25 percent. If this increase is approved, Applicant's rate of return on rate base will be 9.95 percent and rate of return on equity will be 12.32 percent. Without the increase, Applicant's rate of return on rate base would be (16.69) percent and its rate of return on equity would be (39.11) percent.

21. The filing of this application was brought to the attention of Applicant's affected customers by publication in *The Denver Post*, a newspaper of general circulation in the areas affected.

22. In paragraph d of Section 6, Part C, of the Commission's Decision No. C95-796 (page 13), the Commission imposed the following requirements after asserting its concern that transportation discounts could possibly have an adverse impact on the cost of gas collected through the GCA:

Therefore, the Company will be ordered to report in each of its GCA applications the calculation of the revenue effect of transportation discounts on sales in the GCA. This report shall include any discounts which are provided to any affiliated company. (Footnote omitted.)

23. Consequently, Applicant was required to report in its GCA Application the following two issues: (i) the revenue effect of any transportation discounts on sales in the GCA; and

(ii) any transportation discounts provided to any affiliated company.

24. Applicant states that the GCA is currently not impacted by transportation commodity discounts as all discounted transportation commodity rates are in excess of the current gas cost portion of the transportation charge (balancing costs). Accordingly, Applicant represents that the GCA applicable to sales customers will not be affected by transportation discounts.

25. Public Service states that Exhibit 2 of the instant application contains highly market-sensitive and proprietary information which, if disclosed to the public, would likely adversely impact the cost of gas to Colorado gas consumers. Rule 4 CCR 723-8-7 of the GCA Rules specifically provides that "[a] Commission protective order in the same form as contained in 4 CCR 723-10 shall govern access to all information ... in the utility's GCA." After initially asking for "extraordinary" protection, Public Service requests that the Commission enter a protective order in this docket adopting the provisions set forth in Exhibit 1 of 4 CCR 723-10.

26. The proposed increase in rates will substantially recover only Applicant's increased cost of gas.

27. Good cause exists to allow the proposed increases on less-than-statutory notice.

28. On January 4, 2001, Public Service filed its Motion for Extension of Time prescribed under Rule 4 CCR 723-1-41.5.3 for Publication of Notice and Request for Waiver of Response Time. The motion points out that Public Service did not publish notice of this application in a newspaper of general circulation within three days of the filing of the application, as required by Rule 41.5.3. Notice was published six days after the application was filed. According to the motion, a timely request for publication was submitted to *The Denver Post*. However, due to a shortage of available staff at *The Denver Post* as a result of the holidays, publication of the notice did not occur within three days of the filing of the application. The motion also points out that the public received timely notice of the application even in light of the late publication of the Rule 41.5.3 notice. In particular, news of the application appeared in *The Denver Post* and *The Rocky Mountain News* as early as December 23, 2000, the day after the filing of the application. As such, the public has not been prejudiced by late publication of the Rule 41.5.3 notice. Good cause having been stated, we will waive response time and grant the motion.

29. On January 3, 2001, the Colorado Office of Consumer Counsel ("OCC") filed its Notice of Intervention of Right, Entry of Appearance and Request for Hearing. In that pleading, the OCC requests that we set this application for

hearing, and that any GCA increase resulting from the application be delayed until October 1, 2001 and recovered over a three-year period. We deny these requests.

30. We note that less-than-statutory ("LSN") applications under § 40-3-104(2), C.R.S., and Rule 41.5 may be denied, if good grounds exist, but may not be set for hearing. The relief requested in LSN applications is that the public utility be permitted to implement new rates on less than 30 days notice and without hearing. See Rule 41.5.1. In this case, Public Service's application requests that it be permitted to implement new GCA rates on January 6, 2001. Therefore, the setting of a hearing on the LSN request would be equivalent to denial of the application without an express ruling of denial. This would be improper and would violate the intent of § 40-3-104(2), C.R.S., and Rule 41.5.² In addition, in light of our findings that Public Service's present request complies with the GCA Rules, setting the application for hearing would violate those rules.

31. We also reject the request that any GCA increase be delayed and recovered over a three-year period. We recognize that the rate increase proposed in the application will result in hardship for some ratepayers. However, the Commission

² This interpretation of the statute and the rule is consistent with the Commission's long-standing practice regarding LSN applications.

established the GCA process to allow utilities to timely recover expenses over which they have little or no control, recognizing that, without timely cost recovery of GCA expenses, regulated gas utilities could suffer serious financial damage. Such damage could jeopardize a public utility's ability to continue to serve the public. The OCC's proposal violates the intent of the GCA process and the rules.

32. Moreover, the proposal to phase in new GCA increases over a three-year period is short-sighted and imprudent. Public Service is experiencing increased gas costs now. Delaying recovery of those costs for up to three years would risk imposing even greater burdens upon ratepayers in the future. Additionally, such delay would certainly result in significant inequities for many of Public Service's customers. Specifically: Ratepayers now on Public Service's system would avoid paying some of the increased costs now being incurred when they move out of Public Service's service area in the future (i.e., during the three-year period) even though they used gas in this GCA period. Similarly, persons who are not now on Public Service's system but move into the area in the future would pay the costs being incurred now, even though they did not use gas in the present GCA period. For these reasons, the OCC's proposal, in addition to violating the GCA Rules, is unwise public policy.

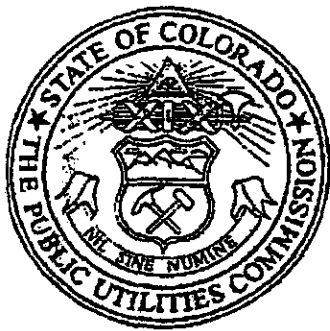
II. ORDER

A. The Commission Orders That:

1. A. Public Service Company of Colorado is authorized to file on January 5, 2001, the tariffs attached as Appendix A and made a part of this Order. These tariffs shall be effective for actual gas sales on or after their effective date on January 6, 2001.
2. The Commission's acceptance of the proposed refund plan within the instant Gas Cost Adjustment application of refund monies received to date from various Federal Energy Regulatory Commission dockets does not constitute approval of, or precedent regarding, any principle or issue in any gas cost adjustment, refund, or rate case dockets.
3. Confidential information submitted separately under seal as part of the instant application shall be treated under the protective order as set forth in 4 Code of Colorado Regulations 723-10.
4. The Request for Hearing filed by the Colorado Office of Consumer Counsel on January 3, 2001 is denied.
5. The Motion for Extension of Time Prescribed under Rule 4 Code of Colorado Regulations 723-1-41.5.3 for Publication of Notice and Request for Waiver of Response Time filed by Public Service Company of Colorado on January 4, 2001 is granted.
6. This Order is effective on its Mailed Date.

4-10-01, 4:21PM
B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING January 5,
2001.

(S E A L)



ATTEST: A TRUE COPY

Bruce N. Smith

Bruce N. Smith
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

RAYMOND L. GIFFORD

ROBERT J. HIX

POLLY PAGE

Commissioners

PUBLIC SERVICE COMPANY OF COLORADO

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

Sheet No. 50H

Cancels
Sheet No.

NATURAL GAS RATES GAS COST ADJUSTMENT						
Rate Schedule	Sheet No.	Billing Units	Type Of Charge	Current Gas Cost	Deferred Gas Cost	Gas Cost Adjustment
RG	14	Therm	Commodity	\$0.6810	\$ 0.0770	\$0.7580
RGL	15	Therm	Commodity	0.6583	0.0770	0.7353
CG	16	Therm	Commodity	0.6806	0.0770	0.7576
CGL	17	Therm	Commodity	0.6583	0.0770	0.7353
IG	18	DTH	On-Peak Demand	2.8900	-----	2.8900
		DTH	Commodity	6.5830	0.7700	7.3530
TF	30	DTH	Transportation	0.0470	-----	0.0470
		DTH	Supply	2.8900	-----	2.8900
		DTH	Commodity	(1)	0.7700	(3)
TI	31	DTH	Transportation	0.0470	-----	0.0470
		DTH	On-Peak Demand	2.8900	-----	2.8900
		DTH	Commodity	(2)	0.7700	(3)

(1) The Current Gas Cost shall be established each month at a rate equal to one hundred twenty-five percent (125%) of the greater of the CIG Rocky Mountain spot gas price index or the Panhandle Eastern Pipeline Company spot gas price index as reported in the table titled "Prices of Spot Gas Delivered to Pipelines" as published in that month's first issue of Inside F.E.R.C.'s Gas Market Report published by McGraw Hill.

(2) The Current Gas Cost shall be established each month at a rate equal to one hundred twenty-five percent (125%) of the greater of the CIG Rocky Mountain spot gas price index or the Panhandle Eastern Pipeline Company spot gas price index as reported in the table titled "Prices of Spot Gas Delivered to Pipelines" as published in that month's first issue of Inside F.E.R.C.'s Gas Market Report published by McGraw Hill, plus the maximum rate for interruptible transportation service under Rate Schedule TI-1 of CIG's then effective FERC gas tariff plus all applicable surcharges.

(3) The Gas Cost Adjustment for these rates will be established monthly by adding the Current Gas Cost to the Deferred Gas Cost.

ADVICE LETTER
NUMBER

ISSUE
DATE

PUBLIC SERVICE COMPANY OF COLORADO

Sheet No. 10A

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

Cancels
Sheet No.

NATURAL GAS RATES
RULE 10(f) RATE COMPONENTS

Rate Schedule	Sheet No.	Type of Charge	Billing Units	Rate/Charge
RG	14	Metering & Billing	--	\$9.11
		Commodity Costs:		
		Distribution System	Therm	\$0.09885
		Natural Gas Cost	Therm	\$0.69110
		Interstate Pipeline Cost	Therm	\$0.06690
		Total		\$0.85685
CG	16	Metering & Billing	--	\$16.39
		Commodity Costs:		
		Distribution System	Therm	\$0.09278
		Natural Gas Cost	Therm	\$0.69110
		Interstate Pipeline Cost	Therm	\$0.06650
		Total		\$0.85038
IG	18	Metering & Billing	--	\$91.06
		On-Peak Demand Cost:		
		Distribution System	DTH	\$6.66
		Natural Gas Cost	DTH	\$0.12
		Interstate Pipeline Cost	DTH	\$2.77
		Total		\$9.55
		Commodity Costs:		
		Distribution System	DTH	\$0.4411
		Natural Gas Cost	DTH	\$6.8890
		Interstate Pipeline Cost	DTH	\$0.4640
		Total		\$7.7941
		Unauthorized Overrun Cost:		
		For Each Occurrence:		
		Distribution System	DTH	\$25.30

Note: The above rates and charges are for informational bill presentation purposes only in accordance with Commission Rule 10(f) and include the base rates and charges plus all applicable gas rate adjustments. For billing purposes however, reference should be made to the appropriate rate schedules set forth herein.

ADVICE LETTER
NUMBER

DECISION
NUMBER C01-20

MANAGING DIRECTOR,
Regulatory Administration

ISSUE
DATE

EFFECTIVE
DATE

PUBLIC SERVICE COMPANY OF COLORADO

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

Sheet No. 11

Cancels
Sheet No.

NATURAL GAS RATES
RATE SCHEDULE SUMMATION SHEET

Rate Schedule	Sheet No.	Type of Charge	Billing Units	Base Rate	Adjustments (Percent) (1)	Gas Cost Adjustment	
RG	14	Service and Facility	--	\$9.00	1.1800%	\$ --	
		Commodity	Therm	0.0977	1.1800%	0.7580	I
RGL	15	One or Two Mantles per month		\$5.58	1.1800%	--	
		Additional Mantle		2.79	1.1800%	--	
		Commodity	Therm		1.1800%	0.7353	I
CG	16	Service and Facility	--	\$16.20	1.1800%	--	
		Commodity	Therm	0.0917	1.1800%	0.7576	I
CGL	17	One or Two Mantles per month		\$5.58	1.1800%	--	
		Additional Mantle		2.79	1.1800%	--	
		Commodity	Therm		1.1800%	0.7353	I
IG	18	Service and Facility	--	\$90.00	1.1800%	--	
		On-Peak Demand Charge	DTH	6.58	1.1800%	2.890	I
		Commodity	DTH	0.436	1.1800%	7.353	I
		Unauthorized Overrun	DTH	25.00	1.1800%	--	

(1) The Rate Adjustment is the sum of the Demand Side Management Cost Adjustment (DSMCA) and any applicable General Rate Schedule Adjustments (GRSA).

ADVICE LETTER
NUMBER

DECISION

C01-20

MANAGING DIRECTOR
Decision Administration

ISSUE
DATE

EFFECTIVE
DATE

Attachment C-23

PUBLIC SERVICE COMPANY OF COLORADO

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

Sheet No. 11A

Cancels
Sheet No.

NATURAL GAS RATES
RATE SCHEDULE SUMMATION SHEET

Rate Schedule	Sheet No.	Type of Charge	Billing Units	Base Rate	Adjustments (Percent) (1)	Gas Cost Adjustment
TF	30	Service and Facility	--	\$60.00	1.1800%	\$ --
		Firm Capacity Reservation Charge:	--			
		Standard	DTH	4.070	1.1800%	--
		Minimum	DTH	0.940	1.1800%	--
		Transportation:				
		Standard	DTH	0.250	1.1800%	0.047
		Minimum	DTH	0.010	1.1800%	0.047
		Authorized Overrun	DTH	0.250	1.1800%	0.047
		Unauthorized Overrun				
		Transportation:				
		Standard	DTH	25.00	1.1800%	0.047
		Minimum	DTH	0.250	1.1800%	0.047
		Firm Supply Reservation	DTH	0.000	1.1800%	2.890
		Backup Supply	DTH	0.436	1.1800%	(2)
		Authorized Overrun	DTH	0.436	1.1800%	(2)
		Unauthorized Overrun				
		Sales:				
		Standard	DTH	25.00	1.1800%	--
		Minimum	DTH	0.436	1.1800%	--

(1) The Rate Adjustment is the sum of the Demand Side Management Cost Adjustment (DSMCA) and any applicable General Rate Schedule Adjustments (GRSA).

(2) The Gas Cost Adjustment applicable to this rate is subject to monthly revision as provided for on Sheet No. 50H.

(Continued on Sheet No. 11B)

ADVICE LETTER
NUMBER

DECISION
NUMBER 001-20

MANAGING DIRECTOR
Regulatory Administration

ISSUE
DATE

EFFECTIVE
DATE

Attachment C-24

PUBLIC SERVICE COMPANY OF COLORADO

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

Sheet No. 11B

Cancels
Sheet No.

NATURAL GAS RATES
RATE SCHEDULE SUMMATION SHEET

Rate Schedule	Sheet No.	Type of Charge	Billing Units	Base Rate	Adjustments (Percent) (1)	Gas Cost Adjustment
TI	31	Service and Facility Charge With Phone Line		\$240.00	1.1800%	\$ --
		Service and Facility Charge Without Phone Line		\$195.00	1.1800%	\$ --
		Transportation:				
		Standard	DTH	0.384	1.1800%	0.047
		Minimum	DTH	0.010	1.1800%	0.047
		Authorized Overrun				
		Transportation	DTH	0.384	1.1800%	0.047
		Unauthorized Overrun				
		Transportation:				
		Standard	DTH	25.00	1.1800%	0.047
		Minimum	DTH	0.384	1.1800%	0.047
		On-Peak Demand	DTH	6.58	1.1800%	2.890
		Backup Supply	DTH	0.436	1.1800%	(2)
		Unauthorized Overrun				
		Sales:				
		Standard	DTH	25.00	1.1800%	--
		Minimum	DTH	0.436	1.1800%	--

(1) The Rate Adjustment is the sum of the Demand Side Management Cost Adjustment (DSMCA) and any applicable General Rate Schedule Adjustments (GRSA).

(2) The Gas Cost Adjustment applicable to this rate is subject to monthly revision as provided for on Sheet No. 50H.

(Continued on Sheet No. 11C)

ADVICE LETTER
NUMBER

DECISION
NUMBER

C01-20

MANAGING DIRECTOR,
Regulatory Administration

ISSUE
DATE

EFFECTIVE
DATE

- Attachment C-25

RECEIVED
MAR 26 2001

GREELEY
GAS
COMPANY

March 23, 2001

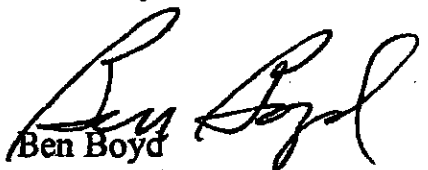
Public Utilities Commission
Mr. Bruce Smith, Director
Suite 201
1580 Logan Street
Denver, CO 80203

Dear Mr. Smith:

Greeley Gas Company, a Division of ATMOS ENERGY CORP hereby submits its original and 15 copies of its Verified Application and Request for Shortened Notice Period which respectfully requests an accounting order from the Commission authorizing the treatment and handling of certain Kansas Ad Valorem tax refund monies.

If the Commission has any questions, please call me at 303-831-5674.

Sincerely,



Ben Boyd
Vice President
Rates and Regulatory Affairs

Attachments: application, verification, and service list

DM - SK
Someone please
Keep a file -
or LIC
KB

I'll keep in
my files for
audit when
everyone is done

J

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE COLORADO

IN THE MATTER OF THE APPLICATION)
OF GREELEY GAS COMPANY FOR AN)
ACCOUNTING ORDER REGARDING) Docket No. 01A-__G
TREATMENT OF CERTAIN REFUND MONIES)

**VERIFIED APPLICATION AND REQUEST
FOR SHORTENED NOTICE PERIOD**

Greeley Gas Company ("Greeley" or "Applicant"), a division of Atmos Energy Corporation, by and through undersigned counsel, hereby respectfully requests an accounting order from the Public Utilities Commission of the State of Colorado ("Commission") authorizing the treatment and handling of certain Kansas *Ad Valorem* tax refund monies received by Greeley as described herein. By this application, Greeley does not seek any change in its rates or in its Gas Cost Adjustment ("GCA") rider. In addition, Greeley requests that the Commission shorten the notice period applicable to this application to ten (10) days. In support of this application, Greeley states as follows:

1. Applicant is a Virginia and Texas corporation, in good standing in all respects, with its principal office and place of business in Colorado at 1301 Pennsylvania Street, Suite 800, Denver, Colorado 80203-5015. Applicant is an operating public utility subject to the jurisdiction of this Commission, and is engaged in the purchase, gathering, transmission, distribution, and sale at retail

of natural gas to domestic, commercial, and industrial consumers in the State of Colorado and elsewhere.

2. The name and address of Applicant's representatives to whom all inquiries concerning this Application should be made and to whom all notices, pleadings, correspondence and other documents regarding this Application should be served are as follows:

Thomas R. O'Donnell, Esq.
Holland & Hart LLP
555 17th Street
Suite 3200
Denver, Colorado 80202-3979
(303-295-8291)

and

Ben H. Boyd, Jr.
Vice President, Rates and Regulatory Affairs
Greeley Gas Company
1301 Pennsylvania Street, Suite 800
Denver, Colorado 80203
(303) 831-5674

3. On or about May 1, 1998, December 20, 2000, and January 25, 2001, Greeley received three payments totaling ~~322,913~~ from Colorado Interstate Gas Company ("CIG"). This amount represents Greeley's share of refund monies (both principle and interest) owed CIG (and ultimately, CIG's customers) by a group of producers for overcharges associated with the payment of a Kansas *Ad Valorem* tax during a five year period from 1983 to 1988. The refund of these monies is the result of a settlement reached among the parties in a variety of proceedings before the FERC and the courts. The settlement was approved by the FERC on November 21, 2000 in Colorado Interstate Gas Company, 93 FERC ¶61,185 (2000), issued in FERC Docket No. RP94-54.

4. In accordance with the Commission's rules, Greeley has applied applicable interest, calculated at the then-applicable customer deposit rate of interest from and after the date on which Greeley received the individual refund checks from CIG. After application of appropriate interest, the total amount for which Greeley requests the issuance of an accounting order by this application is \$235,370. The calculation of this amount, including applicable interest, is as set forth in Exhibit 1, attached hereto and incorporated herein by reference.

5. In the ordinary course of events, the Commission's rules require that these refund monies be returned to the customers pursuant to a refund plan approved by the Commission. Notwithstanding such rules Greeley requests authorization from the Commission that would allow Greeley to return these monies to its customers through its GCA mechanism, rather than pursuant to a separate refund plan. More specifically, Greeley requests that it be authorized to credit the Kansas *Ad Valorem* tax refund monies received from CIG to Greeley's Account No. 191 balance. Greeley recognizes that crediting the refund monies to the Account No. 191 balance will not result in an immediate pass through of the refund monies to customers in terms of reducing Greeley's currently effective GCA rates. However, during the months of January and February, 2001, Greeley incurred significant natural gas costs that will cause the under-collection reflected in Greeley's Account No. 191 to grow. As such, Greeley's proposed method of handling the Kansas *Ad Valorem* tax refund amount will help mitigate the need for a future GCA rate increase.

6. Greeley recognizes that historically, refunds of this nature are returned to customers pursuant to the terms of a Commission-approved refund plan and not by flowing the refund dollars through Account No. 191, thereby reducing the gas cost adjustment rate that would otherwise be charged current customers under the utility's gas cost adjustment mechanism. The Commission has, however, deviated from this norm in the recent past in the case of other utilities (for example, Public Service Company of Colorado, Peoples Natural Gas Company, Citizens Utilities Company and Greeley Colorado Utility Company) and Greeley believes that good cause exists for a similar deviation from this historical norm for it as well.

7. First, the refund monies received from CIG were collected from Greeley (and its customers) between 1983 and 1988. Thus, in order for Greeley to return these monies to those of its customers that paid the over-charged amounts, Greeley would have to research and identify the customers that were on its system 13 to 18 years ago. Greeley would then have to locate the customers that are no longer on its system and send them a refund check. However, Greeley does not have customer information data going back 13 to 18 years readily available, if at all. Thus, the task of attempting to identify and locate the customers entitled to these refund monies would be a very expensive and time-consuming process, if it can be done at all. The process would also significantly reduce the amount of the refund monies that would be available to be returned to the customers. The process would also delay the actual refund of monies for many months.

8. Second, natural gas customers are currently experiencing historic natural gas prices. Return of the Kansas *Ad Valorem* tax refund monies to this current group of customers comes at a very opportune time and will help mitigate the impact of natural gas prices that are at an all time high. This mitigation measure is certainly in the public interest.

9. In conjunction with this proposal regarding the handling of the Kansas *Ad Valorem* tax refund monies, Greeley also requests that it be authorized to make a payment to the Colorado Energy Assistance Foundation in the amount of \$58,842.50, which amount represents twenty-five (25) percent of the total refund amount that Greeley received from CIG, plus applicable interest, and that such payment come from and thereby reduce the Kansas *Ad Valorem* tax refund monies to be flowed through Greeley's Account No. 191 as herein described. The basis for Greeley's request in this regard is as follows.

10. Under the Commission's rules regarding refund plans (4 CCR 723-4-32.7) and Colorado statute (C.R.S. §40-8-101(2)), up to ninety (90) percent of any unclaimed refunds to customers may be directed to CEAF. However, Greeley's proposal to apply the Kansas *Ad Valorem* tax refund monies toward its Account No. 191 balance would result in there being no "unclaimed refunds" to customers. Therefore, CEAF and the low-income constituency that it serves would be adversely affected. It is not, however, Greeley's intention that approval of Greeley's proposal regarding the treatment of Kansas *Ad Valorem* tax refund monies should in any way adversely impact CEAF. As such, Greeley requests that it be authorized to make a payment to CEAF of \$58,842.50, or

twenty-five (25) percent of the Kansas *Ad Valorem* tax refund monies received from CIG. Greeley believes that given the protracted number of years over which these refund monies were collected and the number of years that have since passed, 25% is a reasonable proxy for the level of unclaimed refunds that Greeley would otherwise have requested be paid to CEAF under a traditional refund plan. Greeley would also note that payment of this amount directly to CEAF is in the public interest in that it will ensure that much needed financial assistance will be available to Colorado's low income population to help them pay their home heating bills during the remainder of this heating season. Upon information and belief, this approach has been proposed recently by a number of utilities and that it has been approved by the Commission.

11. In order that the Commission may act on the instant application at the earliest opportunity, Greeley requests that the Commission shorten its typical thirty (30) day notice period to a ten (10) day notice period pursuant to its authority as set forth in C.R.S. § 40-6-108(2).

12. In support of the relief requested herein, an Affidavit signed by Mr. Ben H. Boyd, Jr., Vice President, Rates and Regulatory Affairs for Greeley, is attached to this application, stating that the contents of this Verified Application are true, accurate, and correct, to the best of his knowledge and belief.

13. Greeley states that good cause has been shown for granting of the relief requested herein for the issuance of an accounting order as described in this application.

14. Greeley requests that this application be deemed complete pursuant to the Commission's Rules of Practice and Procedure and that the Commission determine this matter without hearing and pursuant to the modified procedures provided for in C.R.S. § 40-6-109(5).

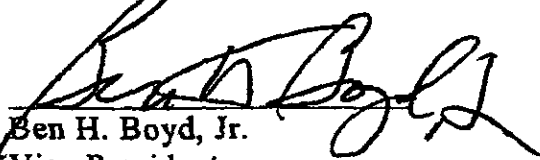
15. In the event the Commission determines that a hearing should be conducted in this matter, Greeley requests that said hearing be held in Denver, Colorado.

16. While Greeley believes that no waiver of any Commission rule is necessary for the Commission to grant this application, if the Commission believes a waiver of a rule is necessary, Greeley requests that such a waiver be granted.

WHEREFORE, Greeley Gas Company, a division of Atmos Energy Corporation, respectfully requests an Order from the Commission: 1) authorizing the handling of the Kansas *Ad Valorem* tax refund monies received by Greeley as herein described; 2) authorizing the payment to the Colorado Energy Assistance Foundation of \$58,842.50 as described herein; and 3) granting such other waivers of the Commission's rules as may be necessary in order for the relief requested herein to be granted.

DATED this 23 day of March, 2001.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ben H. Boyd, Jr.", written over a horizontal line.

Ben H. Boyd, Jr.

Vice President,

Rates and Regulatory Affairs

1301 Pennsylvania St., Suite 800

Denver, CO 80203-5015

Telephone: (303) 831-5674

Telefax: (303) 831-5676

Greeley Gas Company, a Division of
Atmos Energy Corporation

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE COLORADO

IN THE MATTER OF THE APPLICATION)
OF GREELEY GAS COMPANY FOR AN)
ACCOUNTING ORDER REGARDING) Docket No. 01A-__G
TREATMENT OF CERTAIN REFUND MONIES)

VERIFICATION

The undersigned, being under oath, states that he has read the foregoing Verified Application and Request for Shortened Notice Period of Greeley Gas Company and that to the best of his knowledge and belief, the facts stated therein are true, accurate, and correct.

STATE OF COLORADO)

COUNTY OF DENVER)

GREELEY GAS COMPANY, A Division of Atmo Energy
Corporation

By: 

Ben H. Beyd, Jr.

Vice President, Rates and Regulatory Affairs

SUBSCRIBED and sworn to before me this 23 day of March, 2001.

WITNESS my hand and official seal.


Patricia Middendorf
Notary Public

My Commission Expires on
7/17/2004

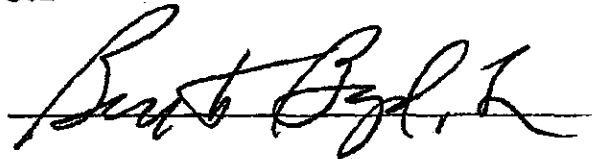
CERTIFICATE OF SERVICE

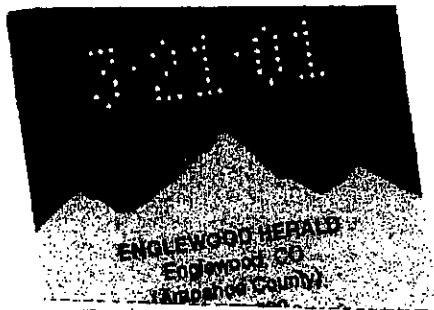
I hereby certify that on this 23rd day of March, 2001, a true and correct copy of the foregoing VERIFIED APPLICATION AND REQUEST FOR SHORTENED NOTICE PERIOD was served via the United States mail, first-class postage prepaid, addressed to the following:

Kenneth Reif, Esq.
Director
Office of Consumer Counsel
1580 Logan Street, Suite #740
Denver, CO 80203

Mr. Bruce N. Smith
Director
Colorado Public Utilities Commission
1580 Logan Street, Office Level 2
Denver, CO 80203

Ms. Karen Brown
Executive Director
Colorado Energy Assistance Foundation
518 17th Street, Suite 1390
Denver, CO 80202

A handwritten signature in black ink, appearing to read "Robert B. Blyden", is written over a horizontal line.



People's Natural Gas lends help

Part of refund
to aid those
struggling with
utility bills

BY SUSAN DAGE-RUBY
STAFF WRITER

People's Natural Gas received the nod from the Colorado Public Utilities Commission to share some of its wealth with "persons who are facing financial difficulty because of higher energy bills," said Robert Kort, spokesman for the gas company.

The windfall is a portion of a

refund settlement approved by the Federal Energy Regulatory Commission. The money is from over-collected taxes on natural gas production in Kansas, Kort said.

About six or seven years ago, People's purchased gas from several companies in Kansas that had overcharged on taxes. The result of the lawsuit was the companies had to refund what they had overcharged, Kort said.

But People's decided its windfall should be shared with the people who might be feeling the bite of higher gas prices.

"The combination of increased gas costs and colder weather has been especially hard on low-income residents," Kort said. "We feel these funds

should be used to provide some relief."

The clearing house for the money will be the Colorado Energy Assistance Foundation, which will use it to help agencies such as the Salvation Army help low-income families feeling the crunch from rising heating costs.

Other agencies that work in Douglas County and will receive a portion of the money include Adventist Community Services, the Association for Senior Citizens, the Colorado AIDS Project, Metro CareRing and Seniors! Inc., said Larry Kinnaird, development director for the foundation.

"This will go a long way to help. It's an extraordinary offer," Kinnaird said. "People's

Natural Gas has been one of CEAF's biggest contributors."

In addition to the \$95,000 contributed by People's from the lawsuit, the gas company also raises between \$40,000 and \$50,000 a year in matching funds for the energy assistance foundation, Kort said.

The \$95,000 was only a portion of the refund money, Kort said. The rest amounts for \$285,000. The money not donated to the foundation will be rolled back to customers as a refund because the cost increases caused by the Kansas companies was, in part, passed on to the consumer as an indirect refund.

Those refunds will probably appear at the end of the year bills, he said.