

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

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**IN THE MATTER OF THE APPLICATION OF THE
CITY OF BOULDER, COLORADO FOR APPROVAL
OF THE PROPOSED TRANSFER OF ASSETS FROM
PUBLIC SERVICE COMPANY OF COLORADO TO
THE CITY AND ASSOCIATED AUTHORIZATIONS
AND RELIEF**

**INITIAL SUPPLEMENT TO VERIFIED
APPLICATION OF THE CITY OF BOULDER**



PROCEEDING NO. 15A-0589E

SEPTEMBER 23, 2015

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OF THE STATE OF COLORADO**

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APPLICATION OF THE CITY OF)	
BOULDER, COLORADO FOR)	
APPROVAL OF THE PROPOSED)	PROCEEDING NO. 15A-0589E
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SERVICE COMPANY OF COLORADO)	
TO THE CITY AND ASSOCIATED)	
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**INITIAL SUPPLMENT TO VERIFIED APPLICATION
OF THE CITY OF BOULDER, COLORADO**

Boulder supplements its Verified Application with the addition of a new Section XII, Potential Alternatives to Proposed Plan, and amendments to the former Section XII (now Section XIII) to read in their entirety as follows:

XII. POTENTIAL ALTERNATIVES TO PROPOSED PLAN

In this Verified Application, the City has proposed what it believes to be the technically best, safest, most reliable and most cost-effective approach for transferring PSCo’s assets and establishing interconnection points based on the information it has had available to it. Once the Application is deemed complete and the City has had an opportunity to make discovery requests of PSCo, it may find that there are alternatives to the City’s plan that are worthy of the Commission’s and the other parties’ consideration. These alternatives may include, without limitation:

- The City wheeling power to its in-City customers over PSCo’s lines where feeders pass outside the City’s boundaries before reaching those customers;
- The utility with the majority of customers on an individual feeder line owning that feeder and allowing the other utility to wheel power over that feeder to serve its customers;

- Modification to the location and number of points of separation of the City's and PSCo's systems;
- The construction of additional facilities to address specific customer locations;
- An interim plan incorporating distribution wheeling by both the city and PSCo to allow for an orderly transition and separation;
- Other options that become apparent in the course of the proceeding that may be in the public interest and supported by the evidence;
- Some combination of the above.

To properly propose any of these alternatives, Boulder will need additional information from PSCo regarding the PSCo system including, but not limited to: verification of facilities lists, system operations, customer data, and load data. Once an initial discovery period is complete, Boulder will again supplement its Verified Application to offer detailed alternative plans and will recommend its preferred plan.

XIII. HEARING, VERIFICATION, AND REQUEST FOR RELIEF

At hearing, Boulder will present competent evidence to demonstrate that the relief requested is not contrary to the public interest and to justify granting this Application.

This application is verified by the attached affidavit of Heather Bailey, Executive Director of Energy Strategy and Electric Utility Development for the city of Boulder.

Therefore, Boulder requests that the commission issue an Order:

- granting this Application;
- approving the transfer of ownership and control of the identified utility assets from PSCo to Boulder and approving the proposed distribution tariff or such alternative plan as the Commission may find to be not contrary to the public interest;
- approving the proposed step down power supply plan;
- encouraging PSCo and Boulder to work together to develop a joint transition plan;
and

- granting such other relief as may be necessary to accomplish this asset transfer, as detailed herein.

WHEREFORE, Boulder respectfully requests that the Commission enter an Order granting this Application and providing the following specific relief:

- a. Approving the transfer of the facilities and properties described in this Application and the supporting testimony from PSCo to the City; and
- b. Authorizing the methodology proposed by the City in this Application and the supporting testimony that will allow Boulder Light & Power and PSCo to be interconnected in such a way as to ensure continuity of safe and reliable service; and
- c. Ordering PSCo to work with Boulder to develop a PUC-jurisdictional distribution wheeling agreement applying a formula rate for the delivery of electricity to PSCo's customers within the Acquisition Area over facilities owned by Boulder; or
- d. Approving such alternative plan proposed in the course of this proceeding as the Commission may find to be not contrary to the public interest;
- e. Ordering PSCo to work with Boulder to develop a transition plan that will permit a seamless transition for Boulder customers and for those PSCo customers who will be served over Boulder's distribution lines; and
- f. Finding it is appropriate for PSCo to (1) use the electric capacity released by Boulder over time to serve PSCo remaining native load customers' load growth and capacity needs, (2) sell such capacity released from Boulder to PSCo's remaining native load customers at PSCo's then-authorized retail rate, and (3), in future rate cases and in lieu of incurring costs for additional new resources, seek to recover from its non-Boulder native load customers the costs associated with the capacity that was once used to serve

Boulder but which will, in the future, be used to serve PSCo's remaining native load customers. The findings requested in this subpart (e) may be used to inform anticipated decisions on stranded costs.

DATED this 23rd day of September 2015.

Respectfully submitted,

CITY OF BOULDER

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