



414 Nicollet Mall
Minneapolis, MN 55401

December 21, 2018

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

RE: Public Service Company of Colorado
Docket No. ER18-482-000 et al.
Xcel Energy Open Access Transmission Tariff – Revised Depreciation Rates
Motion to Withdraw Filing Pursuant to Rule 35.17

Dear Secretary Bose:

On December 20, 2017, in the above-captioned docket, Xcel Energy Services Inc. (“XES”),¹ on behalf of its public utility operating company affiliate Public Service Company of Colorado (“PSCo”), filed pursuant to Section 205 of the Federal Power Act to modify the transmission-related depreciation rates set forth in Table 25, Workpaper H-1 (Depreciation and Amortization Rates) to Attachment O-PSCo to the Xcel Energy Operating Companies Open Access Transmission Tariff (“Xcel Energy Tariff”), to be effective approximately May 1, 2018.² Attachment O-PSCo is the transmission formula rate used to establish the rates for wholesale Network and Point-to-Point transmission services on the PSCo system.

Comments and protests were due on the December 20 Filing by January 10, 2018,³ and no adverse comments or protests were filed.

On April 6, 2018, XES filed a request for the Commission to defer action (“Deferral Request”) on the December 20 Filing as a result of developments in a PSCo retail electric rate case then pending action before the Colorado Public Utilities Commission (“CoPUC”). The Deferral Request include revised proposed tariff sheets with an effective date of “12/31/9998”

¹ XES is the service company subsidiary of Xcel Energy Inc., the holding company parent of PSCo and the other Xcel Energy Operating Companies, namely, Northern States Power Company, a Minnesota corporation, Northern States Power Company, a Wisconsin corporation, and Southwestern Public Service Company. As such, XES makes filings with, and appears in proceedings before, the Commission on behalf of the Xcel Energy Operating Companies.

² *Public Service Company of Colorado*, Filing of Revised Depreciation Rates in Table 25 to Attachment O-PSCo, Docket No. ER18-482-000 (December 20, 2017) (“December 20 Filing”).

³ See *Combined Notice of Filings #1*, Docket Nos. EC18-37-000, et al. (Dec. 20, 2017).

for the purpose of deferring the need for the Commission to take action on the Tariff Records submitted in the December 20 Filing.⁴

The Commission has not yet issued an order in this proceeding. This filing moves to withdraw the revisions to Table 25 submitted in the December 20 Filing, as revised by the Deferral Request.

Background

The December 20 Filing sought to revise the PSCo wholesale transmission depreciation rates in Table 25 to match those pending CoPUC approval in PSCo's then pending retail electric general rate case (Proceeding No. 17AL-0649E). The December 20 Filing stated that PSCo sought to synchronize the wholesale depreciation rates with the retail depreciation rates because PSCo has a long practice of keeping retail and wholesale depreciation rates the same.⁵ The December 20 Filing proposed an effective date of approximately May 1, 2018, the date the revised PSCo retail electric rates were expected to be placed into effect.

The Deferral Request indicated that enactment of the Tax Cuts and Jobs Act ("TCJA")⁶ in late December 2018 caused a substantial effect on PSCo's retail rate case test year cost of service and revenue requirement. As a result, PSCo and the parties to the pending retail electric rate case agreed PSCo would update its retail test year revenue requirements to reflect the impact of the TCJA. On March 23, 2018, PSCo and the Staff of the CoPUC filed a joint motion to extend the procedural schedule and provisional rate effective date in CoPUC Proceeding No. 17AL-0649E.⁷ The March 23 Motion indicated that PSCo and the CoPUC staff had agreed that provisional rates in Proceeding No. 17AL-0649E would not be placed into effect until January 1, 2019, subject to refund, with the effective date for final retail rates determined by the CoPUC. The Deferral Request indicated the CoPUC had not yet acted on the March 23 Motion.

After the Deferral Request was filed, the CoPUC voted to dismiss the PSCo retail electric rate case rather than grant the March 23 Motion.⁸ As a result of the CoPUC decision, the depreciation rates proposed in the December 20 Filing related to Transmission Plant will not be

⁴ *Public Service Company of Colorado*, Filing of Extent Action Date on Revisions to Attachment O-PSCo, Docket No. ER18-482-001 (April 6, 2018) ("Deferral Request").

⁵ December 20 Filing at 5.

⁶ *See Law to Provide for Reconciliation Pursuant to Titles II and V of the Concurrent Resolution on the Budget for Fiscal Year 2018*, H.R. 1 (2017) ("TCJA").

⁷ *In the Matter of Advice Letter No. 1748 – Electric Filed by Public Service Company of Colorado to Revise Its PUC No. 8-Electric Tariff to Implement a General Rate Schedule Adjustment and other Changes Effective on Thirty Days Notice*, Proceeding No. 17-AL0649E, Joint Motion For Approval of Changes to Procedural Schedule and Other Changes to Procedures and Scope of Electric Rate Case (March 23, 2018) ("March 23 Motion").

⁸ *In the Matter of Advice Letter No. 1748 – Electric Filed by Public Service Company of Colorado to Increase Rates For Electric Base Rate Schedules by Implementing a General Rate Schedule Adjustment to Become Effective November 2, 2017*, DECISION DENYING JOINT PROCEDURAL MOTION, PERMANENTLY SUSPENDING RATES, DISMISSING PROCEEDING, AND DENYING JOINT SPP MOTION AS MOOT (April 26, 2018).

placed into effect in retail electric rates until after PSCo files its next retail electric rate case, which is anticipated in 2019.

The Common Utility Plant depreciation rates proposed in the December 20 Filing were made effective for Colorado retail rate purposes, however, as a result of a CoPUC decision in a separate general rate case involving PSCo's retail natural gas distribution operations (Proceeding No. 17AL-0363G.)⁹ Rather than file a substantial amendment in the instant docket, PSCo anticipates submitting a new FPA section 205 filing to revise Table 25 to Attachment O-PSCo to reflect the more limited Common Utility Plant depreciation rates accepted by the CoPUC, effective on the same date the rates were effective for retail rate purposes. PSCo anticipates submitting the tariff revisions in January 2019.

Motion to Withdraw

For the foregoing reasons, PSCo respectfully moves to withdraw the proposed Tariff revisions submitted in Docket No. ER18-482 *et al.* Withdrawal under Section 35.17(a) of the Commission's regulations is appropriate because the proposed revisions to Table 25 have not yet become effective and no substantive Commission order has been issued. Pursuant to Section 35.17(a)(2), withdrawal will be automatically granted after fifteen (15) days if no answer in opposition to the withdrawal motion is filed.

Conclusion/Service

PSCo appreciates the Commission's prompt consideration of this matter. Please direct any questions regarding this filing to the undersigned at (612) 215-4592 or to Ms. Tracee Holte at (612) 330-6206. XES will electronically serve a copy of this filing on the designated representatives for all parties on the Commission's official service list for this proceeding.

⁹ *In the Matter of Advice No. 912-Gas Filed by Public Service Company of Colorado to Roll the Pipeline System Integrity Adjustment ("PSIA") Costs Into Base Rates Beginning in 2019 and Increase Rates for All Natural Gas Sales and Transportation Services by Implementing a General Rate Schedule Adjustment ("GRSA") in the Company's Colorado P.U.C. No. 6 – Gas Tariff, to Become Effective July 3, 2017*, Decision No. R18-0318-I, Interim Decision of Administrative Law Judge Addressing Advice Letter and Certifying Decision as Immediately Appealable to the Commission *En Banc* (May 11, 2018); INTERMIN DECISION ADDRESSING APPEALS OF DECISION NO. R-18-318-I, RESCINDING REFERRAL, ESTABLISHING MODIFIED PROVISIONAL RATES, AND SCHEDULING HEARING (August 29, 2018).

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Sincerely,

/s/ James P. Johnson

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CERTIFICATE OF SERVICE

I hereby certify that I have this day electronically served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Minneapolis, Minnesota this 21st day of December, 2018.

/s/ Tracee Holte

Tracee Holte
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