

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

IN THE MATTER OF THE APPLICATION OF)	
CHEYENNE LIGHT, FUEL AND POWER)	
COMPANY FOR AUTHORITY TO PASS ON)	Docket No. 30005-199-GP-15
A WHOLESALE GAS COST DECREASE OF)	(Record No. 14062)
\$0.4838 PER DEKATHERM FOR FIRM AND)	
INTERRUPTIBLE RATE CLASSES)	

NOTICE AND ORDER
(Issued March 16, 2015)

This matter is before the Wyoming Public Service Commission (Commission) upon the application of Cheyenne Light, Fuel and Power Company (CLFP) for authority to pass on a wholesale natural gas cost decrease through its Commodity Balancing Account (CBA), and on its *Petition for Confidential Treatment of Natural Gas Acquisition Strategy and Financial Forecasting (Petition)* applicable to Schedules E, F, G, H, I, J and K. The Commission, having reviewed the application and *Petition*, its files regarding CLFP, applicable Wyoming utility law, and otherwise being fully advised in the premises, FINDS and CONCLUDES:

1. CLFP is a public utility as defined by W.S. § 37-1-101(a)(vi)(D), subject to the Commission's jurisdiction pursuant to W.S. § 37-2-112.

2. On January 30, 2015, CLFP applied to pass on to its customers a gas cost decrease of \$0.4838 per dekatherm (Dth), effective for usage on and after March 1, 2015. The Total Projected Gas Cost decrease is primarily due to March's projected gas costs being lower than those currently reflected in rates. The decrease will affect approximately 36,033 customers. In its application, CLFP proposed a Projected Gas Cost of \$4.0456 per Dth and a CBA surcharge debit of \$0.6095. The net effect of the proposed pass-on application provides a Total Projected Gas Cost of \$4.6551 per Dth for residential, commercial and interruptible rate classes, which is a decrease over the current rate of \$5.1389 per Dth. Table 1 shows the decrease in the Total Projected Gas Cost.

Table 1
Total Rate Change

Residential	Current (\$/Dth)	Proposed (\$/Dth)	Net Change (\$/Dth)	Change (%)
Projected Gas Cost	4.5294	4.0456	(0.4838)	(10.68)
CBA Surcharge/(Credit)	0.6095	0.6095	0.0000	0.0
Total Projected Gas Cost	5.1389	4.6551	(0.4838)	(9.4)
Non-Commodity Rate	2.2387	2.2387	0.0000	0.0
DSM Surcharge	0.4217	0.4217	0.0000	0.0
Retail Gas Rate	7.7993	7.3155	(0.4838)	(6.2)

3. A public utility may apply to pass on to its customers in rates, known commodity or commodity-related cost increases or decreases, if the application complies with the substantive and procedural requirements of §§ 249 and 250 of the Commission's rules, and the Commission determines:

- Allowing recovery of the costs is in the public interest and is for prudently incurred wholesale utility commodity cost increases or decreases not under the Commission's jurisdiction or costs deemed appropriate by the Commission in accordance with the Rules.
- The pass-on only includes actual or projected increases in commodity or commodity-related costs and will not result in the utility's normalized rate of return on rate base exceeding that last authorized by the Commission, or the pass-on will not result in the utility's annual earnings exceeding that last authorized by the Commission.
- The pass-on is allocated to all retail rate classes and contract customers on an equal or proportional basis, unless an exception is granted by the Commission in accordance with the Rules and in the public interest.
- All pass-on rates are filed as a cumulative rate rider or surcharge separate from base rates.
- The pass-on costs are the most reasonable option practically available to the utility for safe, adequate and reliable service to retail customers, as more fully detailed in the Rules.
- There are provisions for the payment of interest on over-collected balances in the Commodity Balancing Account, and if the utility has requested the charging of interest on any under-collected balances in the Commodity Balancing Account, the utility has demonstrated the charging of interest on under-collected balances is in the public interest.
- The Application contains supporting documentation as required by the Rules.

4. The application and *Petition* were considered by the Commission pursuant to due notice at its regular open meeting of February 26, 2015. Margaret McGill participated on behalf of CLFP via telephone. McGill provided a summary of the application and described the components of the proposed wholesale gas cost decrease, generally describing the information set forth in paragraph 2 above. Commission Staff recommended approval of the application and the *Petition*.

5. Based on the application and representations by CLFP and the analysis and recommendations of Commission Staff, the Commission finds CLFP's pass-on decrease should be approved, effective for usage on and after March 1, 2015, subject to public notice, protest, opportunity for hearing, refund and such further modification and order as deemed appropriate by the Commission. The Commission also concludes that CLFP's *Petition* complies with Commission Rule § 120, and should be approved.

6. Public notice in this matter shall be in the following form:

PUBLIC NOTICE

The Wyoming Public Service Commission (Commission) has given Cheyenne Light, Fuel and Power Company (CLFP) authority to pass on to its customers a retail gas rate decrease of \$0.4838 per dekatherm (Dth), effective for usage on or after March 1, 2015. The Total Projected Gas Cost decrease is primarily due to March's projected gas costs being lower than those currently reflected in rates. The decrease will affect approximately 36,033 customers. In its application, CLFP proposes a Projected Gas Cost of \$4.0456 per Dth and a CBA surcharge debit of \$0.6095. The net effect of the proposed pass-on application provides a Total Projected Gas Cost of \$4.6551 per Dth for residential, commercial and interruptible rate classes, which is a decrease over the current rate of \$5.1389 per Dth. This approval is subject to notice, protest, investigation, opportunity for hearing, change, refund and such other orders as the Commission may deem appropriate.

The average CLFP residential customer using 11 Dth's in March may expect an average monthly decrease of \$5.32 or 5.14%. Actual monthly decreases will vary with usage.

Commission Rule §§ 249 and 250 allow a utility to pass on to its customers known or prospective wholesale commodity cost increases or decreases on a dollar-for-dollar basis and subject to public notice, opportunity for hearing and refund.

CLFP's application is on file at the Commission's offices in Cheyenne, Wyoming, and in its Cheyenne, Wyoming, business office, and may be inspected by any interested person during regular business hours.

Anyone desiring to file an intervention petition, request for a public hearing, statement, public comment or protest in this matter must file in writing with the Commission on or before April 16, 2015. The petition shall set forth the grounds of the proposed intervention or request for hearing and the position and interest of the petitioner in this proceeding.

If you want to intervene in this matter or request a public hearing that you will attend, or want to make a statement, a protest or a public comment, and you require reasonable accommodation for a disability, please contact the Commission at (307) 777-7427, or write to the Commission at 2515 Warren Avenue, Suite 300, Cheyenne, Wyoming 82002, to make arrangements. Communications impaired persons may also contact the Commission by accessing Wyoming Relay at 711. Please mention Docket No. 30005-199-GP-15 in your communications.

Dated: March 16, 2015.

IT IS THEREFORE ORDERED:

1. Pursuant to open meeting action taken on February 26, 2015, the application of Cheyenne Light, Fuel and Power Company for authority to pass on through its Commodity Balancing Account a net gas cost decrease of \$0.4838 per dekatherm to its customers, effective

for usage on and after March 1, 2015, subject to notice, protest, intervention, refund, opportunity for hearing, and such other orders as the Commission may deem appropriate, is approved.

2. Cheyenne Light, Fuel and Power Company's *Petition for Confidential Treatment of Natural Gas Acquisition Strategy and Financial Forecasting* is granted.

3. This *Notice and Order* is effective immediately.

MADE and ENTERED at Cheyenne, Wyoming, on March 16, 2015.

PUBLIC SERVICE COMMISSION OF WYOMING

ALAN B. MINIER, Chairman

WILLIAM F. RUSSELL, Deputy Chairman

(SEAL)

KARA BRIGHTON, Commissioner

Attest:

STEVE MINK, Assistant Secretary