

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 TO) DOCKET NO. 20003-EP-01-64
ITS SALES CUSTOMERS AN INCREASE IN ITS) (RECORD NO. 7135)
WHOLESALE ELECTRIC SUPPLY COSTS OF)
\$7,484,319)

NOTICE AND ORDER
(Issued January 3, 2002)

This matter is before the Commission upon the application of Cheyenne Light, Fuel and Power Company, hereinafter referred to as CLFP or the Company, for authority to pass on a wholesale electric cost increase of \$7,484,319, as more fully described herein below.

The Commission, having reviewed the application, 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), and as such, subject to the Commission's jurisdiction pursuant to the provisions of W.S. § 37-2-112.

2. CLFP filed its annual Electric Cost Adjustment (ECA) application requesting authority to pass on, to its customers, a wholesale electric cost increase of \$7,484,319 to be effective for service rendered on or after January 1, 2002.

3. The application states that the filing is made pursuant to the Stipulated and Amended ECA Application and Settlement Agreement approved by the Commission in Docket Nos. 20003-ES-01-58 and 20003-EP-01-59. The application describes the negotiations that led to the stipulated settlement in those dockets, which arose out of the expiration of CLFP's wholesale electric contract with PacifiCorp and the resulting agreement between CLFP and its affiliate company, Public Service Company of Colorado (PSCo), pursuant to which PSCo will become CLFP's electric supplier. The application further states that this ECA application represents a Phase Two increase contained in the stipulated agreement between the parties in the sub 58 and sub 59 dockets, which deferred some of the wholesale costs under the contract between PSCo and CLFP, in order to mitigate some of the impact to CLFP's customers.

4. CLFP's current and proposed average monthly bills for residential service customers are detailed in the following table:

RATE ITEM	CURRENT	PROPOSED	DIFFERENCE
BASE RATE – SERVICE and FACILITY CHARGE	\$9.00	\$9.00	\$0
BASE- RATE – SYSTEM CAPACITY CHARGE (for approx. 596 kWh)	\$7.87	\$7.87	\$0
	\$15.31	\$18.61	\$3.30

ECA – DEMAND CHARGE (for approx. 596 kWh)			
ECA – ENERGY CHARGE (for approx. 596 kWh)	\$21.34	\$23.70	\$2.36
AVERAGE TOTAL BILL	\$53.52	\$59.18	\$5.66

5. The application reflects an overall increase in revenues of 12.05%. Detailed calculations for each rate class are contained in the application. The increase per class is summarized in the following chart:

RESIDENTIAL	10.57%
SMALL COMMERCIAL	7.16%
SECONDARY GENERAL	12.53%
PRIMARY GENERAL	15.36%
TRANSMISSION GENERAL	13.39%
STREET LIGHTING	4.62%

6. Pursuant to Sections 249 and 250 of the Commission's Procedural Rules and Special Regulations, a utility may pass on, to its customers, known or prospective wholesale commodity cost increases or decreases under the following circumstances, subject to public notice, opportunity for hearing and refund:

- a. The pass on is for wholesale commodity cost changes which are not under the Commission's jurisdiction.
- b. The pass on does not increase a utility's rate of return and the utility is earning at or below its last authorized rate of return.
- c. The pass on is applied to all rate classes in an equal or proportional manner.
- d. The pass on charges are filed as a separate, cumulative rate rider.
- e. There are provisions for interest on over collections.
- f. The utility provides documentation that the commodity costs are the most economical option reasonably available.

7. CLFP's application generally conforms to the above-referenced requirements and is in compliance with the authorized use of a balancing account which was granted to the Company by the Commission in previous dockets.

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

9. Anyone desiring to intervene, file a statement, representation, protest or request a hearing in this matter must do so, on or before January 31, 2002. Please include reference to Docket No. 20003-EP-01-64.

10. If you wish to intervene in this matter and/or request a public hearing which you will attend, and you require reasonable accommodation for a disability, please contact the Wyoming Public Service 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 by dialing 711. Please mention the docket number in your communications. Please contact us as soon as possible to help us serve you better.

11. The Commission directs that public notice in this matter be in the following form:
PUBLIC NOTICE

Cheyenne Light, Fuel and Power Company (CLFP) has applied to the Public Service Commission of Wyoming (PSC) for authority to pass on a wholesale electric cost increase of \$7,484,319. The impact of the average residential service customer's monthly bill is detailed in the following chart:

RATE ITEM	CURRENT	PROPOSED	DIFFERENCE
BASE RATE – SERVICE and FACILITY CHARGE	\$9.00	\$9.00	\$0
BASE- RATE – SYSTEM CAPACITY CHARGE (for approx. 596 kWh)	\$7.87	\$7.87	\$0
ECA – DEMAND CHARGE (for approx. 596 kWh)	\$15.31	\$18.61	\$3.30
ECA – ENERGY CHARGE (for approx. 596 kWh)	\$21.34	\$23.70	\$2.36
AVERAGE TOTAL BILL	\$53.52	\$59.18	\$5.66

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STREET LIGHTING	4.62%

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

To intervene, request a hearing, file a statement or protest this application, you must file with the Commission, mentioning Docket No. 20003-EP-01-64, on or before January 31, 2002.

If you wish to participate and require reasonable accommodation for a disability, call the Commission at (307) 777-7427, or write the Commission at 2515 Warren Avenue, Suite 300, Cheyenne, Wyoming 82002. Communications impaired persons may contact the Commission through Wyoming Relay by dialing 711. Please mention the docket number when you contact us. Please contact us as soon as possible to help us serve you better.

Dated: January 3, 2002

IT IS THEREFORE ORDERED THAT:

1. Pursuant to open meeting action taken on December 20, 2001, the application of Cheyenne Light, Fuel and Power Company, hereinafter referred to as CLFP or the Company, for authority to pass on a wholesale electric cost increase of \$7,484,319, as more fully described herein above, should be, and hereby is, approved, effective for service rendered on or after January 1, 2002, subject to notice, protest, opportunity for hearing, change, refund or other such order as the Commission may deem appropriate.
2. This Notice and Order is effective immediately.

MADE and ENTERED at Cheyenne, Wyoming, this 3rd day of January, 2002.

PUBLIC SERVICE COMMISSION OF WYOMING

STEVE ELLENBECKER, Chairman

KRISTIN H. LEE, Commissioner

(SEAL)
ATTEST:

EDNA YOUNG, Assistant Secretary