

**Public Service Company of Colorado (Xcel Energy) Just Transition Solicitation (JTS) Phase 1  
Written Decision, Issued Nov. 6, 2025  
Proceeding No. [24A-0442E](#)**

## **Written Decision Summary**

### **JTS Phase 1 Written Decision Summary Overview:**

Public Service Company of Colorado (Xcel Energy) filed for PUC approval of its 2024 Just Transition Solicitation (JTS) on Oct. 15, 2024. The JTS is Xcel Energy's next Electric Resource Plan to address the acquisition of new utility resources to meet future electricity needs on its system.

The Phase 1 Written Decision by the PUC approves, with modifications, Xcel Energy's 2024 Just Transition Solicitation. The JTS is linked to the Company's 2021 Electric Resource Plan/Clean Energy Plan (2021 ERP/CEP) and aims to secure additional resources from 2029 to 2033, including replacements for the Pueblo Unit 3 coal-fired power plant, which is set to retire by Jan. 1, 2031.

To learn more about the JTS, visit the [PUC Electric Resource Plan webpage](#) and to read the written decision, click [here](#) to download.

### **Key aspects of the decision include:**

- **Resource Acquisition:** Establishes a pathway for Xcel Energy to acquire generation and storage resources for Unit 3 replacement, reliable customer service, emission reductions, and a just transition. The Commission approved approximately 6,000 MW of new generation.
- **Customer Protection:** Implements additional protections for Colorado ratepayers against risks from investments for new large loads like data centers.
- **Just Transition Tools:** Largely adopts Xcel Energy's proposals for a just transition, including community assistance payments, modeling to favor new resources in specific just transition communities, and the carbon-free future development proposal.
- **Phase II Framework:** Provides regulatory certainty for Xcel Energy to proceed to Phase II, where the company will solicit and evaluate bids for new resources, compile portfolios, and present a preferred portfolio in a 120-Day Report. The Phase II Framework introduces a base RFP (resources through 2031), a supplemental RFP (mid-2027 for resources through 2033), and an incremental need pool (paid backup bids for flexibility).
- **Load Forecast and Large Loads:** The Commission finds concerns persuasive that uncommitted large load customers like data centers could significantly increase rates for existing customers and greenhouse gas emissions. Therefore, large loads, including strategic economic development customers, must contractually commit to their load



additions and customer protections (as modified by the Commission) before being included in the load forecast. The Commission rejected the Company's proposed 100 MW threshold for these protections, instead adopting a 50 MW demand threshold.

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The Commission establishes the necessary guardrails within which Xcel Energy may initiate an all-source, competitive bidding process to meet the Company's unprecedented resource need. Through the modified Phase II Framework, Xcel Energy will move forward with a base request for proposals ("RFP") to acquire new generation and storage resources through 2031, a supplemental RFP to acquire additional resources through 2033, and a new ERP proceeding in 2028. In addition, the Company may activate backup resources in the incremental need pool to quickly respond to changing circumstances. The Commission also allows the Company to move forward immediately using a set amount of strategic reserve funds to begin the process of acquiring necessary transformers and breakers. This novel regulatory framework allows the Company to swiftly respond to our quickly changing environment

The Commission also establishes certain requirements to help protect Colorado ratepayers from the risks associated with new large loads like data centers. The Commission rejects the notion that existing ratepayers should bear the risk of rate increases if large loads like data centers fail to materialize or if the large loads fail to fully pay for their impacts to the electrical grid. If large load customers are willing to meet specified requirements and commit to Colorado, Xcel can use a streamlined regulatory process for acquiring additional resources.

In addition, the Commission largely adopts the Company's proposed tools for ensuring a just transition. The basic framework for community assistance payments agreed upon by a wide array of stakeholders in the most recent electric resource plan is maintained, but the Commission also provides certain payments to the Craig community. The Commission grants the Pueblo Intervenor's request to quantify the community assistance payments to which Pueblo County is entitled and, in-line with the requests from the Routt County Governments, directs Xcel to propose a pathway to the dedication of the Hayden Station Spur Line, the Pumphouse Property, and any unused water rights currently benefiting Hayden Station.

Recognizing the testimony from various parties that capital investments in just transition communities are much more advantageous than temporary community assistance payments, the Commission also largely approves new mechanisms to drive investments in these communities. For instance, the Commission partly approves the Company's request to introduce new just transition modeling credits such that the Phase II modeling recognizes the true value of resources sited within just transition communities. The Commission also approves the Carbon Free Future Development mechanism, which addresses barriers to the development of carbon-free firm dispatchable resources such as advanced geothermal and nuclear energy.

The Phase I Decision sets forth numerous other rulings that carefully balance the competing interests of numerous intervenors, including the following:

- Adopting the Company's best value employment metrics ("BVEM") proposals, including for a labor economist to calculate a BVEM score for each Phase II portfolio

and direct Xcel Energy to ensure that provision and presentation of BVEM rules during Phase II of this Proceeding (both the base RFP and supplemental RFP) fully comply with the statutory requirements

- Largely approving the Company's request for a conforming bid policy in an effort to increase efficiency and reduce project delays
- Largely adopting Staff's tariff passthrough proposal that will encourage bidders to participate in the resource solicitation process in the face of substantial uncertainty regarding future tariff impacts
- Denying Xcel Energy's request to approve an unconditional certificate of public convenience and necessity for a significant new transmission expansion in southwest Colorado (the May Valley Longhorn Extension).

Parties will have 20 days from the issuance of the Phase I Decision to ask the Commission to reconsider portions of the Phase I Decision, and members of the public may continue to file public comments.

\*The above information was in part generated by AI ; click [here](#) to download the full decision.

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