



IMPORTANT NOTICE ABOUT YOUR ELECTRIC SERVICE AND PRICES

RATE INCREASE WOULD FUND MANY INVESTMENTS THAT ALREADY SERVE YOU

At Xcel Energy, we provide the safe, reliable energy that our customers depend upon — with clean energy transformation and customer focus driving our work. We're making progress on our aim to provide 100% carbon-free electricity by 2050 with high-value investments to meet Colorado's energy and economic needs.

On July 2, Xcel Energy asked the Colorado Public Utilities Commission (CPUC) to review its rates as the company continues to invest in reliability, a strong and more resilient grid, low-cost and increasingly clean energy and other new products and services. The request seeks approval of a net revenue increase of \$343 million. More than 65% of this investment is in projects that the Colorado Public Utilities Commission has already approved, some of which are now complete and serving customers.

For Colorado's regulated investor-owned utilities, rate reviews include two phases over a period of many months. This is Phase I, which determines the total amount the utility is authorized to collect. Phase II determines the share of the cost each customer class is responsible for.

This proposal recovers costs and investments including:

- Extending our transmission and distribution lines to serve Colorado's growing population, while making the grid stronger, more reliable and more resilient during severe weather and wildfires
- Digital technologies to better detect and manage outages, for fewer interruptions, quicker response and faster restoration

- New energy sources, such as the Cheyenne Ridge Wind Project which generates some of the lowest-cost renewable energy on our system.
- A smarter grid that supports the growth of wind and solar power and will maximize integration of onsite power generation and storage
- Advanced grid technology, including smart meters now rolling out to 1.5 million Colorado customers
- Investments to bring the advantages of electric transportation to all Coloradans, including in-home and public charging infrastructure and customer programs that save on fuel costs

We are always here for you

Customers who may have trouble paying their bill should call us right away at **800-895-4999**. We can answer questions and provide information about energy efficiency, rebates, payment options and programs for those who qualify for energy assistance.

Learn more

This proposal is subject to approval by the CPUC and new rates would not go into effect until 2022. Rates are set through a transparent process with the Commission, which includes opportunities for public input and participation.

Details about this request, including the legal notice and bill impacts, are available on the back of this page and at xcelenergy.com/company/Rates_and_Regulations/Rates/Rate_Cases.

**NOTICE OF REVISION IN THE COLORADO P.U.C. NO. 8-ELECTRIC TARIFF
OF PUBLIC SERVICE COMPANY OF COLORADO
1800 LARIMER STREET, DENVER, COLORADO 80202-5533**

You are hereby notified that Public Service Company of Colorado ("Public Service" or the "Company") has, in compliance with the Public Utilities Law, filed with the Colorado Public Utilities Commission ("Commission") an advice letter for permission to revise the Company's Colorado P.U.C. No. 8 – Electric tariff to reflect revised rates for all electric services, and to make additional tariff and program changes. Consistent with Commission rules and Colorado statutes, the effective date for the changed tariffs accompanying the advice letter is August 2, 2021. However, since the Commission has suspended the advice letter and set the matter for hearing, the Company is requesting a rate effective date of April 1, 2022.

The Company is filing this 2021 Electric Rate Case because Public Service's current base rates are premised on the cost of capital investments to provide electric service through August of 2019. Since that time, the Company has made additional investments and experienced changes to capital and operations and maintenance costs incurred to provide safe and reliable electric service to customers. This rate case filing, based on a future test year ending December 31, 2022 ("FTY"), reflects these incremental investments net of any increase in revenues due to load growth. Specifically, Public Service is seeking an overall increase in base rate revenue of \$469,668,017 for the FTY when compared to the Company's present base rate revenue of \$1,828,744,462, using an overall rate of return of 7.17 percent, and a rate of return on equity of 10.00 percent. This proposed revenue change includes transferring into base rates the costs of projects previously recovered through the Transmission Cost Adjustment ("TCA"), as well as certain Cheyenne Ridge Wind Project costs currently collected through the Electric Commodity Adjustment ("ECA"). The amount of this transfer is projected to be \$38,776,131 for the TCA-related components, and \$87,936,983 for the ECA-related components. Since a transfer of cost between rate recovery mechanisms does not increase the net total revenue collected from customers, \$342,954,903 represents the net base rate revenue increase to customers. Additionally, a significant portion of the \$469,668,017 base revenue request also consists of recovery of costs the Commission previously approved for deferral and potential recovery in a future base rate case. The overall base rate revenue request does not include an additional \$6,859,098 to be collected through the Renewable Energy Standard Adjustment and Colorado Energy Plan Adjustment, which will occur as the result of this increase in base rate revenues consistent with the Public Utilities Law.

In addition to the requested change in base rate revenue, including the components of this change, and transferring costs from the TCA and ECA into base rates, the Company requests Commission approval of updated depreciation rates, tariff revisions and a program addition, requested trackers and deferrals, amortization of previously-deferred costs, and to re-set the baseline for the Revenue Decoupling Adjustment to April 1, 2022, as discussed in more detail in the direct testimony supporting the Company's advice letter.

The Company requests that the following tariff revisions be made:

- Add new Resiliency Service Tariff for Commercial & Industrial customers to support resiliency through Company ownership, installation, operation, and maintenance of on-site resiliency assets.
- Revise the General Rate Schedule Adjustment ("GRSA") and GRSA-Energy ("GRSA-E") and add the Cheyenne Ridge Wind Project to the list of projects recovered in the GRSA-E.
- Revise the TCA rates to shift the costs of transmission in-service assets presently recovered through the TCA to base rates.
- Revise the ECA rates to shift the retail cost for the Cheyenne Ridge revenue requirement collected through the ECA to base rates and modify the Cheyenne Ridge cost recovery language to reflect this change.
- Revise the Short-Term Sales Margins language in the ECA Tariff for Generation and Proprietary Book to reflect these will be in excess of levels established by the Commission decision rather than including the specific dollars and date in the tariff.
- Revise the ECA Tariff to include the proposed Electric Generation Performance Mechanism for three years or until Public Service's next Phase I electric rate case, whichever happens first.
- Extend the Quality of Service Plan through Performance Year 2024.
- Update the Charges for Rendering Service and Maintenance Charges for Street Lighting Service.
- Add references to Schedule Metered Street Lighting in the Street Lighting Rules and Regulations to be consistent with Schedule Energy Only Street Lighting.
- Update the Table of Contents and Reserved for Future Filing Index to incorporate changes.

The Company proposes to implement a GRSA to recover its requested \$469,668,017 of additional revenues based on forecasted 2022 sales. The request represents a 25.68 percent increase from what is currently collected from customers under base rates. The Company is proposing to collect \$387,401,744 of additional revenues through an incremental 24.07 percent GRSA, and an incremental \$82,266,273 through a base rate kWh GRSA-E. These proposed changes are incremental to the GRSA of 6.51 percent and the GRSA-E charges that are currently in effect. For the GRSA, the combination of these two charges would replace the current GRSA charge of 6.51 percent with the equivalent of a 30.58 percent total base rate adjustment.

The proposed GRSA-E is a kWh charge to collect energy-specific costs related to the Rush Creek and Cheyenne Ridge Wind projects and differs based on the customer's level of service delivery. For example, the incremental GRSA-E to incorporate the Cheyenne Ridge Wind project is \$0.00292 per kWh of energy consumed for customers receiving service under secondary voltage general rate schedules. For this rate class, the new GRSA-E would replace the current GRSA-E charge of \$0.00420 per kWh with a charge of \$0.00712 per kWh. Additionally, for Residential and Small Commercial customers, the GRSA percentage is converted to an equivalent \$ per kWh and added to the applicable GRSA-E charge. The GRSA-E charge applicable to Residential customers would be \$0.02864 per kWh.

The projected impacts of the Company's filing on typical monthly bills for the five major rate schedules are provided below. The impacts are based on an assumed implementation date of the initial requested rate increase of August 2, 2021. This implementation date is 30 days from the filing date and assumes the Commission has not suspended the advice letter and set it for hearing. The table below compares proposed base rates in the advice letter, inclusive of the GRSA and GRSA-E as well as offsetting changes to the ECA and TCA and holding all other rates constant, to rates currently in effect as of July 2, 2021.

2021 Electric Rate Case - Phase I vs Currently Effective Rates				
Average Monthly Bill Impact				
	Current	Proposed	Monthly \$ Change	Monthly % Change
Residential - R	\$73.76	\$83.22	\$9.46	12.83%
Commercial - C	\$112.16	\$126.62	\$14.46	12.89%
Secondary General - SG	\$2,284	\$2,545	\$261	11.42%
Primary General - PG	\$37,725	\$41,381	\$3,656	9.69%
Transmission General - TG	\$534,670	\$582,217	\$47,547	8.89%

In accordance with Rule 1210(a) of the Commission's Rules of Practice and Procedure, copies of the current and proposed tariffs summarized above and as filed with the Commission, are available for examination and explanation at the main office of Public Service, 1800 Larimer Street, Suite 1100, Denver, Colorado 80202-5533, or at the Commission's office, 1560 Broadway, Suite 250, Denver, Colorado, 80202-5143. Customers who have questions may call the Commission at 303-894-2000, call Xcel Energy at 1-800-895-4999, send a fax to Xcel Energy at 1-800-895-2895, or e-mail inquire@xcelenergy.com. A copy of this Notice is also available on the Company's website at https://www.xcelenergy.com/company/rates_and_regulations/filings.

Anyone who desires may file written comments or objections to the proposed action. Written comments or objections shall be filed with the Commission, 1560 Broadway, Suite 250, Denver, Colorado 80202-5143 or entered at: www.dora.state.co.us/pacific/PUC/puccomments.

The Commission will consider all written comments and objections submitted prior to the evidentiary hearing on the advice letter. The filing of written comments or objections by itself will not allow you to participate as a party in any proceeding on the proposed action. If you wish to participate as a party in this matter, you must file written intervention documents in accordance with Rule 1401 of the Commission's Rules of Practice and Procedure or any applicable Commission order.

The Commission may hold a public hearing in addition to an evidentiary hearing on the advice letter. If such a hearing is held, members of the public may attend and make statements even if they did not file comments, objections or interventions. If the advice letter is uncontested or unopposed, the Commission may determine the matter without a hearing and without further notice. Anyone desiring information regarding if and when a hearing may be held, shall submit a written request to the Commission or, alternatively, shall contact the Consumer Affairs section of the Commission at 303-894-2070 or 1-800-456-0858. Notices of proposed hearings will be available on the Commission website under "News Releases" or through the Commission's e-filing system.

By: Brooke A. Trammell
Regional Vice President, Rates and Regulatory Affairs