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**UNANIMOUS AND COMPREHENSIVE STIPULATION
AND SETTLEMENT AGREEMENT**

This Unanimous and Comprehensive Stipulation and Settlement Agreement (“Agreement” or “Settlement Agreement”) is entered into by Public Service Company of Colorado (“Public Service” or the “Company”), the Colorado Public Utilities Commission (“Commission”) Trial Staff (“Staff”), the Colorado Office of Consumer Counsel (“OCC”), the Colorado Energy Office (“CEO”), the City of Boulder (“Boulder”), the Colorado Solar and Storage Association (“COSSA”) and Solar Energy Industry Association (“SEIA”) (together, “COSSA/SEIA”), Energy Outreach Colorado (“EOC”), Vote Solar (“VS”) and the Southwest Energy Efficiency Project (“SWEEP”) (together, “VS/SWEEP”), and Western Resource Advocates (“WRA”) (collectively, the “Settling Parties”). This Settlement Agreement is a full and complete resolution of Public Service’s December 2, 2019 advice letter filing, Advice Letter No. 1814-Electric with tariff sheets (“Advice Letter”) to implement a Modified Residential Energy Time-of-Use Schedule and related tariff changes.

This Settlement Agreement is a comprehensive settlement among the Settling Parties, following settlement negotiations, which proposes a unanimously agreed upon approach to the implementation of Time-of-Use (“TOU”) rates for Public Service’s residential customers. During this proceeding, while all Settling Parties expressed a strong desire to ensure the transition to TOU rates for Public Service’s customers was as smooth and successful as possible, diverse approaches to implementing TOU rates were presented, including, but not limited to, different proposed seasonal periods for TOU pricing, different proposed on-peak, off-peak and shoulder pricing periods and rates, different approaches to the question of the appropriate ratio of on-peak to off-peak rates, and different positions relating to the ability of customers to both opt-in to TOU rates before their planned transition to TOU pricing, and also to opt-out of TOU rates. Some of the Settling Parties also presented their respective positions on how the various proposed TOU rate designs would maintain revenue neutrality and impact customers’ bills, and also considered particular impacts on low-income customers. There was also testimony presented addressing how to best enable customers to understand TOU rates, and understand how their bills would be impacted by the timing of their energy consumption under TOU rates. Some parties also presented their respective positions on how best to evaluate how TOU rates are operating after implementation, what data to utilize to make this assessment, and when it might be appropriate to further evaluate TOU rate design based on this data.

This Settlement Agreement represents a compromise on, and resolution of, these various viewpoints on all these issues as presented in the testimony filed in this proceeding by parties representing diverse constituencies. In recognition of Senate Bill

20-030, the provisions of the Settlement Agreement are designed to provide processes for continued revenue neutrality and customer protections, such that the rate changes that will be implemented pursuant to this Settlement do not disproportionately impact low income customers. These provisions in the Settlement Agreement include, but are not limited to, the Modified Schedule RE-TOU opt out, rate stability, decoupling, and customer education. As such, the Settling Parties collectively request that the Commission recognize this Settlement Agreement is a careful balancing of many competing considerations, and that the diversity of interests represented in this proceeding helped ensure that this negotiated Settlement Agreement will serve the public interest. The Settling Parties therefore all agree to join in requesting that the Commission approve this Settlement Agreement without modification. This Settlement results in just and reasonable rates, is consistent with Public Utility Law, and therefore is in the public interest and should be approved by the Commission.

II. Background

A. Public Service's Advice Letter Filing

1. Public Service filed its Advice Letter and associated tariff sheets on December 2, 2019, along with the pre-filed Direct testimony of Brooke A. Trammell, Steven W. Wishart, Jennifer B. Wozniak, and Stacey L. Simms. Public Service stated that the Advice Letter filing was made pursuant to the Non-Unanimous Comprehensive Settlement Agreement (Three Case Settlement) approved by Decision No. C16-1075.¹

¹ The Three Case Settlement was filed in Consolidated Proceeding Nos. 16AL-0048E, 16A-0139E, and 16A-0055E and approved by Decision No. C16-1075 on November 23, 2016.

Public Service proposed an effective date of January 2, 2020 for the Advice Letter and tariff sheets, as required by the Three Case Settlement. Public Service further requested that the Commission suspend the tariffs, and set the tariffs for hearing, with an effective date of January 1, 2021, after suspension.

2. Through the Advice Letter, Public Service asked the Commission to approve the modifications to Schedule RE-TOU to change its structure and rates and make Modified Schedule RE-TOU² the default rate schedule for residential customers, and transition RE-TOU Trial³ participants to Modified Schedule RE-TOU when it was proposed to become effective on January 1, 2021, with remaining residential customers to be transitioned to the new Modified Schedule RE-TOU as the deployment of Advanced Metering Infrastructure (“AMI”) was completed in their service area.

3. The Advice Letter proposed to modify Schedule RE-TOU by changing the TOU rate from year round, as currently exists in the RE-TOU Trial, to summer only (June – September); changing the on-peak, shoulder and off-peak periods; decreasing the on-peak to off-peak price ratio from 2.4:1 to 2:1; removing the RE-TOU Trial program specific provisions (such as early adopter, hold harmless provisions, and limits to participation); adding a Medical Exemption rate for RE-TOU; including the Load Meter Charge and

² To be clear on this point, the tariff will continue to be titled “Schedule RE-TOU” not “Modified Schedule RE-TOU,” but because the Company’s Advice Letter and the testimony in this proceeding all used the term “Modified Schedule RE-TOU” it is used here as well; it simply refers to Schedule RE-TOU as it will be modified based on this Settlement Agreement and the Commission Decision in this Proceeding.

³ The Three Case Settlement allowed Public Service to implement a pilot for a voluntary service rate called the Schedule RD-TDR and a larger-scale trial for another voluntary service rate called Schedule RE-TOU. The Residential Demand-Time Differentiated Rates (“RD-TDR”) Pilot and the RE-TOU Trial, as proposed in the Three Case Settlement, were approved by the Commission in Decision No. C16-1075.

provisions previously on Schedule R; and removing the billing of TOU Electric Commodity Adjustment (“ECA”) for RE-TOU; transition of special conditions, monthly minimum, and service period language from Schedule R.

4. In addition, Public Service’s Advice Letter filing proposed to add an availability section to Schedule R, explaining that customers would only be served under Schedule R until such time that Advanced Meter⁴ deployment is complete in their area, after which service under Schedule R would no longer be available, and the residential customer would be automatically transferred from Schedule R to Modified Schedule RE-TOU.

5. Other tariff changes proposed by Public Service’s Advice Letter filing included revisions to the Schedule Medical Exemption Program (“MEP”) to include Modified Schedule RE-TOU, and modifying the riders applicable to the Modified Schedule RE-TOU based on a percentage adjustment applicable to base energy charges, rather than on a kilowatt-hour (“kWh”) basis for the following electric rate riders: Demand-Side Management Cost Adjustment, Purchased Capacity Cost Adjustment, ECA, Transmission Cost Adjustment, and Clean Air – Clean Jobs Act Rider (collectively, the “Applicable Rate Riders”). The Advice Letter also proposed additional changes to the ECA to remove the Trial from the “Time-of-Use ECA Factors Applicability” section, and to add a reference to Modified Schedule RE-TOU in the portion of the ECA addressing the MEP Cost.

⁴ An “Advanced Meter” as the term is used in this Settlement Agreement includes Advanced Metering Infrastructure (“AMI”) and interval data meters. A customer opting out of AMI would receive an interval data meter.

6. In its Advice Letter filing, Public Service also requested deferred accounting for incremental costs for billing and programming changes and customer education and outreach related to the implementation of the proposed Modified Schedule RE-TOU, which Public Service stated it would track and present for review and recovery in a future proceeding.

B. Procedural History Relevant to Settlement

7. By Decision No. C19-1015 issued December 18, 2019, the Commission suspended the effective date of the tariff sheets provided with the Advice Letter, and referred this proceeding to an Administrative Law Judge (“ALJ”) for disposition.

8. Staff, OCC, and CEO each filed a timely notice of intervention by right. Boulder, COSSA/SEIA, EOC, VS/SWEEP and WRA each filed a timely motion to permissibly intervene, and these motions were granted by Decision No. R20-0121-I (mailed February 21, 2020).

9. Decision No. R19-0121-I also established a procedural schedule that contemplated, among other components: Answer Testimony filed April 24, 2020; Rebuttal/Cross-Answer Testimony filed May 21, 2020; a Settlement Agreement deadline of June 8, 2020; an Evidentiary Hearing scheduled for June 16-19, 2020; and Statements of Position filed July 9, 2020. Further, by Decision No. R20-0379-I (mailed May 20, 2020), the ALJ also set a prehearing conference in this proceeding for June 12, 2020.

10. On April 24, 2020, Staff, OCC, CEO, Boulder, COSSA/SEIA, EOC, VS/SWEEP and WRA each filed Answer Testimony in this proceeding. On May 21, 2020, Public Service filed Rebuttal Testimony in this proceeding. Also on May 21, 2020, CEO, EOC, VS/SWEEP and WRA filed Cross-Answer Testimony in this proceeding.

11. Based on the filings to date and discovery conducted by the parties to this Proceeding, the Settling Parties engaged in settlement discussions. Through negotiation, discussion, and compromise, the Settling Parties have reached a consensus on the specific terms contained herein and have further agreed to consolidate these terms into this Settlement Agreement.

12. On June 8, 2020 the Settling Parties notified the ALJ that they had reached a settlement in principle, and followed with a formal Notice of Settlement in Principle filed in this proceeding on June 9, 2020. On June 11, 2020, the Settling Parties filed a Motion to Approve Settlement Agreement, along with this Settlement Agreement, further requesting that the procedural schedule be modified to allow the Settling Parties to file Settlement Testimony in support of the Settlement Agreement by June 16, 2020, requesting that the hearing dates of June 16-18, 2020 be vacated, and asking that the hearing date of June 19, 2020 be kept open in the event that the ALJ determines that a hearing on the Settlement Agreement is necessary. That motion remains pending as of the date of this Settlement Agreement.

13. The Settlement Agreement filed here represents a comprehensive negotiated outcome among all Settling Parties to resolve the issues in this Proceeding No. 19AL-0687E that the Settling Parties wish to raise in this proceeding, and the Settling Parties agree that the Agreement is in the public interest. The Settling Parties represent all parties to this proceeding.

III. Settlement Terms

The Settling Parties agree as follows for settlement purposes:

14. **Modified Schedule RE-TOU.** The Settling Parties agree that the TOU rate in Modified Schedule RE-TOU will be a year-round TOU pricing structure with a 2.7:1 peak to off-peak price ratio in the summer, a 1.7:1 peak to off-peak price ratio in the rest of the year, and the following:⁵

TOU Period	Timeframe	Summer Base Rate	Winter Base Rate
On-Peak	3:00 p.m. to 7:00 p.m.	\$0.13861	\$0.08727
Shoulder	1:00 p.m. to 3:00 p.m.	\$0.09497	\$0.06930
Off-Peak	7:00 p.m. to 1:00 p.m.	\$0.05134	\$0.05134

The Settling Parties recognize that customers are expected to reduce their on-peak usage in response to on-peak rates; therefore, two percent of the baseline on-peak summer usage was shifted to the summer off-peak time period.

Summer: June, July, August and September.

Winter: All other months.

The TOU pricing in Modified Schedule RE-TOU will apply as follows:

On-Peak: Weekdays 3-7 p.m., excluding holidays

Shoulder: Weekdays 1-3 p.m., excluding holidays

Off-Peak: All other hours, including all weekend days and holidays.

The Settling Parties also agree to changes to the Applicable Rate Riders to allow for percentage-based calculations that are applied to base energy charges. This will allow rate riders for residential customers under the Modified Schedule RE-TOU to exhibit the same hourly price variation as residential base rates and to maintain an On-

⁵ The rates in this Settlement Agreement were calculated based on weather normalized 2018 average residential load shape.

Peak to Off-Peak price ratio of 1.7:1 in the winter months and 2.7:1 in the summer months. In addition, except as modified by this Settlement Agreement, the Settling Parties agree to the Company's proposed changes to Schedule RE-TOU.

15. Default Rate. The Settling Parties agree that the Modified Schedule RE-TOU will be Public Service's default rate, which will be available to all residential customers upon receipt of an Advanced Meter and according to the transition plan described in Paragraph 19, and the Opt-Out provisions set forth herein. RE-TOU Trial participants with bridge meters⁶ will be migrated to Modified Schedule RE-TOU on January 1, 2021 according to the transition plan described in Paragraph 19, unless they opt-out as allowed by this Settlement Agreement.

16. Transitional Rate (Schedule R). The Settling Parties agree that until customers are either transitioned to the Modified Schedule RE-TOU, or opt-out of Modified Schedule RE-TOU, if permitted under the opt-out provision and they choose to do so, they will remain on the rates set forth in Schedule R. Rate riders for customers billed under Schedule R will be unchanged. The Settling Parties agree that the "Availability" section of Schedule R will be modified consistent with this Settlement Agreement.

17. Opt-out Rate (Schedule R-OO). The Settling Parties agree the Company will implement a residential seasonally-differentiated default opt-out flat rate (new Schedule R-OO). Effective January 1, 2021, the seasonally-differentiated opt-out flat rate will have a winter flat rate (Oct-May) equal to the prevailing Tier 1/winter rate from

⁶ A "bridge" meter is a meter capable of tracking the customer's energy usage in regular intervals, but a bridge meter is not included within the definition of an Advanced Meter.

Schedule R. The summer flat rate will be derived such that it is revenue neutral to other Residential rates. Furthermore, like the Modified Schedule RE-TOU rates, the Applicable Rate Riders for the Residential Opt-Out rate (Schedule R-OO) will use percentage-based riders to reflect the seasonal differential in rates. The tariff sheets for new Schedule R-OO will set forth the following initial seasonal flat base rates:

Schedule R-OO (Effective January 1, 2021)	
	Base Rate Charge
Winter	\$0.05461
Summer	\$0.07240

This seasonally-differentiated opt-out flat rate for customers opting out of Modified Schedule RE-TOU does not limit in any way the flat rate that the Company may propose in its 2020 Phase II rate case filing for Schedule R, as described in Paragraph 25.

18.Modified Schedule RE-TOU Opt-Out Provision. The Settling Parties agree that any residential customer may choose to opt-out of the Modified Schedule RE-TOU at any time, but the Customer must provide at least 30-days' notice of their intent to opt out. A customer opting out of Modified Schedule RE-TOU cannot return to Schedule R and would receive service under the seasonally-differentiated opt-out flat rate (Schedule R-OO) in Paragraph 17, unless the Customer elects another Schedule as may be available to the Customer at that time under the Company's Tariff. Schedule R customers who notify the Company of their desire to opt-out of Modified Schedule RE-TOU before the Customer has transitioned to Modified Schedule RE-TOU shall be placed onto Schedule R-OO on the date their transition to Modified Schedule RE-TOU would

have occurred, unless the Customer elects another Schedule as may be available to the Customer at that time under the Company's Tariff. If a customer opts out of the Modified Schedule RE-TOU rate but then decides to opt back in, they must then stay on the Modified Schedule RE-TOU rate for at least 12 consecutive months before being eligible to opt out. Opt-out provisions will be reflected in the settlement tariff sheets.

19. Transition Plan. With the exception of current RE-TOU Trial participants, and subject to the agreed upon opt-in provisions, the Settling Parties agree that Public Service will transition customers to Modified Schedule RE-TOU in a gradual manner after the customer's receipt of an Advanced Meter, rather than immediately upon receipt of the customer's Advanced Meter, as was originally proposed in the Company's direct case. This gradual approach will consist of transitioning groups of customers twice per year in either the fall or spring, as outlined below. This transition plan will allow customers to familiarize themselves with their household kWh usage in the TOU rate periods (On-Peak, Shoulder, Off-Peak) prior to transitioning to the TOU rates in Modified Schedule RE-TOU.

Transition timeline:

Customers will have the ability to sign up for the RE-TOU Trial rate through December 31, 2020. If a customer signs up for the RE-TOU Trial rate on or after November 1, 2020, they will receive a bridge meter but will transition to the Modified Schedule RE-TOU rate by March 1, 2021 rather than be billed under the RE-TOU Trial for a short period of time.

Customers who are receiving service on Trial Schedule RE-TOU as of December 31, 2020 will be transitioned to Modified Schedule RE-TOU in their billing cycle that includes January 1, 2021. This is subject to the Modified Schedule RE-TOU Opt-Out Provision discussed in Paragraph 17.

All other Customers will be transitioned to Modified Schedule RE-TOU on the following schedule, which is based on the Company's deployment schedule for Advanced Meters, which the Company has made available to the Parties showing

planned deployment schedule by geographic area. This is subject to the Modified Schedule RE-TOU Opt-Out Provision discussed in Paragraph 17 and the Opt-In provisions below.

Installs from	To	Roll on RE-TOU Rate
Q2/2021	Q4/2021	4/1/2022
Q1/2022	Q2/2022	10/1/2022
Q3/2022	Q4/2022	4/1/2023
Q1/2023	Q2/2023	10/1/2023
Q3/2023	Q4/2023	4/1/2024
Q1/2024	Q2/2024	10/1/2024
Q3/2024	Q4/2024	4/1/2025

Customers that move into a residence that already has an Advanced Meter and Schedule RE-TOU rates will be placed on Schedule RE-TOU upon initiation of new service.

Regardless of the Transition Plan, a customer may opt-in to the Modified Schedule RE-TOU upon receipt of their Advanced Meter and 30 days' notice to the Company of their intent to opt-in. Customers with bridge meters who are either RE-TOU Trial control participants or customers under Schedule RD-TDR (including control group customers) may also, beginning January 1, 2021, choose to opt-in to the Modified Schedule RE-TOU rates upon 30 days' notice to the Company to allow for meter and billing programming. Opt-in provisions will be reflected in the settlement tariff sheets. .

If a customer opt-outs of their Advanced Meter consistent with Commission approval for such action,⁷ the customer will still be transitioned to TOU rates during the transition period following the installation of the interval data recorder meter. This is subject to the Modified Schedule RE-TOU Opt-Out Provision discussed in Paragraph 17.

⁷ The Company's AMI meter opt out proposal is pending in 20AL-0094E.

20. Decoupling. In consideration that the Modified Schedule RE-TOU will become the default rate for all of Public Service’s residential customers, the Settling Parties agree that the approved revenue decoupling mechanism will apply to Modified Schedule RE-TOU during the Revenue Decoupling Adjustment (“RDA”) Pilot and Modified Schedule RE-TOU and Schedule R-OO will be included in the revenue decoupling calculation. The Company will revise its RDA Pilot tariff to accomplish this through an appropriate compliance filing, assuming the settlement agreement in this matter is approved by the Commission. The RDA Pilot terminates on December 31, 2023. The Company will continue collecting data on over/under-recovery of revenue after conclusion of the RDA pilot while the Commission and parties are reviewing the results of the pilot that terminates December 31, 2023.

21. Stakeholder Engagement on Communications Plan. The Settling Parties agree that the Company will facilitate a stakeholder engagement process in connection with the customer TOU Communications Plan in Q4 2020 and meet with stakeholders bi-annually through at least 2022. The Settling Parties agree that the Company’s education and outreach plan will use best efforts to provide to all customers at a minimum: (1) interval usage data on their bills and MyAccount portal beginning with receipt of the Advanced Meter; (2) hypothetical bill impact data for generic customer examples comparing a no action scenario to an energy savings action scenario via an appropriate communication pathway; and (3) customer tips on managing energy usage during the TOU periods. Further, the Settling Parties agree that the education and outreach plan will tailor communications approaches from the Company based on the Company’s data-driven segmentation analysis of the residential customer class, including

specific education and outreach targeted to low-income customers. The Company agrees to work with stakeholders as part of the Stakeholder Engagement process to finalize and implement the appropriate education and outreach plan, including the above commitments. Outside of this proceeding, the Settling Parties agree that the Company should continue working with stakeholders in separate existing stakeholder processes to develop and improve programs and tools that utilize Advanced Meter data to engage with its customers for increased energy savings, peak demand reduction, and help customers manage their bills and energy use under a TOU rate through ongoing or new Demand Side Management products, measures, or pilots.

Upon receiving their Advanced Meter, a customer's kWh usage in each TOU period will be displayed in their MyAccount portal. As part of the TOU Communications Plan, Public Service will promote customers signing up for MyAccount. As part of the stakeholder engagement process described in this Paragraph, Public Service will explore tactics to share generic environmental impact guidelines to customers about how a shift in their energy usage and behavior will have a positive impact on the environment.

22. Reporting. On November 1, 2023 and November 1, 2024, the Company will provide a report to the Commission in this proceeding with the following information:

1. the total over or under collection of allowed residential revenue and total collection of prior deferred revenue (as applicable);
2. calculations of the Revenue Decoupling Adjustment amounts (as applicable);
3. the number of customers on the Modified Schedule RE-TOU;
4. the number of LEAP qualified Low-Income Customers who have opted-out of the Modified Schedule RE-TOU rate;
5. the number of non-low-income customers who have opted-out of the Modified Schedule RE-TOU rate;
6. the number of customers who have opted-in to the Modified Schedule RE-TOU rate;

7. the difference between the total deviations in sales by Modified Schedule RE-TOU period;
8. the distribution of customer usage so that the scope of bill impacts can be assessed;
9. actual hourly load net of renewables so that the Commission and other parties can assess if the established TOU time periods accurately reflect the operation of the system;
10. average, minimum and maximum bill impacts;
11. load shifting (percent of load shifted to and from off-peak, peak and shoulder periods) based on assumptions (i.e., no control group contemplated);
12. system coincident peak impact;
13. energy consumption impacts (peak, shoulder, and off-peak periods);
14. customer awareness of, understanding of, and satisfaction with the rate;
15. any trends or changes (forecast or historical) related to the carbon dioxide emissions and renewable energy profile of the Company, including hourly annual data presented as in Mr. Wishart's Rebuttal testimony in this case, Figures SWW-R-1 and SWW-R-8, showing hourly CO₂ emissions, hourly CO₂ emissions per MWh, percentage of renewable energy per MWh, with corresponding worksheets; and
16. based on assumptions in point 11 above, avoided greenhouse gas emissions, and changes to system dispatch that occur as a result of the TOU rate.

After the November 1, 2024 report, the Settling Parties agree to meet to discuss the effectiveness of the reported information and discuss the appropriate reporting commitments, including duration of reporting, going forward.

23.Data Sharing. The Company shall, to the extent consistent with and permitted by the Commission's confidentiality and customer data privacy rules, provide the Settling Parties in future proceedings related to residential rate design or residential load management, access to the following customer Advanced Meter data, via the discovery process in the relevant proceeding: 1) aggregated customer data by zip code plus four and anonymized individual customer data with personally identifiable information removed, which should include customer energy (kWh) and demand (kW) data at intervals as short as practicable for installed advanced meter technology, and in no

greater than fifteen-minute increments; 2) anonymized customer Advanced Meter data with personally identifiable information redacted or removed consistent with the customer usage data provided in this proceeding to the parties stemming from the Company's RE-TOU Trial (in Proceeding No. 19AL-0687E). The Company will make best efforts to provide data in a manner that facilitates ease of access and use, comports with industry standards, and is consistent with technology available to the receiving parties. The Company shall provide this data in applicable proceedings for two years past the completion of its AMI infrastructure installation, at which point the Settling Parties agree to meet to discuss whether this requirement will be continued thereafter.

24. Cost Deferral. The Company has updated its cost deferral estimate based on the requirements of this Settlement Agreement. The Settling Parties support as reasonable the incremental costs that Public Service will incur to implement TOU rates as the default rate for all residential customers including costs associated with the transition plan, for billing and programming work, and the customer education outreach and communications plan. The Settling Parties also support a request of the Commission to allow the Company to record these costs into a regulatory asset and defer the costs for review and cost recovery in a future rate proceeding. If expenses continue to be incurred after the test period utilized in an Electric Phase I rate case, the deferral will continue and that review, approval, and recovery of those incremental costs be determined in a subsequent Phase I rate case proceeding.

25. Phase II Rate Case in 2020. The Company agrees that in either a Phase II or combined Phase I/Phase II proceeding filed in 2020 it will propose a replacement of the current Schedule R inverted block rate that would serve as the transition rate for

residential customers waiting to receive their Advanced Meters and move to Modified Schedule RE-TOU as their default rate, consistent with the Transition Plan timeline detailed in Paragraph 19. In proposing a replacement to the current Schedule R inverted block rate, the Company agrees to present a flat rate, either with or without seasonal differentiation, for consideration. The Company is not limited to presenting only this option for Schedule R replacement. The Settling Parties, including the Company, reserve the right to take any position on the Company's proposal or proposals in that filing. The Settling Parties understand that as a result of the Phase II, the pricing for the seasonally-differentiated opt-out flat rate (Schedule R-OO) and the Modified Schedule RE-TOU will change; however, the Settling Parties agree the structure of both rate schedules as outlined in this Settlement Agreement will be maintained in that case.

26.Future Advice Letter and Rate Stability. These provisions pertain to Advice Letter filings between the original implementation of rates pursuant to the final Commission Order in this proceeding and April 1, 2025. During this timeframe from January 1, 2021 through March 31, 2025, the Company will only file to change the RE-TOU rate for any of the reasons set forth in this Paragraph. From and after April 1, 2025 there are no restrictions under the provisions of this Settlement Agreement relating to the filing of an advice letter.

In the interim, the Company will evaluate the performance of Schedule RE-TOU as set forth below.

The Company will use actual billing determinants to separately track and report the average residential class revenues per customer collected under the Modified Schedule RE-TOU, Schedule R-OO, and Schedule R.

The Company will calculate annualized residential average base rates based on actual billing determinants as if all customers were on the seasonally-differentiated flat rate, Schedule R-OO. This average base rate will be considered the baseline for comparison.

According to the schedule in the table below, the Company will file rate schedule reports in this proceeding that will include comparisons between the baseline average base rates and the actual average base rates taking service under each of Schedule R, Schedule RE-TOU, and Schedule R-OO as of the reporting date specified in the table. For Schedule RE-TOU these calculations will be made based on the billing determinants of RE-TOU ratepayers with at least 12 months of service with an Advanced Meter, even if they have not been on the rate itself for 12 months.

If the average base rates collected under Schedules R, RE-TOU, or R-OO differ from the baseline average base rates in amounts exceeding the thresholds specified in the table below, the Company will file an Advice Letter based on the schedule below with the rate schedule reports to modify the appropriate rate schedule(s).⁸ Such modifications, for the April 1, 2023 and January 31, 2024 filings, if triggered, will be limited to the levels of the rates, and will not apply to the rate structures, price ratios, or time periods of on-peak, off-peak, or shoulder periods. This reporting process is intended to address revenue neutrality consistent with Senate Bill 20-030.

⁸ The requirement to file an Advice Letter to modify Schedule R-OO shall only apply if Schedule R-OO accounts for 5 percent or more of all Residential ratepayers.

Report Filing Date	Advice Letter Filing Date	Reports data through...	Threshold for Advice Letter
March 1, 2023	April 1, 2023 (if Triggered)	December 31, 2022	Average base rates comparison for Schedules R, RE-TOU, R-OO are 3% greater or less than baseline
December 31, 2023	January 31, 2024 (if Triggered)	October 31, 2023	Average base rates comparison for Schedules R, RE-TOU, R-OO are 2% greater or less than baseline
March 1, 2025	April 1, 2025	December 31, 2024	Must file (see paragraph below)

The Company will engage with parties to this proceeding in 2025 in a collaborative stakeholder environment to review the information reported to date and discuss any potential revisions to Modified Schedule RE-TOU that may need to be made. The Company agrees to file an Advice Letter on April 1, 2025, proposing to either modify or maintain Schedule RE-TOU, which may include, but is not limited to, rate structures, price ratios, time periods of on-peak, off-peak, or shoulder periods, to address revenue neutrality or in consideration of reporting provided to parties in Paragraph 22.

In addition, if the Company finds, based on observable data, that hours after 7pm are demonstrating significant increased loads, the Company may file an advice letter prior to April 1, 2025 to propose to modify the RE-TOU rate design by adding an evening shoulder period. In order to bring forward such a modification, the Company must demonstrate in its advice letter filing that there have been significant increased net loads in the hours between 7pm-9pm. For that advice letter, the Settling Parties agree that a threshold of 22 out of the top 100 load net of renewable hours between 7pm and 9pm in one year is permissible criteria to warrant filing for an evening shoulder period of one or

more hours. The Parties reserve the right to take any position in response to such an advice letter filing.

27. This Agreement is made for settlement purposes only. No Settling Party concedes the validity or correctness of any regulatory principle or methodology directly or indirectly incorporated in this Agreement. Furthermore, this Agreement does not constitute agreement, by any Settling Party, that any principle or methodology contained within or used to reach this Agreement may be applied to any situation other than the above-captioned proceeding, except as expressly set forth herein. No binding precedential effect or other significance, except as may be necessary to enforce this Agreement or a Commission order concerning the Agreement, shall attach to any principle or methodology contained in or used to reach this Agreement, except as expressly set forth herein.

IV. Implementation

28. Except as modified in this Settlement Agreement, for settlement purposes only, the Settling Parties agree to the proposals contained in the Company's Advice Letter filing, as originally filed on December 2, 2019. Commission approval of this Settlement Agreement shall constitute approval of all such aspects of the proposals as filed by the Company.

29. The Settling Parties agree that the Commission should issue a decision approving the Settlement Agreement at the earliest possible opportunity.

30. After receipt of a final Commission Decision, the Company will make a compliance advice letter filing on not less than five business days' notice to place into

effect, on January 1, 2021, the rates and tariff sheets required to implement this Settlement Agreement.

V. General Provisions

31. This Settlement Agreement is made for settlement purposes only. Except as expressly set forth herein, nothing in this Settlement Agreement is intended to have precedential effect or bind the Settling Parties with respect to positions they may take in any other proceeding regarding any of the issues addressed in this Settlement Agreement. No Settling Party concedes the validity or correctness of any regulatory principle or methodology directly or indirectly incorporated in this Settlement Agreement. Furthermore, this Settlement Agreement does not constitute agreement, by any Settling Party, that any principle or methodology contained within or used to reach this Settlement Agreement may be applied to any situation other than the above-captioned Proceeding, except as expressly set forth herein.

32. Each Settling Party understands and agrees that this Settlement Agreement represents a negotiated resolution of all issues the Settling Party either raised or could have raised in this Proceeding. The Settling Parties agree the provisions of this Settlement Agreement, as well as the negotiation process undertaken to reach this Settlement Agreement, are just, reasonable, and consistent with and not contrary to the public interest, and should be approved and authorized by the Commission.

33. The discussions among the Settling Parties that produced this Settlement Agreement have been conducted in accordance with Rule 408 of the Colorado Rules of Evidence.

34. Nothing in this Settlement Agreement shall constitute a waiver by any Settling Party with respect to any matter not specifically addressed in this Settlement Agreement. In the event this Settlement Agreement becomes null and void or in the event the Commission does not approve this Settlement Agreement, it, as well as the negotiations or discussions undertaken in conjunction with the Settlement Agreement, shall remain inadmissible into evidence in these or any other proceedings in accordance with Rule 408 of the Colorado Rules of Evidence.

35. The Settling Parties will support all aspects of the Settlement Agreement embodied in this document in any hearing conducted to determine whether the Commission should approve this Settlement Agreement, and/or in any other hearing, proceeding, or judicial review relating to this Settlement Agreement or the implementation or enforcement of its terms and conditions. Each Settling Party also agrees that, except as expressly provided in this Settlement Agreement, it will take no action in any administrative or judicial proceeding, or otherwise, which would have the effect, directly or indirectly, of contravening the provisions or purposes of this Settlement Agreement. However, except as expressly provided herein, each Settling Party expressly reserves the right to advocate positions different from those stated in this Settlement Agreement in any proceeding other than one necessary to obtain approval of, or to implement or enforce, this Settlement Agreement or its terms and conditions.

36. Approval by the Commission of this Settlement Agreement shall constitute a determination that this resolution of the matters in this Proceeding represents a just, equitable and reasonable resolution of issues that were contested among the parties in this Proceeding. The Settling Parties state that reaching agreement as set forth herein

by means of a negotiated settlement rather than through a formal adversarial process is in the public interest and that the results of the compromises and settlements reflected in this Settlement Agreement are in the public interest.

37. The Settling Parties do not believe any waiver or variance of Commission rules is required to effectuate this Settlement Agreement but agree jointly to apply to the Commission for a waiver of compliance with any requirements of the Commission's Rules and Regulations if necessary to permit all provisions of this Settlement Agreement to be approved, carried out, and effectuated.

38. This Settlement Agreement is an integrated agreement that may not be altered by the unilateral determination of any Settling Party. There are no terms, representations or agreements among the parties which are not set forth in this Settlement Agreement.

39. This Settlement Agreement shall not become effective until the Commission issues a final decision addressing the Settlement Agreement. In the event the Commission modifies this Settlement Agreement in a manner unacceptable to any Settling Party, that Settling Party may withdraw from the Settlement Agreement and shall so notify the Commission and the other Settling Parties in writing within ten (10) days of the date of the Commission order. In the event a Settling Party exercises its right to withdraw from the Settlement Agreement, this Settlement Agreement shall be null and void and of no effect in this or any other proceeding.

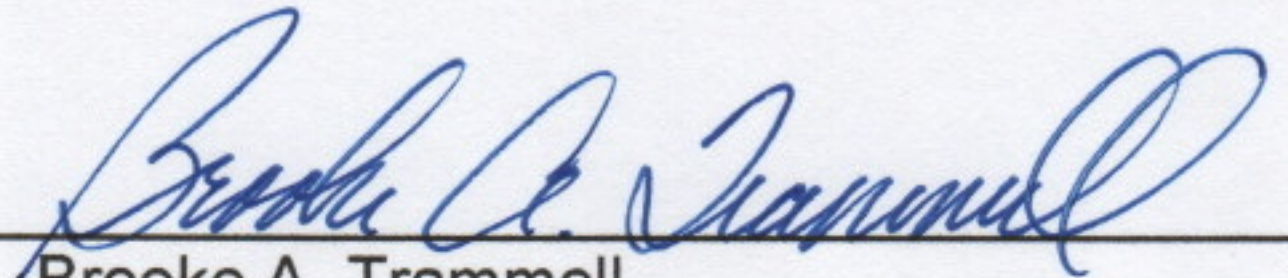
40. There shall be no legal presumption that any specific Settling Party was the drafter of this Agreement.

41. This Settlement Agreement may be executed in counterparts, all of which when taken together shall constitute the entire Agreement with respect to the issues addressed by this Settlement Agreement. This Settlement Agreement may be executed and delivered electronically and the Settling Parties agree that such electronic execution and delivery, whether executed in counterparts or collectively, shall have the same force and effect as delivery of an original document with original signatures, and that each Settling Party may use such facsimile signatures as evidence of the execution and delivery of this Settlement Agreement by the Settling Parties to the same extent that an original signature could be used.

Dated this 11th day of June, 2020.

Agreed on behalf of:

PUBLIC SERVICE COMPANY OF COLORADO

By: 
Brooke A. Trammell
Regional Vice President of Rates and
Regulatory Affairs
Xcel Energy Services Inc.

Approved as to form:

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FOR STAFF OF THE COLORADO
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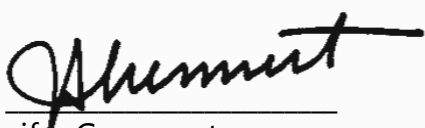
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**For use in signing Settlement Agreement in Proceeding No. 19AL-0687E,
June 11, 2020.**

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Proceeding No. 19AL-0687E
Unanimous Comprehensive Settlement Agreement
June 11, 2020

Agreed on behalf of:

COLORADO ENERGY OFFICE

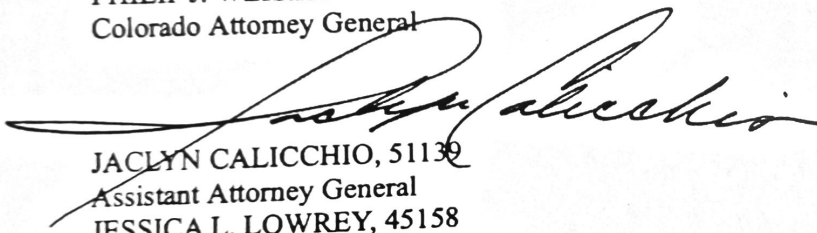
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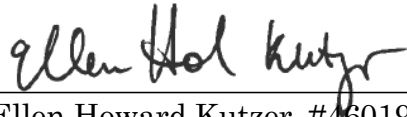
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