

**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 December 31, 2022. However, if the Commission suspends the tariffs and sets a hearing on the proposed rates and tariff changes, the rate effective date after suspension would be September 7, 2023.

The Company is filing this 2022 Electric Phase I Rate Case because Public Service’s current base rates are premised on the cost of capital investments to provide electric service through December of 2021. Since that time, the Company has made additional investments and experienced changes to capital and operations and maintenance (“O&M”) costs incurred to provide safe and reliable electric service to customers. This rate case filing, based on a test year ending December 31, 2023 (“TY”), 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 \$312,178,374 for the TY when compared to the Company’s present base rate revenue of \$2,140,548,050, using an overall rate of return of 7.45 percent, and a rate of return on equity of 10.25 percent. This proposed revenue change includes transferring into base rates the costs of projects previously recovered through the Transmission Cost Adjustment (“TCA”) and the Purchased Capacity Cost Adjustment (“PCCA”). The amount of these transfers are projected to be \$40,838,550 for the TCA-related components, and \$9,058,666 for the PCCA-related components. Since a transfer of costs between rate recovery mechanisms does not increase the net total revenue collected from customers, \$262,281,158 represents the requested net base rate revenue increase to customers.

A primary driver of the requested increase in base rate revenue consists of recovery of costs associated with capital investments in the electric system since the Company’s last Phase I electric rate case (Proceeding No. 21AL-0317E) (“2021 Electric Phase I Rate Case”). More specifically, the requested increase in base rate revenue increase is driven by investments in the distribution and transmission systems, and in information technology, which are in turn driven by the necessary replacement of aging equipment, the need to support the safety and reliability of the system, population growth, new service requests, and capacity upgrades due to increasing demand. The Company’s base rate revenue increase also reflects changes to its authorized weighted average cost of capital, and to its O&M expenses due to inflationary pressures.

The table below compares proposed base rates in the advice letter, inclusive of the General Rate Schedule Adjustment (“GRSA”) and General Rate Schedule Adjustment-Electric (“GRSA-E”), as well as offsetting changes to the PCCA and TCA and holding all other rates constant, to rates currently in effect as of November 30, 2022. The estimated impacts also take into account an additional \$5,426,796 that would automatically be collected through the Renewable Energy Standard Adjustment and Colorado Energy Plan Adjustment should the Company’s requests in this case be granted.

2022 Electric Rate Case - Phase I vs Currently Effective Rates				
Average Monthly Bill Impact				
	Current	Proposed	Monthly \$ Change	Monthly % Change
Residential – R	\$89.35	\$96.69	\$7.33	8.20%
Commercial – C	\$130.79	\$140.95	\$10.16	7.77%
Secondary General - SG	\$2,582.70	\$2,764.38	\$181.68	7.03%
Primary General - PG	\$44,898.23	\$47,610.52	\$2,712.28	6.04%
Transmission General - TG	\$561,240.95	\$589,663.34	\$28,422.38	5.06%

In addition to the requested change in base rate revenue, including the components of this change, and transferring costs from the TCA and PCCA into base rates, the Company requests Commission approval of tariff revisions, including but not limited to, a proposed Earnings Sharing Adjustment (“ESA”) mechanism that will provide further customer protections, approval of requested trackers and deferrals and associated baselines as applicable, amortization of deferred costs, and to re-set the baseline for the Revenue Decoupling Adjustment, 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:

- Revise the GRSA and GRSA-E pending effectuation of new base rates through the Company’s Phase II Electric Rate Case that must be filed consistent with Decision No. C22-0724 in Proceeding No. 21AL-0317E.
- Revise the TCA rates to shift the costs of transmission in-service assets presently recovered through the TCA to base rates.
- Revise the PCCA rates to shift the Manchief Generating Station costs presently recovered through the PCCA to base rates.
- Revise the Schedule of Charges for Rendering Service to reflect changes in the non-gratuitous labor and vehicle charges.
- Revise the Maintenance Charges for Street Lighting Service to reflect changes in labor charges and vehicular rates.
- Add a new ESA that would implement an Earnings Test mechanism.
- Revise the Short-Term Sales Margins language in the Electric Commodity Adjustment Tariff for Generation and Proprietary Book from calendar year 2020 to the 12 months ended June 30, 2022.
- Update the Table of Contents and Reserved for Future Filing Index to incorporate changes.

The Company proposes to implement a GRSA and GRSA-E to recover its requested \$312,178,374 of additional revenues based on forecasted 2023 sales, pending conclusion of the Phase II electric rate case, which must be filed no later than May 15, 2023, as required by Commission Decision No. C22-0724 in Proceeding No. 21AL-0317E. For all customer classes except for Residential and Small Commercial, the Company proposes to collect \$320,244,249 of additional revenues through an incremental 17.27 percent GRSA, offset by a reduction to the GRSA-E of \$8,065,875 associated with a reduction in Cheyenne Ridge Wind Project costs (discussed below). The 17.27 percent GRSA is incremental to the current GRSA of 10.90 percent, resulting in a combined GRSA charge of 28.17 percent.

All customer classes except for Residential and Small Commercial will see a reduction to their GRSA-E. This reduction is associated with the reduced Cheyenne Ridge Wind Project costs

described above, and this charge will vary with the customer's level of service delivery. For example, the GRSA-E for Secondary General customers would be reduced from the current rate of \$0.00323 per kilowatt-hour to \$0.00295 per kilowatt-hour.

Residential and Small Commercial customers will see the entire base rate change through the GRSA-E as a per kilowatt-hour charge rather than a percentage rate adjustment. Similar to the GRSA, the new GRSA-E for Residential and Small Commercial customers will include the existing GRSA-E charges, an offset associated with reduced Cheyenne Ridge Wind Project costs, and the incremental base rate increase associated with this rate case. For example, the GRSA-E charge applicable to Residential customers would be \$0.02689 per kilowatt-hour.

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 by appointment 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, or send a fax to Xcel Energy at 1-800-895-2895. 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 hearing to determine what rates, rules, and regulations will be authorized. If a hearing is held, the Commission may suspend the proposed rates, rules, or regulations. The rates, rules, and regulations ultimately authorized by the Commission may or may not be the same as those proposed, and may include rates that are higher or lower.

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.

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