

P.O. Box 84 Denver, Colorado 80201-0840

November 15, 2016

Advice No. 1728 - Electric

Public Utilities Commission of the State of Colorado 1560 Broadway, Suite 250 Denver, Colorado 80202

The accompanying tariff sheets issued by Public Service Company of Colorado are sent to you for filing in accordance with the requirements of the Public Utilities Law:

COLORADO P.U.C. NO. 8 - ELECTRIC

Colorado P.U.C. No Sheet No.	. 8	Title of Sheet	Cancels Colorado P.U.C Sheet No	
Original	114F	Solar Rewards Community Service	Fifth Revised	94F
Original	114G	Solar Rewards Community Service	Fifth Revised	94G

The purpose of this filing is: to update the Fixed Solar*Rewards Community Service (SRCS) Credit for each Rate Schedule and the Components of the C&I Customer Specific Credits to be effective January 1, 2017, pursuant to the Commission Decision No. C12-0606 mailed June 8, 2012 in Docket No. 11A-418E.

Specifically, the Company files this advice letter to update the SRCS Credit factors beginning January 1, 2017, and ending December 31, 2017 in its Colorado P.U.C. No. 8 - Electric tariff¹.

The proposed Fixed SCRS Credits will result in an *increase* in the class credits for service schedules R, SG, PG and TG compared with the SRCS Credits that were filed on November 16, 2015.

 $^{^{1}}$ At its November 9, 2016, Open Meeting, in approving the Non-Unanimous Comprehensive Settlement Agreement without modification in Proceeding No. 16AL-0048E (cons.), the Commission approved the replacement of the Company's Colorado P.U.C. No. 7 - Electric tariff with Colorado P.U.C. No. 8 - Electric tariff.

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The proposed Fixed SCRS Credits will result in a *decrease* in the class credits for small commercial class C, compared with the SRCS Credits that were filing on November 16, 2015.

The revenue effect on the Company from these changes to SRCS credits is minimal.

In calculating customer bill impacts, the Company applied the allocation methodology from the Settlement Agreement in its Phase II Electric Rate Case, Proceeding No. 16AL-0048E, and approved by the Commission at the Settlement Agreement Deliberations on November 9, 2016. If a relevant provision of the Settlement Agreement is modified when the final written decision of the Commission is issued, the Company will file an amendment to this advice letter.

Solar Rewards Community Service credit levels are based on the forecasted Total Aggregate Retail Rate (TARR) for the following year. The TARR is the sum of all base rate components plus all applicable riders. The SRCS credit change from 2016 to 2017 ranges from -0.2% to +3.9%. The changes were a result of updated riders and cost allocation changes that resulted from the 2016 Phase II Rate Case, Proceeding No. 16AL-0048E.

The proposed rate changes for customers by major service schedule (R, C, SG, PG and TG) are as follows:

Rate Service Schedule	Current Fixed SCRS	Proposed Fixed SCRS	Difference	% Difference
benedute	Credit	Credit		Difference
Residential R	\$0.07375	\$0.07664	\$0.00289	3.91%
Commercial C	\$0.07301	\$0.07287	\$(0.00014)	-0.18%
Secondary General SG	\$0.06827	\$0.06947	\$0.00012	1.76%
Primary General PG	\$0.05728	\$0.05916	\$0.00188	3.28%
Transmission General	\$0.05437	\$0.05485	\$0.00048	0.89%

This advice letter includes an illustrative bill impact for the five major rate service schedules: R, C, SG, PG and TG. These bill impacts are based on the monthly use of a typical customer and the assumption that SRCS customers receive energy from the SRCS solar resource equal to 100% of that typical monthly usage.

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Assuming SRCS Customer Subscribes at a level that equals Total Usage						
Assumes Demand Charged Customer TARR equals Class Average						
Rate Schedule	Bill Credit \$ Difference	Bill Credit % Difference	% Change in Bill			
R	\$1.81	3.91%	-8.07%			
С	(\$0.13)	-0.18%	0.50%			
SG	\$29.92	1.76%	-4.95%			
PG	\$931.19	3.28%	-12.23%			
TG	\$6,468.41	0.89%	-8.01%			

The provided bill impacts for residential and small commercial customers include the $2\$ RESA impact.

Notice of this filing will be placed in the legal classified section of *The Denver Post*, and will be provided by electronic mail to all intervenors in Proceeding No. 13A-0836E, the Company's last Renewable Energy Standard Plan, all customers who are subscribers to solar community gardens, and all solar garden developers the Company has in the queue for solar garden contracts. The Company will also post this Advice No. 1728 - Electric, Legal Notice and associated tariffs on the Xcel Energy web-site. A copy of the notice is attached as Exhibit 1. Contemporaneously filed with this Advice Letter, the Company is filing a Motion for an Alternative Form of Notice seeking authority to provide notice of the filing as set forth in this paragraph.

It is desired that the tariff sheets accompanying this Advice Letter become effective January 1, 2017.

Please send copies of all notices, pleadings, correspondence, and other documents regarding this filing to:

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