

2022 COLORADO PHASE II ELECTRIC RATE REVIEW

INFORMATION SHEET
COLORADO

PROPOSAL AIMS TO UPDATE ELECTRIC PRICING PLANS AND ALIGN BILLS WITH THE COST OF SERVICE

August 2023



At Xcel Energy, we work every day to provide the safe, clean, reliable energy that our customers depend upon, and deliver that at an affordable cost. As a national leader in the clean energy transition, we're moving forward with high-value investments to provide an increasingly clean energy mix, while boosting power grid resilience and reliability, as we work towards becoming a net-zero energy provider by 2050—all while keeping bills below the national average.

As required by the Colorado Public Utilities Commission, we submitted a proposal to update our pricing plans for Colorado electric customers and align bills with the cost of service. If approved, updated pricing would go into effect in early 2024.

This proposal is a continuation of the electric rate proposal we filed with the Commission in November 2022—we're not requesting any additional revenue.

The updated pricing plan proposes a 0.8% increase to the average monthly residential customer bill, which is lower than the increase that would have occurred under our old pricing plan.

Maximizing renewable energy generation

Today, we serve our Colorado customers with electricity that's 42% carbon-free and have reduced carbon emissions by 51%, putting us well on the way to achieving our target of reducing carbon emissions 80% by 2030 (from 2005 levels). As we continue adding more renewable generation to the grid, we want to ensure our customer rates accurately reflect how energy is generated and delivered today.

We performed a Time of Use study under the direction of the Commission to evaluate whether our current periods reflect the realities of today's electric system. Based off our study, current Time of Use periods (i.e., On-Peak, Mid-Peak and Off-Peak) accurately reflect system conditions today. However, with expected increases to solar generation our system in the coming years, there may be a future need to shift the On-Peak period later in the evening.

We're proposing to maintain current Time of Use periods and to make a filing in 2025 that will address time-differentiated pricing plans based on data available at that time. With Time of Use plans, pricing varies depending on when you use energy during the day and gives you more ways to save.

Pricing plans to fit your needs

Many factors play a part in determining your electricity needs. Our various pricing plans are designed so you can find the right fit for your household or business. Under our proposal, we're continuing to provide options that cater to different customer needs, energy use habits and preferences. The majority of our customers will continue to have the option of being on Time of Use rates or more traditional rate plans. We're also proposing a new rate option that is intended to serve large commercial fleets of electric vehicles. These rates will help advance Colorado's clean transportation and electrification goals while enhancing customer choice and helping keep bills low.

Delivering reliable, affordable service

We understand many customers are concerned with the affordability and reliability of the services we provide. Even as we continue to make improvements, modernize



our infrastructure, bring more clean energy online and support our communities, we have managed to keep rates competitive. Over the past decade, electric bills for our Colorado customers have been among the lowest in the country and are expected to remain below the national average if our proposed changes are approved.

This updated pricing plan proposal includes new pricing that results in a 0.8% increase in the average monthly residential electric customer bill, which is lower than the increase that would have occurred under our old pricing plan. See the charts below for a comparison between Phase I (rate proposal plan) and Phase II (updated pricing plan) and the anticipated combined impact for our customer classes. **The rate proposal plan is still pending and subject to change by the Commission.**

PHASE II ELECTRIC BILL IMPACTS UNDER UPDATED PRICING PLANS

	Phase I Bill	Phase II Bill	Monthly \$ Change	Monthly % Change
Residential – RE-TOU	\$94.52	\$95.31	\$0.78	0.8%
Small Commercial – C	\$140.66	\$134.08	-\$6.58	-4.7%
Secondary General – SG	\$2,637.93	\$2,636.96	-\$0.97	0.0%
Primary General – PG	\$44,853.13	\$43,337.10	-\$1,516.03	-3.4%
Transmission General – TG	\$552,973.56	\$558,130.32	\$5,156.76	0.9%

COMBINED PHASE I AND PHASE II ELECTRIC BILL IMPACTS

	Current Bill	Proposed Bill	Monthly \$ Change	Monthly % Change
Residential – RE-TOU	\$86.94	\$95.31	\$8.37	9.6%
Small Commercial – C	\$129.80	\$134.08	\$4.28	3.3%
Secondary General – SG	\$2,445.57	\$2,636.96	\$191.39	7.8%
Primary General – PG	\$41,950.96	\$43,337.10	\$1,386.14	3.3%
Transmission General – TG	\$521,730.63	\$558,130.32	\$36,399.69	7.0%

Sample bill impacts based on average customer use.

We're here for you

Affordability is a key priority for our customers, which is why we work hard to control costs, keep energy bills low and provide assistance for customers in need. Xcel Energy is committed to helping customers with their bills when they need it. We will always work with our customers to provide options such as payment plans and assistance programs to get them through difficult times. Learn more by visiting xcelenergy.com/EnergyAssistance or calling **800-895-4999**.

