

**NOTICE OF APPLICATION
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 filed with the Public Utilities Commission of the State of Colorado (“Commission”) an Application (“Application”) seeking Commission approval for early termination of the Solar Energy Purchase Agreement between Public Service and KEPCO dated June 23, 2010 (the “KEPCO PPA”) which, if approved as requested by the Company, will require revisions to the Electric Commodity Adjustment (“ECA”) in the Company’s Colorado P.U.C. No. 8 – Electric tariff. The Company proposes to implement the proposed ECA tariff revisions through a subsequent compliance advice letter filing following the Commission’s final decision on its Application, if recovery through the ECA, as requested, is approved. Alternatively, the Company has requested cost recovery through the General Rate Schedule Adjustment (“GRSA”).

In its Application, and in addition to the proposed ECA tariff revisions, the Company seeks approval to terminate the KEPCO PPA through the Termination Agreement between KEPCO and the Company, to make the associated Termination Payment of \$41 million, and to recover the retail revenue requirement associated with the Termination Payment through the ECA (or, alternatively, through the GRSA). This includes approval to create a regulatory asset in the amount of the Termination Payment, to be amortized over 11 years, and to earn a return on the unamortized balance of the regulatory asset allocated to Public Service’s retail customers at the Company’s authorized weighted average cost of capital (“WACC”).

Termination of the KEPCO PPA is estimated to result in a cumulative \$38.1 million in savings for Public Service’s electric retail customers over the 11-year amortization period, which takes into account both the Termination Payment revenue requirement and the estimated cost of generic conventional solar replacement energy. Based on those same assumptions, and using annualized rates by customer class, below are the total estimated monthly bill impacts resulting from the Termination Agreement assuming cost recovery through the ECA:

KEPCO Termination				
Monthly Total Bill Impact on Annualized Rates				
	Current	Proposed	Monthly \$ Change	Monthly % Change
Residential - R	\$69.16	\$69.07	-\$0.09	-0.13%
Commercial - C	\$103.15	\$103.03	-\$0.12	-0.12%
Secondary General - SG	\$2,165	\$2,163	-\$2	-0.10%
Primary General - PG	\$35,437	\$35,372	-\$65	-0.18%
Transmission General - TG	\$564,803	\$563,620	-\$1,183	-0.21%

The annual revenue impact of this filing is expected to vary by year, but this filing is estimated to result in a revenue reduction of approximately \$4.1 million from our retail customers for the first year the proposed ECA tariff revision is in effect.

The effective date for the tariff update will depend on when the Commission issues its final order on the Application and when the Company files the subsequent compliance advice letter. If the Commission approves the Application, Public Service has requested authorization to file the compliance advice letter implementing the tariff changes following the Commission’s final order on the Application, on not less than two business days’ notice.

Copies of the current and proposed tariffs summarized above and as filed with the

Commission are not currently available for examination and explanation at the main office of Public Service or at the Commission's office due to the pandemic. However, a copy of this Notice and filing is available on the Company's public website at https://www.xcelenergy.com/company/rates_and_regulations/filings and through the Commission's e-filing system: https://www.dora.state.co.us/pls/efi/EFI_Search_UI.search. Customers who have questions may call the Commission at 303-894-2000, call Xcel Energy at 1-800-895-4999, fax to Xcel Energy at 1-800-895-2895, or e-mail to inquire@xcelenergy.com.

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 e-mailed to: 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 Application if one is held. 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. Written objections and interventions must be filed by the time listed on the notice separately given by the Commission.

The Commission may hold a hearing regarding the Application. Should the Commission hold a hearing, customers may submit comments or objections prior to the scheduled hearing date.

The Commission may hold a public hearing in addition to an evidentiary hearing on the Application. 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 Application 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: Steven P. Berman
Director, Regulatory Administration