

1 **Provisions for Additional Rate Adjustments During MYP Period**

2 The Company's forecasted expenses are beyond Public Service's control and
3 may require adjustment to the Company's GRSA then in effect or may be appropriate
4 for deferral, provided that the change is reasonably expected to increase or decrease
5 the Company's revenue requirement for its gas business by at least \$5 million in that
6 year. The types of cost changes that would qualify for a Regulatory Adjustment
7 pursuant to this Section include:

- 8 • Changes in Generally Accepted Accounting Principles ("GAAP") that are
9 appropriately reflected in rate regulation.
- 10 • Changes in tax laws other than property tax laws.
- 11 • Changes in Public Service's obligations stemming from changes in
12 federal, state, or municipal laws, or regulations issued or actions taken by
13 federal, state or local governmental bodies, including but not limited to the
14 Environmental Protection Agency, the Federal Energy Regulatory
15 Commission, the Commission, the Colorado Department of Public Health
16 and Environment, and local governments within the State of Colorado.
- 17 • Orders or acts of civil or military authority.
- 18 • Natural disasters or catastrophic events, net of any insurance proceeds.
- 19 • A Commission-approved asset acquisition or divestiture that exceeds \$50
20 million.

21 The Company shall make a filing notifying all parties in the proceeding of any
22 reductions or increases in its retail base rate revenue requirements that are or may be
23 eligible for an adjustment under this provision within 60 days of the action or shall

1 provide such notice in its Earnings Test filing, whichever is earlier and shall either file an
2 appropriate Advice Letter to change the GRSA or seek a deferral at the Company's
3 discretion. The all parties reserve their right to challenge prudence and the Company's
4 calculation of the revenue requirement impact of such cost change.