2020 COLORADO NATURAL GAS REGULATORY RATE REVIEW

SUPPORTING A RESILIENT, RELIABLE AND SAFE SYSTEM WITH LOWER CARBON EMISSIONS

Xcel *Energy*®

At Xcel Energy, we work every day to provide the reliable energy that our customers depend on, delivering increasingly clean energy at an affordable price. Our 2020 rate review proposal to the Colorado Public Utilities Commission includes investments to better serve you by strengthening the natural gas system, enhancing reliability and reducing emissions.

Customer benefits

This proposal supports improvements that provide ongoing value to our 1.4 million natural gas customers in Colorado including:

- **Investments for improved reliability and resiliency**. Regional system reliability projects include our Tungsten-to-Blackhawk Project, North Metro Project, and Sterling Ranch. More improvements to support foothill communities, Georgetown, Evergreen, Idaho Springs, Granby, Grand Lake, Grand Junction, Denver, Broomfield, southern Weld County and many others are ensuring we meet the energy needs of communities across the state.

- **New monitoring capabilities**. New automated valves and hundreds of monitoring points on the system allow us to better pinpoint abnormal conditions and respond to changing conditions as they happen.

- **Enhanced response**. We are taking steps to improve service to customers during severe weather events, when temperatures nosedive and the need for natural gas is highest. Additionally, we are continuing proactive risk mitigation programs, so crews can quickly identify potential issues before they impact customers.

- **Reduced emissions**. When we improve our pipelines, we make our system tighter and cleaner, resulting in fewer leaks and lower methane emissions. We have invested more than $1 billion in projects to secure our natural gas system and have replaced all cast iron and 90% of bare steel pipe with more durable, better performing materials.

Keeping bills low

If approved by state regulators, residential natural gas bills in Colorado would remain more than 20% below the national average. The typical residential natural gas customer would see an increase of $6.44 per month, while an average small business customer would see an increase of $19.51.

Market trends help to keep customers' gas bills low. Commodity prices for natural gas have fallen 88% since 2005, and fuel costs make up about 40% of a residential bill. These fuel cost reductions are passed directly to customers.

Building on our track record of success

We are developing a comprehensive plan for cutting emissions reliably and affordably across the natural gas system and wide-reaching strategies to further reduce greenhouse gas emissions, while keeping bills affordable:

- We are building technology and markets for the future, and looking for ways to help customers reduce their emissions from natural gas use, while operating a clean delivery system.

- We are managing demand for natural gas with new and refreshed programs that help customers use natural gas efficiently. Xcel Energy customers have cut back natural gas consumption nearly 20% since 2000, through energy-efficient appliances, sustainable building practices and our extensive portfolio of conservation programs.

- Last year we partnered with the Cities of Englewood and Littleton to reduce wastewater emissions and use the renewable natural gas in our distribution system. We believe renewable natural gas is an important part of our future.

- We participate in voluntary programs including the EPA's Natural Gas STAR and Methane Challenge, and have pledged to reduce natural gas venting during scheduled construction projects.

- We will continue to work with stakeholders to advocate for new policies, incentives and programs at state and federal levels.

- Future projects may include more research into low-carbon, carbon-free or even carbon-negative alternatives, such as renewable natural gas and hydrogen.

Learn more
Our website, **xcelenergy.com**, provides more details and information on this proposal and the regulatory process.