

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO**

\* \* \* \* \*

RE: IN THE MATTER OF ADVICE )  
LETTER NO. 1672-ELECTRIC FILED BY )  
PUBLIC SERVICE COMPANY OF ) PROCEEDING NO. 14AL-0660E  
COLORADO TO REVISE ITS COLORADO )  
PUC NO. 7-ELECTRIC TARIFF TO )  
IMPLEMENT A GENERAL RATE )  
SCHEDULE ADJUSTMENT AND OTHER )  
OTHER CHANGES EFFECTIVE )  
JULY 18, 2014. )

IN THE MATTER OF THE APPLICATION OF )  
PUBLIC SERVICE COMPANY OF ) PROCEEDING NO. 14A-0680E  
COLORADO FOR APPROVAL OF ITS )  
ARAPAHOE DECOMMISSIONING AND )  
DISMANTLING PLAN. )

**SETTLEMENT AGREEMENT**

January 23, 2015

**TABLE OF CONTENTS**

**TABLE OF CONTENTS ..... II**

**INTRODUCTION ..... 1**

**BACKGROUND..... 2**

**SETTLEMENT ..... 5**

**I. COMMITMENTS RELATING TO CURRENTLY PROPOSED RATES..... 5**

A. EFFECTIVENESS..... 5

B. OVERALL CUSTOMER IMPACT. .... 7

C. ADJUSTMENT TO PROPOSED REVENUE REQUIREMENT AND BASE RATE DECREASE. .... 7

1. TEST YEAR. .... 7

2. AUTHORIZED RETURN ON EQUITY (“ROE”). .... 8

3. CAPITAL STRUCTURE..... 8

4. COST OF DEBT. .... 8

5. RESULTING WEIGHTED AVERAGE COST OF CAPITAL (“WACC”)..... 9

6. PENSION. .... 9

(i) PRE-PAID PENSION ASSET BALANCE AS OF DECEMBER 31, 2014 (“LEGACY PRE-PAID PENSION ASSET”). .... 9

(ii) PRE-PAID PENSION ASSET BALANCE ACCUMULATED ON AND AFTER JANUARY 1, 2015 (“NEW PRE-PAID PENSION ASSET”). .... 10

(iii) PENSION EXPENSE TRACKING ..... 11

(iv) PRE-PAID PENSION REPORTING REQUIREMENTS. .... 11

7. PROPERTY TAX. .... 11

8. OTHER REVENUE REQUIREMENT ADJUSTMENTS. .... 12

D. RIDER RECOVERY..... 13

1. CACJA RIDER. .... 13

2. TCA. .... 15

E. GRSA..... 15

F. CUSTOMER IMPACTS BY CLASS. .... 15

G. EARNINGS TEST..... 16

H. STAY-OUT PROVISION..... 18

1. GRSA TO REFLECT MATERIAL CHANGES IN EXPENSES..... 19

2. GRSA ADJUSTMENT TO REFLECT REQUIRED PRE-PAID PENSION ASSET FILING. .... 20

3. OTHER RIDERS..... 20

**II. OTHER ITEMS INCLUDING COMMITMENTS RELATING TO FUTURE RATE FILINGS ..... 21**

A. DEPRECIATION AND AMORTIZATION EXPENSE ..... 21

B. CAPITAL STRUCTURE. .... 22

C. OTHER ITEMS AND MISCELLANEOUS FUTURE RATE COMMITMENTS. .... 23

1. INCENTIVE COMPENSATION. .... 23

2. METRO ASH DISPOSAL SITE..... 23

3. OIL & GAS ROYALTY REVENUES. .... 23

4. ARAPAHOE DECOMMISSIONING. .... 24

5. PONNEQUIN WIND FARM..... 24

6. EQUIVALENT AVAILABILITY FACTOR PERFORMANCE MECHANISM. .... 24

(i) 2015: ..... 25

(ii)	2016 AND 2017: .....	25
(iii)	REPORTING AND EVALUATION .....	26
<b>GENERAL PROVISIONS .....</b>		<b>26</b>

**ATTACHMENTS**

<b>Attachment Identifier</b>	<b>Description</b>
A	Revenue Requirement Changes and GRSA Calculation
B	Customer Impacts
C	New CACJA Rider Tariff
D	TCA Rider Tariff redlined to Current Tariff
E	Earnings Test Principles
F	Pension Reporting
G	ECA Tariff redlined to Current Tariff
H	Maintenance Charges for Street Lighting Service Tariff redlined to Current Tariff
I	Schedule of Charges for Rendering Service Tariff redlined to Current Tariff
J	Earnings Sharing Adjustment Tariff redlined to Current Tariff
K	GRSA Tariff redlined to Current Tariff
L	Clean Tariffs

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO**

\* \* \* \* \*

**RE: IN THE MATTER OF ADVICE )  
LETTER NO. 1672-ELECTRIC FILED BY )  
PUBLIC SERVICE COMPANY OF ) PROCEEDING NO. 14AL-0660E  
COLORADO TO REVISE ITS COLORADO )  
PUC NO. 7-ELECTRIC TARIFF TO )  
IMPLEMENT A GENERAL RATE )  
SCHEDULE ADJUSTMENT AND OTHER )  
OTHER CHANGES EFFECTIVE )  
JULY 18, 2014. )**

**IN THE MATTER OF THE APPLICATION OF )  
PUBLIC SERVICE COMPANY OF ) PROCEEDING NO. 14A-0680E  
COLORADO FOR APPROVAL OF ITS )  
ARAPAHOE DECOMMISSIONING AND )  
DISMANTLING PLAN. )**

**SETTLEMENT AGREEMENT**

**Introduction**

Public Service Company of Colorado (“Public Service” or the “Company”), the Staff of the Colorado Public Utilities Commission (“Staff”), the Colorado Office of Consumer Counsel (“OCC”), Colorado Energy Consumers (“CEC”), Colorado Healthcare Electric Coordinating Council (“CHECC”), Climax Molybdenum Company and CF&I Steel, L.P. d/b/a Evraz Rocky Mountain Steel (collectively “Climax/Evraz”), Energy Outreach Colorado (“EOC”), the Federal Executive Agencies (“FEA”), the

Kroger Co. (“Kroger”), and Wal-Mart Stores, Inc. and Sam’s West, Inc. (“Wal-Mart”) (collectively, the “Settling Parties”) hereby enter into this Settlement Agreement.<sup>1</sup>

This Settlement Agreement is a comprehensive uncontested settlement, which proposes a resolution for all issues that have been raised or could have been raised in this consolidated proceeding.

### **Background**

On June 17, 2014, Public Service filed Advice Letter No. 1672-Electric, together with the supporting direct testimony and exhibits of nineteen witnesses. In this filing, Public Service sought to increase its base rate revenues by \$157,617,251, which reflects a shift of \$19,947,918 in costs that Public Service is presently recovering through its Transmission Cost Adjustment (“TCA”) to base rates, resulting in a net requested increase of \$137,669,333. Public Service also requested authorization to recover costs that it is incurring to implement its compliance plan under the Clean Air-Clean Jobs Act (“CACJA”) through a new rider. Public Service sought to support its requested rate increase through a January 1, 2015 to December 31, 2015 test year, which included forecasted capital costs but historical (2013) operating and maintenance costs with limited adjustments. Public Service included with its filing a 2013 historical test year with adjustments (“HTY”). Public Service in its filing additionally requested authorization to implement a decoupling mechanism and a generation performance benchmarking plan – referred to as the Equivalent Availability Factor Performance

---

<sup>1</sup> The intervenors in this proceeding who have not joined as parties to the Settlement Agreement have had opportunity to review it and have indicated that they will take the following positions: City and County of Denver – will not oppose the Settlement Agreement; Southwest Energy Efficiency Partnership – no position; The Alliance for Solar Choice – no position; the City of Boulder – no position; Clean Energy Action – no position; Western Resource Advocates – will neither oppose nor support. Accordingly, the Settling Parties believe the Settlement Agreement is unopposed.

Mechanism (“EAFPM”) – that could potentially provide Public Service with a \$3 million incentive payment or penalty based on the performance of specified generating units. By Decision No. C14-0807 issued in Proceeding No. 14AL-0660E, the Commission suspended the tariff sheets filed with Advice Letter No. 1672-Electric for 120 days, or until November 15, 2014, and set the matter for hearing *en banc*.

On June 23, 2014, Public Service filed an application seeking the Commission’s authorization to decommission and dismantle its Arapahoe Generating Station and to remediate and restore the plant site at an estimated cost of \$34.8 million. The Commission docketed this application in Proceeding No. 14A-0680E. Concurrently with the filing of the application, Public Service requested that Proceeding Nos. 14AL-0660E and 14AL-0680E be consolidated. The Commission granted that request in Decision No. C14-1043.

In Decision No. C14-1043, the Commission also further suspended Public Service’s tariff sheets for an additional 90 days, or until February 13, 2015. Subsequently, the Commission accepted a procedural schedule that would have resulted in a Commission decision being issued after that date. However, in Decision No. C14-1130, the Commission adopted a refund mechanism that would allow the Company to implement its proposed rates on February 13, 2015, subject to a refund condition in the event that a final order addressing Public Service’s rate request is not decided before that date.

As directed by the Commission in Decision No. C14-1130, Public Service on September 26, 2014, filed supplemental direct testimony providing more information

regarding its generation performance benchmarking plan which included the Commission Staff's report prepared in Proceeding No. 13I-0215E as an exhibit.

In Decision No. C14-1331, the Commission dismissed Public Service's proposed decoupling mechanism from this proceeding, finding that it would be more appropriately addressed in a standalone proceeding.

On November 7, 2014, the following parties submitted answer testimony: Staff, the OCC, CEC, CHECC, Climax/Evraz, FEA, and Wal-Mart. Each of these parties recommended reductions to Public Service's proposed increase to base rates. Staff, OCC and other intervenors took a variety of positions in regards to the appropriate test year, the treatment of Public Service's request for a CACJA Rider, and a number of other proposed adjustments.

In its rebuttal case submitted on December 17, 2014, Public Service adjusted its revenue requirement for its 2015 test year to \$127,137,403 (inclusive of the roll in of TCA costs). This adjustment was made for three purposes: to correct errors; to recognize certain positions made by the parties in answer testimony; and to update for more recent information. Among other things, in Public Service's rebuttal testimony, Public Service proposed that all costs for CACJA projects be recovered through the CACJA rider from 2015 through 2017 and subsequent true ups. Public Service also provided a revised 2013 cost of service study, which as explained below, became the basis for developing the settlement rates reflected in this agreement.

On December 17, 2014, CEC and CHECC also submitted cross-answer testimony. Those testimonies contended, among other things, that Public Service was not entitled to a CACJA Rider.

Throughout this proceeding, the Settling Parties discussed the possibility of resolving this case through a settlement. On January 14, 2015, the due date for settlement agreements as set out in the procedural order for this proceeding established by the Commission, the OCC on behalf of all of the Settling Parties submitted a filing to the Commission noting that discussions were still ongoing and that the Settling Parties believed a settlement could be reached. The Settling Parties subsequently were able to agree to a settlement in principle on January 16, 2015, and on that same date, Public Service on behalf of the Settling Parties filed a notice advising the Commission of this fact. The Commission suspended the schedule in an order dated January 21, 2015.

### **Settlement**

#### ***I. Commitments Relating to Currently Proposed Rates.***

##### **A. Effectiveness.**

The Settling Parties acknowledge that the effect of this Settlement Agreement is to modify the tariff sheets that Public Service filed on June 17, 2014 with the Commission through Advice Letter No. 1672-Electric. Pursuant to the refund condition adopted by the Commission in Decision No. C14-1130, the tariff sheets filed with Advice Letter No. 1672-Electric are scheduled to become effective subject to refund on February 13, 2015. The Settling Parties agree that, in lieu of the rates and other tariff changes originally proposed by the Company as set forth in the tariff sheets filed with Letter No. 1672-Electric, the Company should implement on February 13, 2015, the settlement rates and tariff sheets in substantially the same form as the pro forma tariff

sheets set forth in Attachment L (“Clean Settlement Tariff Sheets”)<sup>2</sup>. To that end, on or before January 23, 2015, the Settling Parties shall file with the Commission a joint motion requesting a Commission decision authorizing Public Service to place the Settlement Tariff Sheets into effect on February 13, 2015, subject to the same refund condition approved by the Commission in Decision No. C14-1130-I in the event the ultimate rates put into effect are lower than those put into effect on February 13, 2015 and a surcharge condition in the event the ultimate rates put into effect are higher than those put into effect on February 13, 2015. In the event that the Commission issues a decision approving this Settlement Agreement by February 10, 2015, or grants the Settling Parties’ Joint Motion to place the Settlement Rates into Effect prior to that date, the rates set forth in this Settlement Agreement will be placed into effect on that date. If the Commission approves the Settlement Agreement at a later date and denies the Joint Motion to Place the Settlement Rates into Effect on February 13, 2015, Public Service shall place the filed rates into effect on February 13, 2015 in accordance with Decision No. C14-1130-I, subject to refund.

The agreed-to rates will be subject to an Earnings Test and Stay-Out provision, as described below, which are intended to result in the settlement rates, if approved, remaining in effect until replaced by new base rates resulting from Public Service’s next base rate change filing in 2017 for rates expected to go into effect no earlier than January 1, 2018 (“2017 Rate Case”).

---

<sup>2</sup> Red-lined tariff sheets are provided for each of the tariffs that are changing from the currently effective tariffs as Attachments C, D, G, H, I, J and K as identified below.

**B. Overall Customer Impact.**

As indicated in Attachment A, the net impact to customers of the changes to base rates, implementation of the new CACJA rider, and implementation of a reduced amount for the existing TCA rider mechanism as the Company has proposed in this proceeding includes a base rate decrease of \$39,418,515, an initial CACJA rider of \$96,968,401, and a revised TCA of \$15,610,346, resulting in a 2015 anticipated net customer impact of \$41,500,000 subject to CACJA and TCA rider true-ups. Attachment B provides a breakdown of the overall customer impacts of the proposed revenue requirement changes and the changes in the CACJA rider and the TCA that would result from the approval of the Settlement Agreement. The impact on a typical residential customer in 2015 is an overall increase of \$0.96 per month or 1.3%, inclusive of base rates, CACJA rider, and the TCA. Attachment B reflects the customer impacts for the five major customer classes of this Settlement Agreement for 2015, and anticipated impacts for those same classes in 2016 and 2017.

**C. Adjustment to Proposed Revenue Requirement and Resulting Base Rate Decrease.**

The following adjustments have led to a reduction in the base rate revenue requirement proposed by Public Service, and will result in a decrease in base rates.

**1. Test Year.**

As the starting point for developing the settlement rates included in this Settlement Agreement, the Settling Parties agreed to use the 2013 Historical Test Year ("2013 HTY") presented by Ms. Deborah Blair as Second Revised Attachment No. DAB-3 to her Rebuttal Testimony which uses a year-end rate base. The 2013 HTY

reflects the impacts of Bonus Tax Depreciation.<sup>3</sup> As shown in Attachment A, the 2013 HTY, as filed by the Company and used in developing settlement rates, would have resulted in a base rate increase of \$4,540,070. As shown on Attachment A, after the adjustments identified below, the resulting net base rate revenue requirement is negative \$39,418,515, thereby resulting in a base rate decrease.<sup>4</sup>

## **2. Authorized Return on Equity (“ROE”).**

The Settling Parties agree that the authorized ROE should be set at 9.83%. As shown in Attachment A, use of this ROE will result in an adjustment reducing the 2013 HTY revenue requirement by \$21,714,753.

## **3. Capital Structure.**

For purposes of this Settlement Agreement, the Settling Parties agree to the development of base rates using Public Service’s proposed capital structure – 56% equity/44% debt. This agreement is predicated on Public Service’s commitment to manage the equity component of its capital structure as described below.

## **4. Cost of Debt.**

As reflected in Attachment A, the Settling Parties agree to a cost of debt as of December 31, 2013 of 4.67% calculated using the par value method as shown on Sheet 1 of Attachment No. MPS-7 to the Direct Testimony and Attachments of Mary P. Schell.

---

<sup>3</sup> The bonus tax depreciation affecting the 2013 HTY is based on income tax laws existing before the enactment of the Tax Increase Prevention Act of 2014, H.R. 5771, 113<sup>th</sup> Cong. (2014)(enacted), which extended bonus depreciation to certain assets placed in service during 2014. The 2013 HTY revenue requirement is not impacted by this new tax law.

<sup>4</sup> The parties acknowledge that OCC’s agreement to use a year-end rate base is due to the facts and circumstances surrounding Public Service’s filing in this proceeding and Public Service’s agreement to a Stay-Out provision described below, which would result in the settlement rates, if approved, remaining in effect until replaced by new base rates expected to go into effect no earlier than January 1, 2018.

This is an adjustment to the 2013 HTY that will increase the Company's revenue requirement by \$3,156.

**5. Resulting Weighted Average Cost of Capital ("WACC").**

When applying the various principles outlined above for ROE, capital structure and cost of debt, the resulting WACC is 7.55% as of January 1, 2015.

**6. Pension.**

**(i) Pre-paid pension asset balance as of December 31, 2014 ("Legacy Pre-Paid Pension Asset").**

The Settling Parties agree that a fifteen (15)-year amortization of the prepaid pension asset balance as of December 31, 2014 ("Legacy Pre-Paid Pension Asset") will be established, and further agree that, for purposes of developing settlement rates, this balance is \$139,137,447 (inclusive of Accumulated Deferred Income Tax, or "ADIT"). The annual amortization to be included in the revenue requirement will be \$9,275,830.

For purposes of the Earnings Test described below and in future rate cases, as part of this Settlement Agreement, the Company agrees that it will include the remaining, unamortized Legacy Pre-Paid Pension Asset balance in rate base. The Settling Parties agree that from January 1, 2015 until rates become effective from the 2017 Rate Case, the Legacy Pre-Paid Pension Asset will earn a rate of return equal to the Company's Cost of Debt as used in this Settlement Agreement – i.e., 4.67% as set forth above. In the 2017 Rate Case and afterwards, Public Service and other Settling Parties are free to argue for a different going-forward rate of return (including none) for the remaining balance on the Legacy Pre-Paid Pension Asset.

**(ii) Pre-paid pension asset balance accumulated on and after January 1, 2015 (“New Pre-Paid Pension Asset”).**

The Settling Parties agree that Public Service should be permitted to record prudently incurred amounts for pre-paid pension assets or liabilities accumulating on or after January 1, 2015. The balance shall be treated as a regulatory asset or liability and shall be called the New Pre-Paid Pension Asset. Until such time as new rates are put into effect following the 2017 Rate Case, Public Service shall not earn a return or otherwise apply carrying charges on the New Pre-Paid Pension Asset balance.

The Company will make a filing to recover those amounts accumulated in the New Pre-Paid Pension Asset at the earlier of either (a) a future rate case or (b) in a stand-alone case filed within a reasonable time (no more than 90 days) after the amount in the New Pre-Paid Pension Asset becomes more than \$50,000,000. In the stand-alone case the Company may request a new or modified GRSA. In its filing, the Company will propose the manner in which such amounts may be recovered and the explanation for why the New Pre-Paid Pension Asset was accumulated. In a proceeding addressing such filing, parties will be free to challenge the recovery of these amounts and the manner in which those amounts may be recovered to the extent the Company incurred those amounts imprudently or the recovery as proposed by the Company would be unjust or unreasonable. The designation of such amounts as a regulatory asset will not be used to preclude arguments that the amounts should not be recovered, or that the carrying costs should be modified or eliminated. Nothing in this Settlement Agreement, including the designation of the balance as a regulatory asset or liability, shall limit any Settling Party’s ability to advocate for any position they deem

appropriate regarding the New Pre-Paid Pension balance in the 2017 Rate Case including but not limited to whether the New Pre-Paid Pension Asset was prudently incurred, whether recovery of the New Pre-Paid Pension Asset would be just and reasonable, the manner in which the New Pre-Paid Pension Asset may be recovered in rates (for example, recovered immediately in full or included in the ongoing amortization of the Legacy Pre-Paid Pension Asset), and the appropriate rate of return for the New Pre-Paid Pension Asset, if any. Further, nothing in this Settlement Agreement shall limit the Commission's discretion in the 2017 Rate Case to determine the appropriate ratemaking treatment for the New Pre-Paid Pension Asset.

**(iii) Pension Expense Tracking**

The Settling Parties agree that a pre-paid pension expense baseline shall be set as follows:

- Non-Qualified:       \$883,950
- Qualified:            \$21,086,171

On an annual basis, amounts incurred above or below the baseline established here will be deferred in an accounting regulatory asset for inclusion in the 2017 Rate Case under the same limitations, conditions, and reservation of rights as described in Section I.C.6(ii) above.

**(iv) Pre-paid pension reporting requirements.**

Pension reporting requirements are as set out in Attachment F.

**7. Property Tax.**

The Settling Parties agree that the base rates that will take effect as a result of this Settlement Agreement total \$137,334,694 (electric retail) of property tax expense.

This amount includes the recovery of \$109,506,702, which is the level of allocated actual property tax expense incurred by the Company in 2013 and \$27,827,992 which is the 2015 amortization of property tax expenses deferred during 2012 through 2014 that was calculated in accordance with the Settlement Agreement entered into in Proceeding No. 11AL-947E. The Settling Parties agree that Public Service shall continue to amortize property taxes deferred from the 2012 through 2014 period.

On a going forward basis, the Settling Parties agree that Public Service should be permitted to defer in a regulatory asset any difference in allocated property tax expense and property tax amortization from the amount actually incurred, as determined on an annual basis, beginning with calendar year 2015 until the rates approved in the 2017 Rate Case go into effect – which will be no earlier than January 1, 2018. In the 2017 Rate Case, the Company will propose that any such additional deferred tax amounts will be amortized over the same number of annual periods they were accrued.

#### **8. Other Revenue Requirement Adjustments.**

Through this Settlement Agreement, the Settling Parties have reached a series of compromises regarding numerous other issues relating to the Company's cost of service, including, but not limited, to the following: test year, rate case expenses, Ponnequin Wind Farm, Metro Ash Facility, Oil and Gas Royalty Revenues, Western Electricity Coordinating Council Fees, aviation expenses, generation overhaul expenses, legal expenses, employee compensation, and the Annual Incentive Pay ("AIP") impacts on pension expense for payments above target AIP. As a further example, through this Settlement Agreement, Public Service is foregoing its request to

implement its proposed changes to its depreciation rates and amortization expense for electric and common utility plant in this proceeding and in light of the agreements discussed below will address depreciation and amortization issues, including cost of removal and net salvage, in a separate proceeding. Without agreeing to any specific adjustments or assigning any values for these issues on an individual basis in the development of settled rates, but to reflect the compromises the Settling Parties have reached on all of these issues through this Settlement Agreement, the Settling Parties have agreed that the 2013 HTY revenue requirement should be reduced by \$31,735,761.

**D. Rider Recovery.**

The Settling Parties agree in resolution of this case to allow the implementation of the CACJA rider<sup>5</sup> and modify the existing TCA on the terms outlined below.

**1. CACJA Rider.**

The Settling Parties agree that a CACJA rider will be put into effect starting with calendar year 2015. Attachment C to this Settlement Agreement reflects the CACJA rider agreed to by the Settling Parties and details how the CACJA rider will operate beginning in 2015. Attachment A reflects that the calculation of the 2015 CACJA Rider will result in designed collection of \$96,968,401 on an annualized basis and will be implemented on the effective date of new rates following this proceeding as set forth in more detail in the attached tariff. The CACJA rider is designed to provide for current recovery of costs for eligible projects through a thirteen (13)-month average of

---

<sup>5</sup> Although for purposes of settlement, the Settling Parties agree that the Company should be allowed to implement the CACJA rider on terms as established herein, the Settling Parties acknowledge that there was in fact no consensus as to whether the Company met the CACJA statutory criteria for the rider.

forecasted costs, but subject to true-up such that, only actual, prudently-incurred costs are recovered.

To be eligible to be included in the CACJA rider a cost must be incurred and associated with an investment that went into service between August 1, 2014 and December 31, 2017.

The Settling Parties agree that the statutory presumption of prudence applies to actual costs incurred in accordance with an approved emission reduction plan. (Sections 40-3.2-205(3) and 40-3.2-207(1)(a), C.R.S.) The Company recognizes its obligation to present robust direct testimony justifying expenditures as set out in Decision Nos. C12-0163 and C12-0159. The Company agrees to provide detailed cost information on an individual project basis and sufficient documentation to demonstrate that no costs in the CACJA rider are also being recovered in base rates. No cost item associated with any CACJA Project will be used to derive both the CACJA rider and base rates that would be in effect during the same given time period.

The CACJA rider will be ultimately limited to the collection of actual, prudently incurred amounts that are demonstrably tied to specific CACJA Projects, for which the Company already has a CPCN from the Commission. The CACJA rider will take into account all depreciation accrued on a monthly basis on any project for which the costs are reflected in whole or in part in the CACJA rider's calculation. The WACC shall apply to earnings on CACJA investment. The after-tax WACC shall apply to amounts in the deferred balance.

## **2. TCA.**

As set forth in Attachment A, the TCA effective concurrent with the implementation of rates from this proceeding will be \$15,610,346 (reduced from the currently effective TCA of \$31,660,232) until subsequently revised by the next approved TCA filing. The TCA rider tariff is included as Attachment D. The amounts included in Attachment D reflect a baseline of year-end December 31, 2013 plant in service balances and the costs allowed for recovery under Attachment D. Attachment D to this Settlement Agreement is a revised TCA tariff, which reflects that it will operate under the methodology as proposed by Public Service until the effective date of new rates from the 2017 Rate Case. In the 2017 Rate Case, the Company is free to propose a continuation of this methodology and other parties are free to propose and advocate other alternatives.

## **E. GRSA.**

As shown on Attachment A, the incremental change to the GRSA resulting from the settled revenue requirement is negative 2.88%. The impact of this incremental change to the GRSA is reflected in the revised GRSA tariff included as Attachment K. The GRSA determined in this proceeding, when netted to the existing GRSA, results in a positive 14.19% GRSA.

## **F. Customer Impacts by Class.**

The Settling Parties have included as Attachment B the incremental impact of the settlement on the average monthly total bills for the five major rate classes. These impacts reflect the estimated average monthly bills during 2015, 2016, and 2017 under

the settlement as compared to the 2015 estimated average monthly bills without the settlement.

**G. Earnings Test.**

As part of this Settlement Agreement, the Settling Parties agree to an extension of the Earnings Test approved in Proceeding No. 11AL-947E that will apply annually to calendar years 2015, 2016, and 2017 with the following modified sharing thresholds and percentages:

Earned ROE	Sharing Percentages	
	Customers	Company
<= 9.83%	0%	100%
9.84% to 10.48%	50%	50%
>10.48%	100%	0%

The principles that shall apply to the implementation of the Earnings Test are set out in Attachment E to this Settlement Agreement, and are essentially the same as those approved by the Commission in Proceeding No. 11AL-947E, except as specifically modified herein. In addition, the following general principles apply:

- The earnings sharing amounts shall be determined annually on the basis of earnings test calculations.

- All Commission-ordered adjustments<sup>6</sup> and all accounting adjustments<sup>7</sup> as specifically described in Attachment E, except pro forma adjustments,<sup>8</sup> shall be made to such earnings test calculations.
- For purposes of the Earnings Test, rate case expenses will be included at \$1,700,000 over a three year period (2015 through 2017) and the Mountain Pine Beetle amortization will be three years.
- In the event that the Company incurs a new cost or identifies an issue for which there is no previously established regulatory treatment subsequent to the date on which new base rates take effect as a result of the Commission's order, it shall identify such cost or issue in its earnings test filing together with the proposed regulatory treatment.

Public Service shall file earnings test information on or before April 30 of each year beginning April 30, 2016 and continuing through April 30, 2018. To the extent that the Company's earnings during the prior year exceed 9.83% return on equity, the Company shall also file an Advice letter seeking to put into effect, subject to true-up, a revised GRSA sufficient to refund to customers the proposed earnings sharing. The Staff and any other party that disputes the Company's earnings test information shall file notice with the Commission identifying any matters in the Company's earnings test filing

---

<sup>6</sup> Commission-ordered adjustments shall be defined as any adjustment adopted by the Commission to ensure that revenues, expenses, and rate base reflect traditional ratemaking principles (e.g., "just and reasonable" and "used and useful" standards.)

<sup>7</sup> Accounting adjustments shall be defined as any adjustment required to insure that transactions properly counted in the calculation of the review period's earnings are included in the annual filing and that transactions that are properly counted in the calculation of earnings for previous or future review periods are excluded.

<sup>8</sup> Pro forma adjustments shall be defined as annualization of price changes that occurred within the test year (in-period adjustments) or outside the test year (out-of-period adjustments).

with which such party takes issue and the basis for such dispute, no later than June 15 in any year. If all parties disputing the earnings sharing amount and the Company cannot resolve all of their differences by July 15, then all remaining disputes will be detailed in a written notice submitted to the Commission no later than August 1, together with a proposed procedural schedule for addressing such issues. Any over-collection of revenues resulting from the difference between the Earnings Sharing Adjustment (“ESA”) ultimately approved by the Commission and the ESA implemented August 1 will be refunded to customers.

The ESA rider adopted here (Attachment J) shall continue to go into effect on August 1 of each year and shall remain in effect until July 31 of the following year or until modified in accordance with a Commission order issued as a result of an earnings test proceeding as described above.

In order to better facilitate review of the annual earnings test report by interested parties, the Company agrees to provide a table along with the earnings test reports that cross-references the applicable earnings test report and describing where in the earnings test report each regulatory principle identified in Attachment E to the Settlement Agreement has been incorporated.

#### **H. Stay-Out Provision.**

As part of this Settlement Agreement, the Company agrees that it will not seek any further changes in its base rates for retail electric service prior to the 2017 Rate Case, except as specifically provided below. When the Company files that rate case, it shall not propose an effective date such that new base rates will go into effect earlier than January 1, 2018, assuming the maximum 210-day suspension period.

This Section is not intended to limit the Company's ability to file (1) a Phase II rate case or other rate design changes that are intended to be revenue neutral; (2) new rates for customers with distributed generation;<sup>9</sup> (3) new standalone rates or charges for new voluntary service offerings or options; and (4) changes to or new non-rate terms and conditions.

**1. GRSA to Reflect Material Changes in Expenses.**

Notwithstanding this stay-out agreement, the Settling Parties agree that certain material changes in the Company's forecasted expenses are beyond Public Service's control and may require adjustment to the Company's GRSA then in effect or may be appropriate for deferral, provided that the change is reasonably expected to increase or decrease the Company's revenue requirement for its electric business by at least \$10 million in that year. The types of cost changes that would qualify for a Regulatory Adjustment pursuant to this Section include:

- Changes in Generally Accepted Accounting Principles ("GAAP") that are appropriately reflected in rate regulation.
- Changes in tax laws other than property tax laws.
- Changes in Public Service's obligations stemming from changes in federal, state, or municipal laws, or regulations issued or actions taken by federal, state or local governmental bodies, including but not limited to the Environmental Protection Agency, the Federal Energy Regulatory Commission, the North American Electric Reliability Corporation

---

<sup>9</sup> The Company recognizes that not all persons or entities may agree that new rates for customers with distributed generation are justified or reasonable and that the Commission is currently considering this issue in Proceeding No. 14M-0235E.

(“NERC”), the Commission, the Colorado Department of Public Health and Environment, and local governments within the State of Colorado.

- Orders or acts of civil or military authority.
- Natural disasters or catastrophic events, net of any insurance proceeds.
- A Commission-approved asset acquisition or divestiture that exceeds \$50 million.

The Company shall make a filing notifying all parties of any reductions or increases in its retail base rate revenue requirements that are or may be eligible for an adjustment under this Section within 60 days of the action or shall provide such notice in its Earnings Test filing on April 30<sup>th</sup>, whichever is earlier and shall either file an appropriate Advice Letter to change the GRSA or seek a deferral at the Company’s discretion. The Settling Parties reserve their right to challenge prudence and the Company’s calculation of the revenue requirement impact of such cost change.

**2. GRSA Adjustment to Reflect Required Pre-Paid Pension Asset Filing.**

In the event that the Company is permitted recovery associated with New Pre-Paid Pension Asset balances in accordance with Section I.C.6. (ii), the Company may request a new or modified GRSA.

**3. Other Riders.**

The Parties agree that currently existing riders applicable to the provision of electric service and not being modified in this Agreement (e.g., the Demand-Side Management Cost Adjustment or “DSMCA”, etc.) will continue to apply and will be subject to periodic modification as specified in their respective tariffs. However, Public

Service will propose no new riders applicable to the provision of electric service to take effect during the stay out period.

### **I. Other Tariffs.**

The Settling Parties agree that the following two tariffs should be allowed to go into effect as originally proposed and attached: Maintenance Charges for Street Lighting Service (Attachment H) and Schedule of Charges for Rendering Service (Attachment I).

#### ***I. Other Items Including Commitments Relating to Future Rate Filings***

The Settling Parties also agree to the following provisions relating to specific issues that will require future filings, apply to the 2017 Rate Case, impose new reporting requirements, or may require subsequent filings.

#### **A. Depreciation and Amortization Expense**

The Company will continue to use the depreciation rates for its electric and common utility plant currently in effect as previously approved by the Commission prior to the filing of this proceeding. With respect to the regulatory assets/liabilities established for the Retired Generating Units,<sup>10</sup> the Company will continue to accrue annual amortization expense at the same level currently being accrued.<sup>11</sup> Upon the respective retirements of the Retiring Generating Units, the Company will establish regulatory assets in accordance with the accounting principles and procedures followed for the Retired Generation Units as previously approved by the Commission in Proceeding Nos. 09AL-299E and 11AL-947E. By April 1, 2016 the Company will file a comprehensive depreciation and amortization application before the Commission (“2016

---

<sup>10</sup> As defined in the Company’s testimony, “Retired Generating Units” refers to Cameo Units 1 & 2, Arapahoe Units 1 through 4, Cherokee Units 1 & 2 and Zuni Unit 1.

<sup>11</sup> As defined in the Company’s testimony, “Retiring Generating Units” refers to Zuni Unit 2, Valmont Unit 3, and Cherokee Unit 3.

Depreciation Case”) to address proposed changes to the depreciation rates, including without limitation, removal costs, net salvage, and amortization periods for its electric and common utility plant and the proposed amortization of the regulatory assets established for the Retired and Retiring Generating Units and potentially other production facilities retired or expected to be retired. The approved changes resulting from the 2016 Depreciation Case will be reflected in the 2017 Rate Case and the Settling Parties agree not to contest the implementation of any such approved changes from the 2016 Depreciation Case in the 2017 Rate Case. The Company shall not be required to record the depreciation and amortization changes approved in the 2016 Depreciation Case for accounting purposes until the effective date of new rates approved in the 2017 Rate Case and then only to the extent such approved depreciation and amortization changes are included in the development of such new rates. Incremental outside consultant and legal expenses incurred by the Company in preparing and defending the 2016 Depreciation Case will be eligible to be included in rate case expenses requested in the 2017 Rate Case.

**B. Capital Structure.**

Public Service commits to manage the equity component of the capital structure so that when rates become effective as a result of the 2017 Rate Case, the equity component of the actual capital structure will be lower than 56%. Until the effective date of approved rates resulting from the 2017 Rate Case, Public Service’s Earnings Test and rate riders will be calculated based on the capital structure of Public Service as outlined in the applicable tariff provisions, but in no case will the equity portion of the capital structure be higher than 56%. Any change in Public Service’s capital structure

reflecting a lower equity component that occurs from February 13, 2015 until the effectiveness of rates approved in the 2017 Rate Case will be captured in applicable riders and calculation of the Earnings Test.

**C. Other Items and Miscellaneous Future Rate Commitments.**

**1. Incentive Compensation.**

The Settling Parties agree that AIP incentive payment recovery in the 2017 Rate Case will be capped at 15% of an employee's salary. In the 2017 Rate Case, the Company will also make an adjustment to the revenue requirement to reflect the removal of the pension expense impact relating to employee compensation for AIP above the Company's target incentive compensation. For the purposes of the Earnings Test, the AIP incentive payment recovery will be capped at 15% of an employee's salary, and the Company will be responsible for the pension expense impact relating to employee compensation for AIP above the Company's target incentive compensation.

**2. Metro Ash Disposal Site.**

In the event that Public Service sells this property in the future, Public Service will be entitled to retain 100% of any net proceeds or losses realized from such sale. Public Service will not include the property as plant held for future use in any future electric rate cases.

**3. Oil & Gas Royalty Revenues.**

For the purposes of the Earnings Test, the oil and gas royalty revenues are recognized to be shared 50/50. The Settling Parties agree that Public Service shall propose this same treatment in the 2017 Rate Case and the Settling Parties will not oppose such proposed treatment.

**4. Arapahoe Decommissioning.**

The Settling Parties accept Public Service's proposed Arapahoe decommissioning plan and recommend Commission authorization for Public Service to proceed with decommissioning and begin incurring costs. The Settlement Agreement does not reflect the Company's proposed mechanism to accelerate the recovery of the Arapahoe decommissioning costs beyond the level currently being amortized. The issue of the appropriate recovery mechanism will be taken up in the 2016 Depreciation Case.

**5. Ponnequin Wind Farm.**

The Settling Parties accept Public Service's proposed retirement of the Ponnequin Wind Farm ("Ponnequin"), and will not assert that Public Service is required to obtain a CPCN for the retirement of Ponnequin under Commission Rule 3103.

**6. Equivalent Availability Factor Performance Mechanism.**

The Settling Parties agree to an EAFPM as set forth below and incorporated in the attached ECA tariff (Attachment G).

The EAFPM will commence in 2015 and expire at the end of 2017. However, it will be reexamined in the Company's 2017 Rate Case. To facilitate such a reexamination, the Company will present a proposal in its 2017 Rate Case to either continue, modify, replace or discontinue the EAFPM going forward. In the event the Company proposes to continue or modify the EAFPM going forward, the Company will include in its direct testimony data regarding the benefits achieved by the expiring EAFPM.

**(i) 2015:**

For calendar year 2015, the Company will calculate its actual capacity weighted average EAF for the following generating units: Cherokee 4, Comanche 1, 2 and 3, Hayden 1 and 2, Pawnee, Fort St. Vrain 1, 2, 3, and 4, and Rocky Mountain Energy Center 1, 2 and 3. This actual capacity weighted average EAF calculation will be made using EAF data as reported to the North American Electric Reliability Corporation (“NERC”) as part of its Generating Availability Data System (“GADS”). The Settling Parties agree the Company can adjust its EAF calculation only for outage events that are classified as Outside Management Control (“OMC”) using NERC criteria and for outage events that are specifically attributable to an order of a state or federal regulatory agency or law.

The actual 2015 capacity weighted average EAF will be compared to two performance metrics. If the Company’s actual 2015 capacity weighted average EAF is at or above 86.19 percent, the Company will receive an incentive payment of \$3 million. If the Company’s actual 2015 capacity weighted average EAF is at or below 83.79 percent, the Company will be assessed an incentive penalty of \$3 million. If the Company’s actual 2015 capacity weighted average EAF falls between 83.79 percent and 86.19 percent, the Company will neither earn an incentive payment nor be assessed an incentive penalty.

**(ii) 2016 and 2017:**

For calendar years 2016 and 2017, the Company will calculate its actual capacity weighted average EAF for the following generating units: Cherokee 4, 5, 6, and 7, Comanche 1, 2 and 3, Hayden 1 and 2, Pawnee, Fort St. Vrain 1, 2, 3, and 4, and

Rocky Mountain Energy Center 1, 2 and 3. This actual capacity weighted average EAF calculation will be made using EAF data as reported to the NERC as part of its GADS. The Settling Parties agree the Company can adjust its EAF calculation only for outage events that are classified as OMC using NERC criteria and for outage events that are specifically attributable to an order of a state or federal regulatory agency or law.

The actual 2016 and 2017 capacity weighted average EAFs will be compared to two performance metrics. If the Company's actual 2016 or 2017 capacity weighted average EAF is at or above 86.57 percent, the Company will receive an incentive payment of \$3 million. If the Company's actual 2016 or 2017 capacity weighted average EAF is at or below 84.49 percent, the Company will be assessed an incentive penalty of \$3 million. If the Company's actual 2016 or 2017 capacity weighted average EAF falls between 84.49 percent and 86.57 percent, the Company will neither earn an incentive payment nor be assessed an incentive penalty.

### **(iii) Reporting and Evaluation**

On or before April 1 of 2016, 2017, and 2018, the Company will make a separate filing to report the EAFPM performance results for the preceding calendar year. Once approved by the Commission, any incentive payment or incentive penalty will be reflected in the Company's ECA. Revisions to the ECA tariff to include the incentive penalty or incentive payment as described above are included as Attachment G to this Settlement Agreement.

### **General Provisions**

1. The Settling Parties understand and agree that this Settlement Agreement represents a negotiated resolution of all issues that the Settling Parties either raised or

could have raised in this proceeding. The Settling Parties understand that the Commission's approval of this Settlement Agreement shall constitute a determination that the Settlement Agreement represents a just, equitable, and reasonable resolution of these issues. Accordingly, the Settling Parties state that reaching resolution of these issues in this proceeding through this negotiated Settlement Agreement is in the public interest and that the results of the compromises and agreements reflected in the Settlement Agreement are just, reasonable, and in the public interest.

2. The Settling Parties agree to join in a motion that requests that the Commission approve this Settlement Agreement, and to support the Settlement Agreement in any subsequent pleadings or filings. Each Settling Party further agrees that in the event that it sponsors a witness to address the Settlement Agreement at any hearing that the Commission may hold to address it, the Settling Party's witness will testify in support of the Settlement Agreement and the rates that will result from it, as well as all other terms and conditions of the Settlement Agreement. The Settling Parties agree to reasonably seek approval of this Settlement Agreement before the Commission against challenges that may be made by non-executing parties.

3. The Settling Parties agree that all their pre-filed testimony and exhibits, as previously corrected, shall be admitted into evidence in this proceeding without cross-examination by the Settling Parties.

4. Except as expressly stated herein, nothing in this Settlement Agreement shall resolve any principle or establish any precedent or settled practice.

5. Notwithstanding that this Settlement Agreement specifies that the agreed to rates have been developed based on certain principles (e.g., a 9.83% return on

equity) and that certain principles are to apply to the Settling Parties in specified subsequent proceedings, nothing in this Settlement Agreement shall constitute an admission by any Settling Party of the correctness or general applicability of any such principle, or any claim, defense, rule, or interpretation of law, allegation of fact, regulatory policy, or other principle underlying or thought to underlie this Settlement Agreement or any of its provisions in this or any other proceeding. As a consequence, no Settling Party in any future negotiations or proceedings whatsoever (other than any proceeding involving the honoring, enforcing, or construing of this Settlement Agreement in those proceedings specified in this Settlement Agreement, and only to the extent, so specified) shall be bound or prejudiced by any provision of this Settlement Agreement.

6. Insofar as this Settlement Agreement includes the agreement on rate principles to be recognized in specified subsequent proceedings, Public Service shall propose rates that reflect those principles, as applicable, and the other Settling Parties shall not take positions contesting those rates that contravene those principles.

7. The discussions among the Settling Parties that have produced this Settlement Agreement have been conducted with the understanding, pursuant to Colorado law, that all offers of settlement, and discussions relating thereto, are and shall be privileged and shall be without prejudice to the position of any of the Settling Parties and are not to be used in any manner in connection with this or any other proceeding.

8. This Settlement Agreement shall not become effective until the issuance of a final Commission Order approving the Settlement Agreement, which Order does

not contain any modification of the terms and conditions of this Settlement Agreement that is unacceptable to any of the Settling Parties. In the event the Commission modifies this Settlement Agreement in a manner unacceptable to any Settling Party, that Settling Party shall have the right to withdraw from this Agreement and proceed to hearing on the issues that may be appropriately raised by that Settling Party in this proceeding. The withdrawing Settling Party shall notify the Commission and the Settling Parties to this Agreement by e-mail within three business days of the Commission modification that the party is withdrawing from the Settlement Agreement and that the party desires to proceed to hearing; the e-mail notice shall designate the precise issue or issues on which the party desires to proceed to hearing (the "Hearing Notice").

9. The withdrawal of a Settling Party shall not automatically terminate this Agreement as to any other party. However, within three business days of the date of the Hearing Notice from the first withdrawing party, all Settling Parties shall confer to arrive at a comprehensive list of issues that shall proceed to hearing and a list of issues that remain settled as a result of the first party's withdrawal from this Settlement Agreement. Within five business days of the date of the Hearing Notice, the Settling Parties shall file with the Commission a formal notice containing the list of issues that shall proceed to hearing and those issues that remain settled together with a proposed procedural schedule. The Settling Parties who proceed to hearing shall have and be entitled to exercise all rights with respect to the issues that are heard that they would have had in the absence of this Settlement Agreement.

10. All Parties have had the opportunity to participate in the drafting of this Settlement Agreement and the term sheet upon which it was based. There shall be no

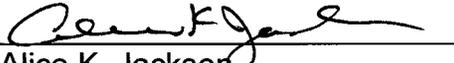
legal presumption that any specific Settling Party was the drafter of this Settlement Agreement.

11. This Settlement Agreement may be executed in counterparts, all of which when taken together shall constitute the entire Settlement Agreement with respect to the issues addressed by this Agreement.

Dated this 23rd day of January, 2015.

Agreed on behalf of:

**PUBLIC SERVICE COMPANY  
OF COLORADO**

By:   
Alice K. Jackson  
Regional Vice President, Rates and Regulatory Affairs

Approved as to Form:

By:   
William M. Dudley  
Lead Assistant General Counsel

Dated 23rd day of January 2015

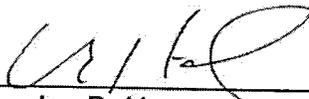
Agreed on behalf of:

Approved as to form:

**TRIAL STAFF OF THE COLORADO  
PUBLIC UTILITIES COMMISSION**

CYNTHIA H. COFFMAN  
Attorney General

By:

  
Charles B. Hernandez, CPA  
Chief Economist and Energy  
Financial Section Chief  
1560 Broadway, Suite 250  
Denver, CO 80202  
Telephone: 303.894.2901  
Email:  
[charles.hernandez@state.co.us](mailto:charles.hernandez@state.co.us)

  
Michael J. Santisi, #29673\*  
David M. Nocera, #28776\*  
Senior Assistant Attorneys General  
Paul J. Kyed, #37814\*  
Kristen L. Fischer, #46119\*  
Assistant Attorneys General  
Revenue and Utilities Section

Counsel for Trial Staff of the  
Public Utilities Commission

\*Counsel of Record

Ralph L. Carr Colorado Judicial Center  
1300 Broadway, 8th Floor  
Denver, Colorado 80203  
Telephone:  
720.508.6330 (Santisi)  
720.508.6333 (Nocera)  
720.508.6332 (Kyed)  
720.508.6762 (Fischer)  
Fax: 720.508.6038  
Emails:  
[michael.santisi@state.co.us](mailto:michael.santisi@state.co.us)  
[dave.nocera@state.co.us](mailto:dave.nocera@state.co.us)  
[paul.kyed@state.co.us](mailto:paul.kyed@state.co.us)  
[kristen.fischer@state.co.us](mailto:kristen.fischer@state.co.us)

Dated this 23rd day of January, 2015.

Agreed on behalf of:

**COLORADO OFFICE OF CONSUMER COUNSEL**

BY: Cindy Z. Schonhaut

Cindy Z. Schonhaut  
Director  
Office of Consumer Counsel  
1560 Broadway, Suite 200  
Denver, CO 80202

Approved as to Form:

BY: Thomas F. Dixon

Thomas F. Dixon, Colo. Reg. No. 500  
First Assistant Attorney General  
Office of the Attorney General  
1300 Broadway, 7<sup>th</sup> Floor  
Denver, CO 80203

Dated this 23<sup>rd</sup> day of January, 2015

HOLLAND & HART LLP



---

Thorvald A. Nelson, #24715  
Michelle Brandt King, # 35048  
6380 South Fiddlers Green Circle, Suite 500  
Greenwood Village, CO 80111  
Telephone: (303) 290-1601 and x1097, respectively  
[tnelson@hollandhart.com](mailto:tnelson@hollandhart.com)  
[mbking@hollandhart.com](mailto:mbking@hollandhart.com)

ATTORNEYS FOR COLORADO  
ENERGY CONSUMERS

Dated this 23rd day of January, 2015.

Agreed on behalf of:

**COLORADO HEALTHCARE ELECTRIC COORDINATING COUNCIL**

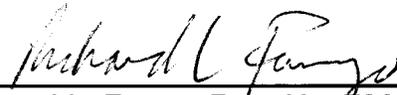
By: Mark Sundback *MS*  
Mark F. Sundback  
Attorney for the Colorado Healthcare Electric Coordinating Council

Approved as to Form:

By: William M. Rappolt  
William M. Rappolt  
Attorney for the Colorado Healthcare Electric Coordinating Council

Dated this 23<sup>rd</sup> day of January, 2015

DUFFORD & BROWN, P.C.



---

Richard L. Fanyo, Reg. No. #238  
Mark T. Valentine, Reg. No. 29986  
1700 Broadway, Suite #2100  
Denver, CO 80290-2101  
Tel: 303-861-8013  
Fax: 303-832-3804  
Email: [Rfanyo@duffordbrown.com](mailto:Rfanyo@duffordbrown.com)  
[mvalentine@duffordbrown.com](mailto:mvalentine@duffordbrown.com)

Attorneys for Climax Molybdenum Company  
and CF&I Steel, LP

Dated this 23rd day of January, 2015.

Agreed on behalf of:

**FEDERAL EXECUTIVE AGENCIES**

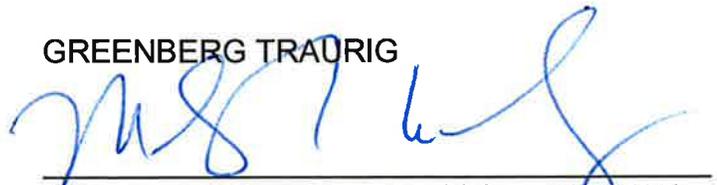
By:   
\_\_\_\_\_  
JOHN C. DEGNAN, Lt Col, USAF  
AFLOA/JACE-ULFSC

And,

By:   
\_\_\_\_\_  
THOMAS A. JERNIGAN, Esq.  
AFCEC/JA-ULFSC

Dated this 23rd day of January, 2015

GREENBERG TRAURIG



---

Meshach Y. Rhoades, Esq. (CO Bar #35965)  
1200 17<sup>th</sup> Street, Suite 2400  
Denver, Colorado 80203  
Phone: (303) 572-6500  
Fax: (303) 572-6540  
[rhoadesm@gtlaw.com](mailto:rhoadesm@gtlaw.com)

ATTORNEYS FOR WAL-MART, INC. AND  
SAM'S WEST INC.

Dated this 23rd day of January, 2015.

Agreed on behalf of:

**KROGER CO.**

By:   
\_\_\_\_\_  
[Name] Kurt J. Boehm  
[Title] attorney for Kroger Co.

Approved as to Form:

By:   
\_\_\_\_\_  
[Name]  
[Title]

Dated this 23rd day of January, 2015.

Agreed on behalf of:

**ENERGY OUTREACH COLORADO**

By: 

Sanders Arnold  
Executive Director  
225 E. 16<sup>th</sup> Ave., Suite 200  
Denver, CO 80203  
303-226-5050  
[sarnold@energyoutreach.org](mailto:sarnold@energyoutreach.org)

Approved as to Form:

By: 

Jeffrey G. Pearson  
Pro Bono/Emeritus No. 5874/13PB0051  
Jeffrey G. Pearson, LLC  
1570 Emerson Street  
Denver, CO 80218  
Tel: 303.618.0686  
Fax: 303.837.1557  
[jpearson@jgp-law.com](mailto:jpearson@jgp-law.com)