



Pipeline System Integrity Adjustment

Xcel Energy is committed to the safety of the communities it serves and is working every day to enhance gas pipeline safety across the state

One of Xcel Energy's goals is to ensure you have safe, reliable natural gas service. That is why we systematically inspect, repair, and replace as necessary, portions of our more than 24,000 miles of natural gas pipelines in Colorado that deliver natural gas to your home or business. This proactive approach also complies with and complements governmental requirements.

The Pipeline System Integrity Adjustment rider (or PSIA) enables us to collect funds to pay the costs of performing this important work to modernize and upgrade our natural gas pipeline system and continue providing safe, reliable natural gas service to you. The funds collected through the PSIA provide us with the flexibility necessary to more nimbly ensure the service our customers expect and the safety of the public. We recently submitted a proposal to our state regulators for the 2018 PSIA.

In recent years, Xcel Energy has replaced all known cast iron pipe and Cellulose Acetate Butyrate (CAB) plastic pipe. These two materials have been identified throughout the industry as poor performing pipe types. As such, replacement furthers safe, reliable service.

If the Colorado Public Utilities Commission approves this adjustment, a typical residential natural gas customer's bill would increase by 85 cents a month, or 1.89 percent, from \$45.07 to \$45.92, based on average monthly usage of 64 therms of natural gas.

A typical small-business customer would see an increase of \$3.89 a month, or 1.99 percent, from \$195.70 to \$199.59, based on average monthly usage of 291 therms of natural gas.

These dollars will work for you in the year ahead through a variety of efforts, including:

- Assessing and replacing high-pressure, natural gas pipelines throughout Colorado and taking steps to meet existing federal requirements of the 2011 Pipeline Safety Act and new proposed federal requirements.
- Replacing older pipelines throughout the state, including in the Denver, Boulder, Fort Collins and other metro areas.
- Installing protection to reduce the risk of damage to above-ground equipment, such as gas meters.

Additional information about the proposed 2018 PSIA is available on our website at xcelenergy.com/company/rates_and_regulations.

Want to understand more about where your dollar goes? Visit xcelenergy.com/mybill.