

June 7, 2019

VIA ELECTRONIC FILING

The Honorable Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

**Re: *Public Service Company of Colorado*
Xcel Energy Operating Companies Open Access Transmission Tariff
Revisions to Attachment O-PSCo Transmission Formula Rate to Reflect
Reduced Common Utility Plant Depreciation Rates and Inclusion of Impacts
of Tax Cuts and Jobs Act
Docket No. ER19-____-000**

Dear Secretary Bose:

Pursuant to section 205 of the Federal Power Act, 16 U.S.C. § 824d, part 35 of the Federal Energy Regulatory Commission's ("FERC" or "Commission") regulations, 18 C.F.R. § 35.13 (2019), and Order No. 714,¹ Public Service Company of Colorado ("PSCo")² submits revisions to the PSCo Transmission Formula Rate Template ("Template" generally or "Revised Template" with revisions) included in Attachment O-PSCo of the Xcel Energy Operating Companies Open Access Transmission Tariff ("Tariff" or "Xcel Energy Tariff").³ The Template revisions are necessary to: 1) update the Common Utility Plant depreciation rates based on a new depreciation study and an approved Colorado retail rate case; and 2) to incorporate the impacts of the Tax Cuts and Jobs Act ("TCJA")⁴ into the Template so the TCJA impacts on PSCo's Accumulated Deferred Income Taxes ("ADIT") are reflected in PSCo transmission service and ancillary services rates under the Tariff.

The Common Utility Plant depreciation related revisions update the depreciation rates stated in Table 25 (Depreciation and Amortizations; WP_H-1) to the Template so they remain consistent with retail depreciation rates used by PSCo in the State of Colorado and approved by the Colorado Public Utilities Commission ("CoPUC" or "Colorado Commission"). In addition, PSCo substantially simplifies and updates Table 25 by: (i) removing references to the

¹ *Electronic Tariff Filings*, Order No. 714, FERC Stats. & Regs. ¶ 31,276 (2008).

² PSCo is the designated e-Tariff filing entity for the Xcel Energy Tariff, consistent with the requirements of Order No. 714.

³ Xcel Energy Operating Companies, FERC Electric Tariff, Second Revised Volume No. 1.

⁴ Tax Cuts and Jobs Act, Pub. L. No. 115-97, 131 Stat. 2054 (2017).

depreciation rates applicable to electric distribution plant, as these depreciation rates do not affect the calculation of transmission service or ancillary services rates under Attachment O-PSCo; and (ii) removing references to regulatory asset amortizations which are now complete. The TCJA-related revisions include new work papers to transparently present excess/deficient ADIT balances and related amortization (Tables 8.1 and 9.1) and to include the excess/deficient ADIT in the calculation of (i) rate base (Tables 4 and 5), (ii) income tax (Tables 4 and 5), and (iii) ancillary services rates (Table 32). A “road map” to the various Template changes is provided in Exhibit No. XES - 301.

PSCo respectfully requests waiver of the Commission’s prior notice requirements⁵ to allow the enclosed Template revisions be made effective January 1, 2018, without suspension or hearing, to align the effective date with the date Congress made the TCJA effective and with the date the CoPUC made the new Common Utility Plant depreciation rates effective for retail ratemaking purposes.⁶ As discussed further in section III.A, *infra*, both the revised Common Utility Plant depreciation rates and inclusion of TCJA impacts on ADIT result in reductions in PSCo’s transmission service and ancillary services rates, which PSCo intends to reflect in bills to Tariff customers through the Annual True-up for the 2018 rate year. To provide certainty to wholesale customers and timely 2018 true-up invoices, PSCo respectfully requests that the Commission act on this filing within sixty (60) days of this filing (*i.e.*, by August 6, 2019).

I. BACKGROUND

1. Background on PSCo and the Attachment O-PSCo Formula Rate Template

PSCo is a wholly-owned utility operating company subsidiary of Xcel Energy Inc. (“Xcel Energy”), a public utility holding company. PSCo is an integrated electric utility that, *inter alia*, generates, transmits, distributes, and sells electric energy at cost-based regulated rates to approximately 1.5 million retail customers in the State of Colorado subject to the regulatory authority of the CoPUC. PSCo also provides cost-based retail natural gas service to approximately 1.4 million retail customers in Colorado, and steam service to approximately 120 customers in Denver, Colorado, subject to the jurisdiction of the CoPUC.

PSCo provides open access wholesale transmission services to transmission customers under Parts II or III and ancillary-only services to ancillary service customers under Part IV of the Tariff, respectively. Approximately 82 percent of the transmission loads on the PSCo system are PSCo retail native loads; the remaining 18 percent are wholesale loads. PSCo operates a

⁵ 18 C.F.R. § 35.3(a)(1) (2018).

⁶ Contemporaneously with this filing, PSCo is submitting a filing under FPA section 205 to revise the production formula rate template (“Production Template”) in PSCo’s Assured Power and Energy Requirements Tariff (“Assured Power Tariff”) to, among other things, reflect the TCJA and revised Common Utility Plant depreciation rates in calculating PSCo wholesale production (power sales) rates under the Production Template. Those tariff revisions are proposed to be effective the same date as the revisions to Attachment O-PSCo (January 1, 2018).

Balancing Authority Area (“BAA”) in the Western Interconnection region. PSCo also provides wholesale requirements sales service at cost-based rates to six municipal and cooperative customers under the Assured Power Tariff.⁷

Xcel Energy Services Inc. (“XES”) is the centralized service company subsidiary of Xcel Energy. As such, XES makes filings with, and appears in proceedings before, the Commission on behalf of PSCo and the other Xcel Energy Operating Companies.⁸

The PSCo transmission formula rate template was initially a historic test year template established by a settlement approved by the Commission in Docket No. ER04-1174-000 *et al.*⁹ Most of the currently effective transmission-related depreciation rates were approved by the CoPUC in 2007 and incorporated in the PSCo transmission formula rate template in Docket No. ER08-224, effective January 1, 2007.¹⁰ The depreciation rates accepted in Docket No. ER08-224-000 were then incorporated into Table 25 of the currently effective Attachment O-PSCo Template when PSCo changed to a forward looking rate template with an annual true-up in Docket No. ER12-1589 *et al.*, which was resolved by settlement approved by the Commission.¹¹ The settlement tariff sheets in Docket No. ER12-1589 also added certain regulatory asset amortizations, and a list of PSCo production and distribution depreciation rates, to Table 25.

Pursuant to the Formula Rate Implementation Procedures (“Protocols”), which are included as Appendix 1 to the Template, PSCo’s develops a forecast Annual Transmission Revenue Requirement (“ATRR”) each year. The projected ATRR is then subject to an annual true-up based on actual costs and loads when actual data becomes available. PSCo calculates the true-up by June of the year following the estimated Rate Year, and the true-up is applied to

⁷ The six customers are the City of Burlington, Colorado; the Town of Center, Colorado; Grand Valley Rural Power Lines, Inc. (“Grand Valley”); Holy Cross Electric Association, Inc. (“Holy Cross”); Intermountain Rural Electric Association (“Intermountain”); and Yampa Valley Electric Association, Inc. (“Yampa Valley”).

⁸ The other Xcel Energy Operating Companies are Northern States Power Company, a Minnesota corporation (“NSPM”), Northern States Power Company, a Wisconsin corporation (“NSPW”), and Southwestern Public Service Company (“SPS”). The rates of the other Xcel Energy Operating Companies are not affected by this filing.

⁹ *Xcel Energy Services Inc.*, 115 FERC ¶ 61,011 (2006) (approving uncontested settlement resolving the Tariff transmission and ancillary services rates for both PSCo and its affiliate Southwestern Public Service Company).

¹⁰ *Public Service Company of Colorado*, Unpublished Letter Order, Docket No. ER08-224-000 (January 4, 2008).

¹¹ *See Public Service Company of Colorado*, Delegated Letter Order, 145 FERC ¶ 61,266 (2013) (accepting partial settlement of all issues other than return on equity (“ROE”) and requiring a compliance filing). *See also Public Service Company of Colorado*, 149 FERC ¶ 61,077 (2014) (accepting settlement of ROE issue). PSCo has filed certain revisions to the Attachment O-PSCo Template since Docket No. ER12-1589, but those tariff revisions did not modify the depreciation rates in Table 25. *See Public Service Company of Colorado*, 155 FERC ¶ 61,028 (2016); and *Public Service Company of Colorado*, Delegated Letter Order (Aug. 16, 2016) (accepting tariff revisions to establish pro-ratio of accumulated deferred income taxes).

customer bills by the end of the year following the estimated Rate Year. The Protocols provide for postings on PSCo's Open Access Same-Time Information System, customer meetings, discovery and challenge processes, and an Annual Informational Update filing with the Commission with the Estimated Rates for the upcoming Rate Year.¹²

XES filed to restate the Xcel Energy Tariff in the Commission's eTariff system, including Attachment O-PSCo, in Docket No. ER16-1422-000 as a result of changing to new eTariff software in April 2016. The Tariff restatement did not change the depreciation and amortization rates in Table 25 or the Attachment O-PSCo Template. The Commission accepted the restated Xcel Energy Tariff effective April 16, 2016.¹³

On August 27, 2018, in Docket No. ER18-2319-000, PSCo filed revisions to the ADIT provisions in Attachment O-PSCo to eliminate "double averaging" of ADIT in the Template, as contemplated by the Commission's June 21, 2018 order in Docket No. EL18-155-000 *et al.*¹⁴ The Commission accepted the Template revisions by order dated December 20, 2018, to be effective January 1, 2019.¹⁵

2. Background on PSCo's Generation Ancillary Services Rates

With the exception of Schedule 16, PSCo's currently effective generation-based ancillary services rates – Schedule 2 (Reactive Supply and Voltage Control from Generation Sources Service), Schedules 3 and 3A (Regulation and Frequency Response Service), Schedule 5 (Operating Reserve – Spinning Reserve Service) and Schedule 6 (Operating Reserve – Supplemental Reserve Service) – were placed into effect through the settlement in Docket No. ER12-1589. These generation based ancillary service rates are calculated using formulas set forth in Attachment O-PSCo (Tables 28 to 31) but use historic actual data based on the most current PSCo FERC Form 1 data (rather than forecast data), and are not subject to true-up. As

¹² The informational filing is due on January 15 each year, unless January 15 falls on a weekend or holiday, and then it is filed the next business day. The informational filing for the 2019 Rate Year was submitted on January 14, 2019. *Public Service Company of Colorado*, Informational Filing of 2019 Transmission Rates Annual Update, Docket No. ER12-1589-000 (Jan. 14, 2019).

¹³ See *Public Service Company of Colorado*, Unpublished Letter Order, Docket No. ER16-1422-000 (August 16, 2016).

¹⁴ See *Ameren Illinois Company et al.*, 163 FERC ¶ 61,200 (2018) ("June 21 Order"). The June 21 Order initiated thirteen separate FPA Section 206 proceedings investigating the transmission formula rates of thirteen transmission owners, including Docket No. EL18-163-000 investigating the Attachment O-PSCo Transmission Template.

¹⁵ *Public Service Company of Colorado et al.*, 165 FERC ¶ 61,234 (2018). Because the tariff records submitted in this filing revise certain of the same tables modified in Docket No. ER18-2319-000, and are proposed to be effective prior to the effective date of the tariff records accepted in Docket No. ER18-2319-000, PSCo is submitting two tariff records for Tables 4, 5 and 39: the revisions to address excess/deficient ADIT effective January 1, 2018; and further revisions to Tables 4, 5 and 39 effective January 1, 2019, which reflect both the excess/deficient ADIT revisions and the previously accepted revisions to eliminate ADIT double averaging.

such, the currently effective Schedule 2, 3, 3A, 5 and 6 rates in effect for 2019 use 2017 actual costs and loads. Ancillary service rates are generally calculated by multiplying the installed cost of the portion of the generation units supplying the ancillary service by a Fixed Charge Rate (“FCR”) calculated in Table 32 of the Template (WP_FCR- Fixed Charge Rate Wksht, line 21).¹⁶

Schedule 16 (Flex Reserve Service), another generation based ancillary service, was placed into effect through a settlement agreement approved by the Commission in Docket No. ER14-1969.¹⁷ Schedule 16 rates are also calculated using a formula set forth in Attachment O-PSCo (Table 35) and use historic actual data based on the most current PSCo FERC Form 1 data, and the FCR calculated on Table 32, and are not subject to true-up.

The Tariff restatement in Docket No. ER16-1422-000 did not change the PSCo Schedule 2, 3, 3A, 5, 6 or 16 ancillary services rate calculations set forth in Attachment O-PSCo.¹⁸

B. Background of Recent Proceedings Impacting Depreciation

1. 2016 Depreciation Proceedings at the CoPUC

PSCo periodically submits proposed depreciation rate changes, with supporting documentation such as depreciation studies, to the CoPUC for comprehensive review and approval. On April 1, 2016, PSCo filed a Verified Application (“CoPUC Application”) to, among other things, revise the depreciation rates for electric transmission, production, electric distribution and other plant, including Common Utility Plant. The filing initiated CoPUC Proceeding No. 16A-0231E. The CoPUC Application was filed in accordance with the terms of the settlement agreement associated with PSCo’s 2014 retail electric rate case, which was approved by the CoPUC in a Decision issued on March 31, 2015.¹⁹ That settlement agreement provided that PSCo would file revised depreciation rates and its proposed plan to amortize and recover the regulatory assets associated with thirteen (13) recently or soon-to-be retired PSCo electric generating plants through a depreciation application, so the depreciation and amortization issues could be addressed prior to PSCo’s next retail general rate case.

¹⁶ Direct Testimony of Kourtnei M. Yager, Exhibit No. XES - 300 (“Yager Direct Testimony”) at 20-24.

¹⁷ *Public Service Company of Colorado*, 154 FERC ¶ 61,164 (2016).

¹⁸ PSCo subsequently filed administrative corrections to the Schedule 16 (Flex Reserve Service) formula, which were accepted in Docket No. ER18-2428. See *Public Service Company of Colorado*, Unpublished Letter Order, Docket No. ER18-2428 (2018); *order granting clarification* 166 FERC ¶ 61,201 (2019).

¹⁹ Decision No. C15-0292, issued March 31, 2015, *In re the Matter of Advice Letter No. 1672-Electric of Public Service Company of Colorado to Revise the General Rate Schedule Adjustment (GRSA) Rider Applicable to All Electric Base Rate Schedules and Revise the Transmission Cost Adjustment (TCA) to Remove Costs that Have Been Shifted to Base Rates to Become Effective July 18, 2014*, Colorado PUC Proceeding No. 14AL-0660E and *In the Matter of the Application of Public Service Company of Colorado for Approval of its Arapahoe Decommissioning and Dismantling Plan*, Colorado PUC Proceeding No. 14AL-0680E, consolidated.

The CoPUC Application proposed to establish revised electric depreciation rates based on an Electric and Common Utility Plant Depreciation Rate Study (“Depreciation Rate Study”) prepared for PSCo by Alliance Consulting Group for the CoPUC Application.²⁰ The Depreciation Rate Study evaluated Electric and Common Utility Plant depreciable assets using actual plant asset balances as of September 30, 2015, and projected plant and depreciation reserve balances as of January 1, 2018, to determine appropriate depreciation rates for the projected time period commencing January 1, 2018.²¹

On November 10, 2016, PSCo filed a Unanimous Comprehensive Settlement Agreement (“Settlement Agreement”), which provided a full and complete resolution of all issues raised in CoPUC Proceeding No. 16A-0231E. Among other things, the Settlement Agreement modified the Common Utility Plant depreciation rates from those proposed in the Depreciation Rate Study. An Administrative Law Judge recommended the CoPUC accept the Settlement Agreement in a Decision mailed on December 13, 2016,²² and the Settlement Agreement became the decision of the CoPUC as a matter of law on January 2, 2017.²³ The CPUC Application and Settlement Agreement provided that the depreciation and amortization expense accruals resulting from the CPUC Application and Settlement Agreement were required to be used in developing revised electric service base rates in PSCo’s next general rate case.

On October 3, 2017, PSCo filed a retail electric rate case in CoPUC Proceeding No. 17AL-0649E.²⁴ In the retail rate case filing, PSCo proposed to implement use of the depreciation rates established in the Settlement Agreement effective with final rates. At the time, PSCo expected the final retail rates and revised electric and Common Utility Plant depreciation rates would be effective for retail ratemaking and accounting in second quarter 2018.

²⁰ Alliance Consulting Group, Public Service Company of Colorado – Electric and Common Utility Plant Depreciation Rate Study at January 1, 2018.

²¹ PSCo later filed a supplemental Depreciation Rate Study to reflect the announcement in September 2016 that the Craig Unit 1 coal fired generation plant would be retired as a result of a settlement agreement with the U.S. Environmental Protection Agency (“EPA”) and other parties. PSCo owns a 9.72 percent share of Craig Unit No. 1. The early retirement of Craig Unit No. 1 does not affect transmission or Common Utility Plant depreciation rates.

²² See *Decision No. R16-1143, Recommended Decision of Administrative Law Judge Robert I. Garvey Granting Application as Modified by Settlement Agreement*, CoPUC Proceeding No. 16A-0231E (Mailed December 13, 2016).

²³ See §40-6-114, Colorado Revised Statutes (“C.R.S.”); and 4 Code of Colorado Regulations (“C.C.R.”) 723-1-1505(a); “A recommended decision becomes the Commission’s decision unless, within 20 days or such additional time as the Commission may allow, any party files exceptions to the recommended decision or the Commission orders the recommended decision to be stayed.”

²⁴ *In re the Matter of Advice No 1748-Electric filed by Public Service Company of Colorado to Revise its PUC No. 8- Electric Tariff to Implement a General Rate Schedule Adjustment and Other Rate Changes Effective on Thirty Days’ Notice*, Colorado PUC Proceeding No. 17AL-0649E, filed October 3, 2017.

2. Docket No. ER18-482-000 - Filed but then Withdrawn

On December 20, 2017, in Docket No. ER18-482-000, PSCo filed revisions to the Attachment O-PSCo Template to reflect changes to PSCo's Transmission Plant and Common Utility Plant depreciation rates, to be effective approximately May 1, 2018.²⁵ The December 20 Filing stated that on October 3, 2017, PSCo had filed a retail electric rate case in CoPUC Proceeding No. 17AL-0649E, and that in the retail rate case, PSCo proposed to implement use of the depreciation rates established in the Settlement Agreement effective with final rates (e.g., expected to be in the second quarter of 2018). Although four affected wholesale customers filed motions to intervene,²⁶ no party commented opposing the Tariff changes.

On December 21, 2018, however, PSCo filed a motion to withdraw the December 20 Filing.²⁷ The Withdrawal Filing stated that the CoPUC voted to dismiss the PSCo retail electric rate case after enactment of the TCJA caused a substantial effect on PSCo's retail rate case test year cost of service and revenue requirement.²⁸ The Withdrawal Filing also stated that as a result of the CoPUC decision, the depreciation rates submitted in the December 20 Filing related to Transmission Plant would not be placed into effect in retail electric rates until after PSCo filed its next retail electric rate case, anticipated in 2019.

The Withdrawal Filing also stated, however, that the Common Utility Plant depreciation rates submitted in the December 20 Filing were made effective for Colorado retail rate and accounting purposes, however, as a result of a CoPUC decision in a separate 2017 general rate case involving PSCo's retail natural gas distribution operations (Proceeding No. 17AL-0363G, discussed below). Rather than file a substantial amendment in the Docket No. ER18-482-000, PSCo stated that it anticipated submitting a new FPA section 205 filing to revise Table 25 to Attachment O-PSCo to reflect the more limited Common Utility Plant depreciation rates accepted by the CoPUC, effective on the same date the rates were effective for retail rate purposes.²⁹

²⁵ *Public Service Company of Colorado*, Revised Depreciation Rates in Table 25 to Attachment O-PSCo, Docket No. ER18-482-000 (December 20, 2017) ("December 20 Filing").

²⁶ Grand Valley, Yampa Valley, Holy Cross and Intermountain all filed doc-less motions to intervene.

²⁷ *Public Service Company of Colorado*, Motion to Withdraw Filing Pursuant to Rule 35.17, Docket No. ER18-482-000 (December 21, 2018) ("Withdrawal Filing").

²⁸ *In the Matter of Advice Letter No. 1748 – Electric Filed by Public Service Company of Colorado to Increase Rates For Electric Base Rate Schedules by Implementing a General Rate Schedule Adjustment to Become Effective November 2, 2017*, DECISION DENYING JOINT PROCEDURAL MOTION, PERMANENTLY SUSPENDING RATES, DISMISSING PROCEEDING, AND DENYING JOINT SPP MOTION AS MOOT (April 26, 2018).

²⁹ Withdrawal Filing at p. 3.

3. CoPUC Decision in Proceeding No. 17AL-0363G

On June 2, 2017, PSCo filed a retail natural gas rate case with the CoPUC (Proceeding No. 17AL-0363G).³⁰ The natural gas rate case proposed a “multi-year rate plan” that would allow PSCo to implement increases in retail natural gas rates in 2018, 2019 and 2020. Among other things, the rate case proposed to incorporate the changes to Common Utility Plant depreciation rates established by the Settlement Agreement in Proceeding No. 16A-0231D, when calculating the costs of Common Utility Plant serving the PSCo natural gas, electric and steam utility functions. Specifically, the PSCo filing in Proceeding No. 17AL-0363G reflected the Common Utility Plant depreciation rates included in the Settlement Agreement in Proceeding No. 16A-0231E.

After a series of proceedings conducted both before and after enactment of the TCJA, and after a request for rehearing by PSCo, the CoPUC adopted a final order in Proceeding No. 17AL-0363G mailed on March 11, 2019.³¹ As a result of the final resolution of the June 2017 PSCo retail natural gas rate proceeding, the depreciation rates for PSCo Common Utility Plant were modified effective January 1, 2018. The change in the Common Plant depreciation rates affected the calculation of depreciation expense for PSCo’s natural gas distribution utility, electric utility and steam utility operations effective January 1, 2018.

PSCo has a longstanding practice of using the same depreciation rates for both retail electric services and wholesale services, which significantly simplifies PSCo’s depreciation accounting. Indeed, the partial settlement agreement in Docket No. ER12-1589 *et al.* approved by the Commission provided that “Currently the depreciation rates for PSCo’s retail and FERC jurisdictions are the same. PSCo will actively pursue any filings necessary to keep such rates synchronized.”³² PSCo is submitting the revisions to Table 25 to keep the wholesale depreciation rates for Common Utility Plant synchronized with those used by PSCo’s retail electric operations in Colorado. As discussed below, the Template revisions result in a small reduction in transmission service rates under the Tariff, to be effective January 1, 2018.

³⁰ *In the Matter of Advice No. 912-Gas Filed by Public Service Company of Colorado to Roll the Pipeline System Integrity Adjustment (“PSIA”) Costs Into Base Rates Beginning in 2019 and Increase Rates for All Natural Gas Sales and Transportation Services by Implementing a General Rate Schedule Adjustment (“GRSA”) in the Company’s Colorado P.U.C. No. 6 – Gas Tariff, to Become Effective July 3, 2017*, Decision No. CI17-0507 (setting matter for hearing before an administrative law judge and suspending the effective date of the proposed tariffs for 120 days or until October 31, 2017 (June 21, 2017).

³¹ *In the Matter of Advice No. 912-Gas Filed by Public Service Company of Colorado to Roll the Pipeline System Integrity Adjustment (“PSIA”) Costs Into Base Rates Beginning in 2019 and Increase Rates for All Natural Gas Sales and Transportation Services by Implementing a General Rate Schedule Adjustment (“GRSA”) in the Company’s Colorado P.U.C. No. 6 – Gas Tariff, to Become Effective July 3, 2017*, Decision No. C19-0232, DECISION DENYING APPLICATION FOR REHEARING, REARGUMENT, OR RECONSIDERATION AND DENYING MOTION TO FILE RESPONSE (adopted February 20, 2019; mailed date March 11, 2019).

³² *Public Service Company of Colorado, Offer of Partial Settlement*, Docket No. ER12-1589-000 *et al.* (October 7, 2013), Section III.D.2.

4. Future Revisions to the Table 25 Depreciation Rates

On May 20, 2019, PSCo filed a retail electric general rate case with the CoPUC. See Proceeding No. 19AL-0268E. That rate case will incorporate in PSCo retail electric rates the transmission plant, production plant, distribution plant, and certain other depreciation rate changes contemplated by the Settlement Agreement in Proceeding No. 16A-0231E, to be effective January 1, 2020. The depreciation rate revisions would include the revised depreciation rates originally filed to be included in Table 25 in Docket No. ER18-482-000 (other than the Common Utility Plant rates updated here) but later withdrawn. PSCo anticipates submitting a future FPA section 205 filing to revise Table 25 to incorporate these additional depreciation rate changes to be effective on the same date as the retail electric rate changes in Colorado. PSCo anticipates filing the further section 205 filing on or before November 1, 2019, to be effective on or after January 1, 2020.

C. The Tax Cuts and Jobs Act

On December 22, 2017, President Trump signed the TCJA into law.³³ Section 13001 of the TCJA reduces the federal corporate tax rate from a maximum of thirty-five percent under the graduated rate structure, to a flat twenty-one percent rate.³⁴ The change to the federal corporate tax rate became effective on January 1, 2018.

Since the federal income tax rate is a “blank cell” in Attachment O-PSCo, PSCo did not need to revise Attachment O-PSCo for the impact of the lower federal corporate income tax rate to be reflected in wholesale transmission rates effective January 1, 2018. On February 9, 2018, PSCo filed a request for a waiver from, *inter alia*, the Attachment O-PSCo Protocols to allow PSCo to revise its transmission billing rates during the 2018 rate year, rather than reflect the lower federal income tax costs in the Annual True-up for 2018, to be calculated in mid-2019. The Commission granted the requested waiver.³⁵

The reduction in the federal corporate tax rate also, however, resulted in PSCo having “excess ADIT” balances. This is because the amount of ADIT that PSCo had recorded on its books and records would exceed the amount PSCo needs to pay its future federal income tax obligations. These “excess deferred taxes” therefore represent the amount of ADIT that PSCo had on its books and records that exceed what would be on the books if the federal corporate income tax rate had been set at the new, lower 21 percent rate the entire time the PSCo was collecting these funds from customers.

³³ Tax Cuts and Jobs Act, Pub. L. No. 115-97, 131 Stat. 2054 (2017).

³⁴ Tax Cuts and Jobs Act § 13001(b).

³⁵ *Public Service Company of Colorado*, 162 FERC ¶ 61,126 (2018). The order also granted PSCo’s request for a waiver of the PSCo Production Formula Rate Implementation Procedures to allow PSCo to revise its wholesale production service rates during the 2018 rate year rather than reflect the lower federal income tax costs in the 2018 production formula rate true-up.

The Commission in 2018 commenced proceedings to investigate the impacts of the TCJA on jurisdictional rates, and indicated its policy view that the TCJA's reduction in the corporate tax rate causes may cause formula rates to be inaccurate. On March 15, 2018, the Commission issued the *Inquiry Regarding the Effect of the Tax Cut and Jobs Act on Commission-Jurisdictional Rates*, which sought comment on the effects of the TJCA on Commission-jurisdictional rates.³⁶ The Commission sought comment regarding, among other things, "how public utilities with . . . formula rates . . . should adjust their income tax allowance such that the allowance would be decreased or increased by the amortization of excess and deficient ADIT."³⁷ On November 15, 2018, the Commission then issued a Notice of Proposed Rulemaking, in which the Commission proposed, among other things, to require all public utilities with transmission formula rates to include a mechanism in their formula rates to deduct any excess ADIT from or add any deficient ADIT to their rate bases and to include a mechanism in their formula rates that decreases or increases their income tax allowances by any amortized excess or deficient ADIT.³⁸ The NOPR contemplated that revisions to formula rates provide for the impacts of the TCJA on ADIT to be reflected in jurisdictional rates effective on the effective date of the TCJA (January 1, 2018).³⁹ The ADIT NOPR remains pending as of the date of this filing.

The Xcel Energy Operating Companies concur with the Commission's general approach for passing through the benefits of the TCJA impact on ADIT in jurisdictional rates. In comments filed in Docket No. RM19-5-000 in response to the ADIT NOPR, XES, on behalf of the Xcel Energy Operating Companies, expressed general support for the Commission's proposals, but provided comments for the Commission's consideration on several issues, including the time period for flow-back of excess ADIT.⁴⁰

The other Xcel Energy Operating Companies have filed to reflect the impact of the TCJA on excess/deficient ADIT in their transmission formula rates. Specifically, on November 27, 2018, PSCo's affiliate SPS filed revisions to its Attachment O-SPS transmission formula rate (also included in the Xcel Energy Tariff) in Docket No. ER19-404-000 to, *inter alia*, establish a mechanism to reflect excess/deficient ADIT created by the TCJA in SPS's transmission rates effective January 1, 2018 through the 2018 Annual True-up. The Commission accepted SPS's filing, but suspended it and set it for hearing and settlement judge procedures, and that proceeding remains pending as of the date of this filing.⁴¹ Similarly, on November 1, 2018, in

³⁶ *Inquiry Regarding the Effect of the Tax Cuts and Jobs Act on Commission-Jurisdictional Rates*, IV FERC Stats. & Regs., Notices ¶ 35,582 (2018) ("NOI").

³⁷ *Id.* at P 21.

³⁸ *Public Utility Transmission Rate Changes to Address Accumulated Deferred Income Taxes*, Notice of Proposed Rulemaking, 165 FERC ¶ 61,117 (2018) at PP 2-3 ("ADIT NOPR").

³⁹ ADIT NOPR at P 39.

⁴⁰ Comments of Xcel Energy Services Inc. on Behalf of the Xcel Energy Operating Companies, Docket No. RM19-5-000 (Jan. 22, 2019).

⁴¹ *Public Service Company of Colorado*, 166 FERC ¶ 61077 (2019). In addition, as part of the settlement of Docket No. ER18-228-000 *et al.*, SPS agreed to modify its production formula rate templates to reflect inclusion of TCJA-related excess/deficient ADIT effective January 1, 2018. The Commission approved the

Docket No. ER19-249-000, the NSP Companies and certain other transmission owners in the Midcontinent Independent System Operator, Inc. (“MISO”) region filed revisions to their transmission formula rates included in the MISO Tariff (including Attachment O-NSP) to include “flow-back” of excess/deficient ADIT, to be effective January 1, 2018 through calculation of the 2018 Annual True-up. The Commission accepted the revised MISO transmission formulas for filing.⁴²

PSCo’s revisions to the ADIT calculations in the Revised Template submitted in this filing regarding excess/deficient ADIT are substantially similar to the revisions to Attachment O-SPS filed by SPS and accepted in Docket No. ER19-404-000. Incorporating these revisions into the Attachment O-PSCo Template will also result in essentially identical ADIT calculations being used by PSCo under both this Template and the PSCo production formula rate template in the PSCo Assured Power Tariff, being filed contemporaneously with these Tariff revisions.

II. DESCRIPTION AND JUSTIFICATION OF TARIFF REVISIONS

A. Revisions to Depreciation Rates in Table 25

Depreciation is an estimation of future expectations. Using those estimations, the cost of the asset is spread ratably to customers over that period. If the estimation of the useful period changes as the asset is used, the depreciation estimate should be realigned to those new estimates so that the asset’s cost is fully recovered by the time it is retired. When depreciation rates are set at a level that does not reflect the actual life and retirement characteristics of a utility’s assets, the cost of the asset will not be recovered ratably from all customers that use the asset.

One purpose of this filing is to bring PSCo’s Common Utility Plant depreciation rates used in the transmission formula rate Template in-line with the depreciation rates used to calculate depreciation expense for retail electric service and ensure that PSCo’s Common Utility Plant depreciation rates are founded upon the most recent information.⁴³ As explained in the enclosed testimony of Mr. Mark P. Moeller (Exhibit No. XES - 200), if the estimation of the useful period changes as the asset is used, the depreciation estimate should be realigned to those new estimates so that the asset’s cost is fully recovered by the time it is retired.⁴⁴

(. . . continued)

settlement agreement. *Southwestern Public Service Company*, Docket No. ER18-228-001, Unpublished Letter Order (April 4, 2019).

⁴² *Midcontinent Independent System Operator, Inc.*, Docket No. ER19-249-000, Unpublished Letter Order (December 20, 2018).

⁴³ The Commission has noted that changes in depreciation accrual rates affect the timing of recovery of the costs and do not change the overall amount of recovery. *Ameren Illinois Co.*, 141 FERC ¶ 61,264 at P 32 (2012).

⁴⁴ Direct Testimony of Mark P. Moeller, Exhibit No. XES - 200 (“Moeller Direct Testimony”) at 10-11.

Specifically, PSCo is modifying the Common Utility Plant depreciation rates stated in Table 25 to the Template and used to calculate PSCo's depreciation expense, which is then used in the determination of PSCo's Annual Transmission Revenue Requirement ("ATRR") and transmission rates. As noted, PSCo's depreciation rates for its Common Utility Plant in the Template have not been revised since Docket No. ER08-224-000.

As discussed below, the depreciation rates modified in Table 25 are based upon the Depreciation Rate Study, as modified by the Settlement Agreement approved by the CoPUC, and result in PSCo continuing to use the same depreciation rates to calculate Common Utility Plant depreciation expense for both retail electric service and wholesale transmission service. Maintaining consistency between retail and wholesale jurisdictions simplifies depreciation accounting. Indeed, as noted, PSCo previously negotiated with its customers to retain the right to seek consistency between depreciation rates in wholesale transmission and retail rates. For example, PSCo's settlement agreement in Docket No. ER12-1589 et al., which established the current transmission formula rate, provides that "Currently the depreciation rates for PSCo's retail and FERC jurisdictions are the same. PSCo will actively pursue any filings necessary to keep such rates synchronized."⁴⁵

PSCo acknowledges that the Commission is not bound by the determination of a state authority regarding depreciation rates, and may conduct its own review. To that end, PSCo encloses the Depreciation Rate Study provided to the CoPUC and the Settlement Agreement approved by the CoPUC to support the change in depreciation rates. The Commission has noted that, in reviewing depreciation rate changes, it may review the depreciation study used by the state authority and does not require an entirely new "wholesale" depreciation study.⁴⁶ The Depreciation Rate Study and Settlement Agreement are discussed below.

The final depreciation rates for Common Utility Plant set forth in the Settlement Agreement appendices and approved by the CoPUC as just and reasonable and in the public interest are the Common Utility Plant depreciation rates PSCo proposes to incorporate in Table 25 in this instant filing.

1. The Depreciation Rate Study

At PSCo's request, Alliance Consulting Group ("Alliance") conducted an Electric and Common Utility Plant Depreciation Rate Study ("Depreciation Rate Study") in 2016, which was submitted to the CoPUC as part of the CoPUC Application and supplemented after the Craig Unit 1 retirement announcement. The Depreciation Rate Study evaluated Electric and Common Utility Plant depreciable assets using actual plant asset balances as of September 30, 2015, and projected plant and depreciation reserve balances as of January 1, 2018, to determine depreciation rates for the projected time period commencing January 1, 2018. Common Utility

⁴⁵ *Public Service Company of Colorado*, Offer of Partial Settlement, Docket No. ER12-1589-000 et al. (October 7, 2013), Section III.D.2.

⁴⁶ *Westar Energy, Inc.*, 131 FERC ¶ 61,183 at P 20 (2010).

Plant includes two general classes, or functional groups, of depreciable property that are analyzed in the study: (1) General Plant and (2) Intangible Plant related to common utility property.⁴⁷

A depreciation reserve reallocation was performed as part of the Depreciation Rate Study. A reserve reallocation is a true-up mechanism for the depreciation reserve. If the accumulated book depreciation reserve – as compared to the theoretical reserve – results in some assets being over-recovered and others being under-recovered within a functional class or group, this difference can be used to rebalance the accounts within the functional class or group using the reserve reallocation. The reserve reallocation realigns the book reserve among accounts within a functional group based on the theoretical reserve for each account within that function. The Depreciation Rate Study found that there had been significant changes in the life and net salvage characteristics since the accrual rates were established in 2009. These changes created a difference between the theoretical and book reserve in each functional group that make the reallocation of the depreciation reserve appropriate in this instance.

The depreciation rates recommended by the Depreciation Rate Study were based on average remaining life calculations and net salvage rates, derived using the Commission's long-standing precedent for Broad (Average) Life Group straight-line depreciation.⁴⁸ The Depreciation Rate Study and reserve reallocation are described in more detail in the Direct Testimony of Mr. Moeller attached as Exhibit No. XES–200. The Depreciation Rate Study is attached as Exhibit No. XES – 205 to this filing.

2. The Depreciation Settlement Agreement

The depreciation rates recommended in the Depreciation Rate Study (and reflecting the depreciation reserve reallocation) were further modified through the Settlement Agreement in CoPUC Proceeding No. 16A-0231E. The Settlement Agreement and the Common Utility Plant-related portions of two exhibits to the Settlement Agreement are attached as Exhibit Nos. XES – 202, XES – 203 and XES – 204 to this filing. Mr. Moller provides a summary of the changes to Common Utility Plant depreciation rates between those determined in the Depreciation Rate Study and the Settlement Agreement in Exhibit No. XES - 201. The changes agreed to in the Settlement Agreement serve to lower Common Utility Plant depreciation rates, both through increases in average service lives and decreases in net-salvage value (*e.g.*, lower negative net salvage percentages) compared to the rates recommended by the Depreciation Rate Study.

⁴⁷ Moeller Direct Testimony at 13-14.

⁴⁸ See *Depreciation Accounting*, Order No. 618, Reg. Preambles ¶ 31,104 (2000) (explaining the Commission's traditional policy preference for straight line depreciation).

Rates by account impacting Common Utility Plant are shown in Exhibit No. XES – 204, which provides pages 222 to 254 of Exhibit B to the Settlement Agreement.⁴⁹

3. Changes to Table 25 to the Transmission Formula Rate Template

PSCo is modifying the Common Utility Plant depreciation rates set forth in Table 25 (Work Paper H-1) “Depreciation and Amortization Rates” in Attachment O-PSCo to be equal to the Common Utility Plant rates established in the Settlement Agreement approved by the CoPUC. The Template changes will reduce PSCo’s total 2018 actual ATRR and preserve the synchronization of the depreciation rates applicable to retail and wholesale customers, consistent with the settlement in Docket No. ER11-1589.⁵⁰

PSCo is also revising Table 25 to remove (i) the detailed list of Distribution depreciation rates, which do not affect the Attachment O-PSCo transmission formula or ancillary services rates, and (ii) regulatory asset amortization schedules that no longer apply. Removing the distribution depreciation rates that do not impact the rates calculated under the Template will simplify Table 25, provide clarity and transparency to transmission service customers, and eliminate the administrative burden of ensuring that the filed rate reflects the most current state-jurisdictional depreciation rates. PSCo is also removing from Table 25 the regulatory asset amortizations for the San Luis-Calumet-Comanche Transmission line, the Mountain Pine Beetle mitigation costs, and the Technical Services Building regulatory Asset Amortization because these regulatory assets have been amortized and no longer affect transmission rates.

B. Changes to the Transmission Formula Rate Template Related to TCJA

In her testimony attached to this filing as Exhibit No. XES – 300, Ms. Kourtnei M. Yager explains the impacts of the TCJA on PSCo and the Template.⁵¹ Specifically, the TCJA affects Excess and Deficient ADIT balances and amortizations, which in turn impact the calculation of 1) Rate Base, 2) Income Tax, and 3) Ancillary Services. The Revised Template addresses the TCJA’s impact on the calculation of rate base by adding lines to reflect the inclusion of Account Nos. 182.3 and 254 to account for excess ADIT associated with non-plant items. The Revised Template addresses the TCJA’s impact on the calculation of tax expense by adding a calculation that amortizes excess ADIT in the deferred tax expense, which is reflected in two new rows, one for excess ADIT and the other for deficient ADIT.⁵² The Revised Template also updates the Fixed Charge Rate (“FCR”) to account for TCJA impacts. The FCR is used to calculate

⁴⁹ Exhibit Nos. XES – 203 and XES – 204 include complete pages from Exhibits A and B to the Settlement Agreement, including numerous depreciation rates not being modified by this filing. PSCo is providing the complete pages for purposes of transparency.

⁵⁰ PSCo includes a new note in Table 25 indicating PSCo will reflect the revised Common Utility Plant depreciation rates when calculating the 2018 Annual True-up.

⁵¹ Yager Direct Testimony at 8-10.

⁵² Yager Direct Testimony at 10-11, 13-15.

Ancillary Service Rates. Ms. Yager also provides a “road map” to the Template changes (including the revisions to Table 25) in Exhibit No. XES - 301.⁵³

1. Template Revisions to Address Return (or Recovery) of Excess (or Deficient) ADIT for the Transmission Service Rate Calculation

PSCo’s ADIT-related changes to the Template are consistent with the preliminary guidance provided by the Commission in the recent ADIT NOPR.⁵⁴ In the ADIT NOPR, the Commission proposed to require public utilities with transmission formula rates to incorporate a new permanent worksheet into their transmission formula rates that will annually track information related to excess or deficient ADIT under Section 35.24 of the Commission’s regulations.⁵⁵ The Commission also proposed that these ADIT worksheets include certain minimum ADIT-related information.⁵⁶

Although the ADIT NOPR is a proposed rule and not binding, PSCo’s Revised Template includes the ADIT-related information described in the proposed rule. In this filing, PSCo is adding two new ADIT-related worksheets as Tables 8.1 and 9.1 of the Template. This filing also revises Tables 1, 2, 3, 4, 5, 32, and 39 of the Template. The Revised Template:

1. Presents PSCo’s Excess and Deficient ADIT balances recorded to FERC Accounts 182.3 and 254, as of the TCJA’s effective date of January 1, 2018. *See* Table 8.1 and Table 9.1.
2. Includes excess and deficient ADIT amounts recorded to Accounts 182.3 and 254 in Rate Base calculation. *See* Tables 4 and 5.
3. Provides the necessary details to determine whether excess or deficient ADIT is protected or unprotected. For unprotected balances (non-plant), *see* Tables 8.1 and 9.1, footnote 2. Plant-related protected and unprotected balances will be presented separately on an existing work paper.
4. Shows the change in the income tax calculation to incorporate the excess or deficient ADIT amortization. *See* Tables 4 and 5.

⁵³ Yager Direct Testimony at 4.

⁵⁴ *Public Utility Transmission Rate Changes to Address Accumulated Deferred Income Taxes*, Notice of Proposed Rulemaking, 165 FERC ¶ 61,117 (2018) (“ADIT NOPR”).

⁵⁵ ADIT NOPR at P 46.

⁵⁶ ADIT NOPR at P 47.

5. Provides the amortization period of the excess or deficient unprotected ADIT balances (and one protected balance, for the NOL ADIT item) being returned or recovered through PSCo's rates. See Tables 8.1 and 9.1.⁵⁷

In the ADIT NOPR, the Commission also proposes to require that transmission formula rates be designed to ensure rate base neutrality, which would require a formula rate mechanism to deduct excess ADIT from rate base or add deficient ADIT to rate base.⁵⁸ With respect to excess ADIT, this would require that unamortized excess ADIT balances are "treated as an offset to (i.e., a deduction from) rate base until those balances are flowed back" to customers.⁵⁹ PSCo's current Template already partially ensures rate base neutrality because it includes plant-related excess ADIT balances, recorded in existing ADIT accounts (Accounts 190 and 281-293) in rate base, so not changes are required to comply.⁶⁰

Finally, the ADIT NOPR includes a proposal to require that a public utility's transmission formula rate include a mechanism that decreases the utility's income tax allowance to account for any amortized excess ADIT and increases the utility's income tax allowance to account for any amortized deficient ADIT.⁶¹ The Revised Template satisfies this requirement. The Template changes result in the amortization of excess/deficient ADIT beginning January 1, 2018, which benefits PSCo's wholesale transmission service customers.⁶² Under the Revised Template, PSCo will amortize its excess ADIT balances concurrently with the flow-back of these amounts in rates.

Mr. Moeller explains and supports PSCo's proposal for the flow-back of plant-related excess ADIT to customers using the Average Rate Assumption Method ("ARAM"). Specifically, PSCo proposes to return both "protected" and "unprotected" plant-related excess ADIT to customers using ARAM and explains in detail how ARAM is calculated based on the in service date of the subject assets. Mr. Moeller explains that approximately 92 percent of PSCo's total plant-related excess ADIT is "protected" for electric assets related to transmission, general and intangible, and common assets allocated to electric on a total Company basis. Mr. Moeller supports the return of "unprotected" plant-related excess ADIT to customers using ARAM because doing so is consistent with PSCo's historical practice of normalizing all plant-related deferred taxes to effectively share the current tax benefits with all future customers that also will be served by the assets. Return of "unprotected" plant related excess ADIT using ARAM is also consistent with recent Commission precedent.⁶³ Mr. Moeller calculates the amount of deferred income tax expense associated with PSCo's for electric assets related to transmission, general

⁵⁷ Yager Direct Testimony at 11-12.

⁵⁸ ADIT NOPR at P 2.

⁵⁹ ADIT NOPR at P 21.

⁶⁰ Yager Direct Testimony at 13.

⁶¹ ADIT NOPR at P 3.

⁶² Yager Direct Testimony at 7, 30.

⁶³ *PJM Interconnection, LLC, PPL Electric Utilities Corp.*, 167 FERC ¶ 61,083 (2019) at P 33.

and intangible, and common assets allocated to electric plant-related excess ADIT balance to be \$5.7 million in 2018 on a total company basis.⁶⁴

Ms. Yager explains PSCo's proposed treatment associated with the flow-back of non-plant related excess ADIT and supports a ten-year amortization period for pension-related balances and a five-year amortization period for all other balances.⁶⁵ Ms. Yager also supports the amortization for the Net Operating Loss (or "NOL") Carryforward deferred tax asset, which was generated as a result of PSCo claiming bonus depreciation. PSCo will amortize the NOL over 51 years, the average remaining life of all of PSCo's plant. These amortization periods are reasonable because they ensure inter-generational equities and have been implemented in Colorado.

PSCo's Revised Template will result in just and reasonable rates because it flows back to wholesale transmission service customers, effective January 1, 2018, the excess ADIT balances resulting from the TCJA, complies with the ADIT NOPR's proposed requirements for transmission formula rates, and is otherwise consistent with Commission precedent.⁶⁶

2. Revisions to Address the Impact of TCJA on Ancillary Service Rates

PSCo uses a fixed charge rate ("FCR") to calculate Ancillary Service rates. The FCR is the sum of ten (10) individual component fixed charge rates, and did not automatically adjust to include the impacts of the TCJA, so PSCo is revising the fixed charge rate calculation.

Specifically, the federal income tax rate used in the current FCR calculation is a stated 35 percent. PSCo is updating the Income Tax Expense FCR component to reflect a dynamic input cell ("yellow cell") for the current federal income tax rate, consistent with the Template, which will reflect the new TCJA effective tax rate of 21 percent and any future change to that rate. PSCo also modifies the formula calculating the Composite Income Tax rate to reference that cell, so that the federal income tax rate may be automatically updated as appropriate.⁶⁷

Additionally, PSCo is modifying the Accumulated and Deferred Income Taxes FCR component to include the excess and deficient ADIT balances recorded to FERC Accounts 254 (Regulatory Liabilities) and 182.3 (Regulatory Assets). These balances will be included in the Total ADIT balance.⁶⁸

⁶⁴ Moeller Direct Testimony at 27.

⁶⁵ Yager Direct Testimony at 15-16.

⁶⁶ *See Midcontinent Independent System Operator, Inc.*, 163 FERC ¶ 61,163 (2018) (accepting similar revisions filed by Ameren Services Company on behalf of its utility operating company affiliates), *reh'g granted for further consideration*, Docket No. ER17-2323-002 (Aug. 1, 2018) (delegated order); *see also Midcontinent Independent System Operator, Inc.*, 164 FERC ¶ 61,113 (2018) (accepting comparable revisions by the Entergy Operating Companies to allow amortization of excess/deficient deferred taxes).

⁶⁷ Yager Direct Testimony at 9.

⁶⁸ Yager Direct Testimony at 10.

Finally, PSCo is adding a new FCR component for the amortization of ARAM, excess and deficient ADIT. This component accounts for the impact to the FCR used to calculate rates for generation based ancillary services of the flowback of excess/deficient ADIT. It is calculated as the total excess/deficient ADIT amortization (grossed up to a revenue basis), allocated to the production function. The excess/deficient ADIT amortization is allocated to the production function based on production plant in service as a proportion of total plant in service.⁶⁹

E. Notification to Affected Customers

As required by the Protocols, PSCo met with its wholesale production customers in February 2019 to discuss pending changes to the Template, including the instant filing, and the estimated financial impact of those changes. PSCo also shared the anticipated ADIT related revisions to the Template with affected customers by email on March 22, 2019.

III. INFORMATION RELATING TO THE EFFECT OF THE RATE CHANGE

A. Impact of Tariff Changes

As discussed in more detail in the testimony of Ms. Yager, the revisions to the Attachment O-PSCo Template are expected to decrease the 2018 Annual Transmission Revenue Requirement by approximately \$2.2 million.

The overall change in Common Utility Plant annual transmission-related depreciation and amortization expense is a decrease of \$16 million for the PSCo system, calculated on an annualized basis using the estimated plant balances at January 1, 2018. Approximately eight (8) percent of that amount is allocated to the electric transmission function. The wholesale transmission customers taking service under the Tariff are approximately 18 percent of the total transmission loads on the PSCo system. As such, the impact of the revising the Common Utility Plant depreciation rates in Table 25 is expected to be a rate decrease to wholesale transmission service customers of about \$0.2 million on an annualized basis. The \$0.2 million compares to total 2018 estimated PSCo ATRR of approximately \$231.5 million, of which approximately \$41.2 million is the recovered from wholesale transmission service customers. Thus, the annual rate impact to PSCo transmission customers is an ATRR decrease of 0.49 percent compared to the ATRR calculated using the currently effective Common Utility Plant depreciation rates.

The current Template already accounts for the majority of the impacts of TCJA on rate base, which consists primarily of the inclusion of a net liability excess ADIT balance related to Plant. This balance is recorded in ADIT accounts already existing in the Template; therefore, no change is required to incorporate this balance. The overall ATRR change due to the TCJA impact in this filing, which consists primarily of the inclusion of a net asset deficient ADIT balance related to non-Plant items, to the return on rate base is an estimated increase of \$0.17

⁶⁹ Yager Direct Testimony at 24.

million. The impact on wholesale customers is expected to be an increase of about \$0.03 million. The overall change due to TCJA to the income tax expense, however, is an ATRR decrease of \$2.4 million. Since wholesale transmission customers are approximately 18 percent of the total transmission loads on the PSCo system, the impact on wholesale transmission customers is expected to be a decrease of about \$0.4 million.

As such, the net impact of the Revised Template to PSCo wholesale transmission customers is a reduction in wholesale transmission rates of approximately \$0.4 million (0.95 percent) compared to the rates calculated for 2018 using the current Template. These impacts are described in the testimony of Ms. Yager (Exhibit No. XES – 301) and shown in Exhibit XES – 302.

Since PSCo’s ancillary services rates are calculated by formulas using historic actual costs and loads, the revisions to the ancillary services portions of the Template will affect the calculation of the rates for Schedules 2, 3, 3A, 5, 6 and 16 in the 2020 rate year (effective January 1, 2020), when the rates are calculated using 2018 actual costs and loads.⁷⁰

B. Requested Effective Date/Request for Waiver

PSCo proposes that the Revised Template be effective January 1, 2018. PSCo respectfully requests that the Commission waive any requirement, including any other requirement of 18 C.F.R. § 35.13, that may be necessary to allow the Template changes to be accepted on the effective date proposed without modification or condition.

Good cause exists to grant PSCo’s requested January 1, 2018 effective date. First, the revisions in this filing will result in a rate decrease to wholesale transmission service customers. The Commission has consistently granted waiver of the Commission’s prior notice requirements involving rate decreases.⁷¹ Second, granting a January 1, 2018 effective date is consistent with the guidance in the ADIT NOPR.

A January 1, 2018 effective date will allow PSCo to include the impact of the lower Common Utility Plant depreciation rates and TCJA impacts on excess/deficient ADIT in the calculation of its Annual True-up for 2018 transmission rates, to be conducted in mid-2019. This will enable PSCo to pass the impacts of these lower rates through to transmission service customers in 2019 for services in 2018. PSCo would similarly reflect the impact of the Revised Template on 2019 actual costs in the 2019 Annual True-up calculated in mid-2020. .

⁷⁰ Yager Direct Testimony at 28-29.

⁷¹ *Public Service Company of Colorado*, 166 FERC ¶ 61,077, at P 49 (2019) (granting waiver and finding the “Commission generally finds good cause to grant waiver of the prior notice requirement in the case of rate decreases.”); *Southwest Power Pool, Inc.*, 165 FERC ¶ 61,133, at P 13 n.17 (2018); *Central Hudson Gas & Electric Corp.*, 60 FERC ¶ 61,106, at 61,338, *reh’g denied*, 61, FERC ¶ 61,089 (1992) (“We will generally grant waiver of the 60-day prior notice requirement . . . [for] filings that reduce rates and charges—such as rate decreases . . .”).

In making this request with respect to the effective date of the changes to address the TCJA impacts on excess/deficient ADIT, PSCo refers to the similar filing made by SPS in Docket No. ER19-404-000. SPS filed its revisions to Attachment O-SPS on November 27, 2018, requesting an effective date of February 1, 2019, but also requesting waiver to allow SPS to apply the ADIT-related formula rate changes in the 2018 annual true-up under SPS's transmission formula rate template. SPS explained that granting the waiver would allow SPS to calculate the 2018 rate year true-up to reflect the excess ADIT revisions "so that the flow-back of excess ADIT can begin effective January 1, 2018."⁷² Although SPS did not characterize it as such, the Commission interpreted SPS's request as a request for waiver of the prior notice requirements for an effective date of January 1, 2018, and the Commission granted waiver to permit it. The Commission explained:

Because Southwestern has requested to put this component of its rate in effect as of January 1, 2018, we treat the request as a request for waiver of the Commission's 60-day prior notice requirement. The Commission generally finds good cause to grant waiver of the prior notice requirement in the case of rate decreases. Here we find that good cause exists because Southwestern represents that the waiver will allow it to decrease rates for the period January 1, 2018 to February 1, 2019 by flowing back excess ADIT and, therefore, will benefit customers. However, to ensure that its formula rate appropriately specifies its proposal, we direct Southwestern to file revised tariff sheets, within 30 days of the date of this order, that clearly indicate that the newly added provisions to flow back excess ADIT will also be applied to true-up calculations for the period beginning January 1, 2018 to February 1, 2019.⁷³

PSCo proposes the same approach as SPS in this filing. PSCo interprets the Commission's order as indicating that the appropriate request in this situation would be for a waiver of the prior notice requirements, and, accordingly, PSCo proposes a January 1, 2018 effective date and requests waiver of the prior notice requirements so PSCo may apply the ADIT-related changes when calculating the Annual True-up for 2018. Similar to SPS, PSCo's excess ADIT-related changes will result in a rate decrease for customers and, therefore, good cause exists to grant waiver of the prior notice requirements.

Good cause also exists to allow a January 1, 2018 effective date for the revised depreciation rates for Common Utility Plant, with implementation in the 2018 Annual True-up. The enclosed filing changes the timing of recovery of the costs of the Common Utility Plant under the filed rates, but does not change the underlying value of the assets, so there would be no risk of over- or under-recovery, particularly in the context of PSCo's cost-based formula rate that

⁷² *Southwestern Public Service Co., et al.*, Revisions to Attachment O-SPS Transmission Formula Rate Template, transmittal letter at 21-22, Docket No. ER19-404-000 (Nov. 27, 2018).

⁷³ *Public Service Company of Colorado*, 166 FERC ¶ 61,077 at P 49 (2019) (internal citations omitted).

includes a true-up.⁷⁴ In addition, the Commission has permitted waiver of the prior notice requirements for other filings that seek to align depreciation rates with the utility's state-jurisdictional rates.⁷⁵

For transparency, PSCo is including the same note language ordered by the Commission and used by SPS in its compliance filing in Docket No. ER19-404-000 regarding the 2018 true-up calculations.⁷⁶ PSCo surcharges or refunds customers the true-up amount, and will wait until the Commission acts on this filing to invoice or credit the 2018 Annual True-up amounts. To provide certainty to customers and timely true-up invoices, PSCo respectfully requests that the Commission act on this filing within sixty (60) days of this filing (*i.e.*, by August 6, 2019).

C. Other Requests for Waiver

PSCo also respectfully requests waiver of the requirements of 18 C.F.R. § 35.13 to the extent the rules would require the submission of cost of service statements in support of the enclosed revisions to the Tariff. Specifically, PSCo requests waiver of the following sections of the Commission's regulations: Sections 35.13(d)(1)-(2) (Period I and II data for Statements AA through BM), Section 35.13(d)(5) (workpapers related to Period I and II data), and Section 35.13(h) (cost-of-service statements).⁷⁷ Good cause exists to grant these waivers. Detailed statements of PSCo's cost of service are not needed because the currently effective Template already calculates the rates for transmission service on a formulaic basis and is trued-up each year to PSCo's actual costs. Moreover, granting waiver would be consistent with waivers granted by the Commission in similar cases.⁷⁸

PSCo respectfully requests the Commission recognize that PSCo has endeavored to comply fully with the Commission's filing requirements set forth in Part 35 of the Commission's regulations. In the event that the Commission, upon review of the filing, should find that PSCo has misinterpreted or failed to respond in some detail to such filing requirements, PSCo requests that the Commission waive any failure to comply strictly with such filing requirements in recognition of PSCo's good faith attempt at compliance.

⁷⁴ See, *e.g.*, *Ameren Illinois Co.* 141 FERC ¶ 61,264 at P 32 (2012).

⁷⁵ See *Niagara Mohawk Power Corp.*, letter order, Docket No. ER19-32-000 (Dec. 4, 2018); *Florida Power Corp.*, 134 FERC ¶ 61,145 (2011); *Niagara Mohawk Power Corp.*, letter order, Docket No. ER12-1394-000 (May 29, 2012).

⁷⁶ Specifically, the Revised Template includes the following note in Tables 4, 5, 8.1 and 9.1:

Amortizations of excess/deficient deferred income taxes resulting from the enactment of the Tax Cuts and Jobs Act will be included beginning January 1, 2018 (with the 2018 True-Up).

⁷⁷ See 18 C.F.R. §§ 35.13(d)(1)(2), (d)(5), and (h) (2017).

⁷⁸ See, *e.g.*, *Westar Energy, Inc.*, 131 FERC ¶ 61,183 at P 21 (2010) (granting waiver of cost-of-service statements for proposed change in depreciation rates).

Finally, to the extent necessary, PSCo also respectfully requests waiver of the Protocols to allow PSCo to use the Revised Template to calculate the Annual True-up for 2018 prior to issuance of the Commission order accepting the Revised Templates. The Protocols contemplate that PSCo will: (i) calculate the 2018 Annual True-up in May 2019 using the Commission-accepted Template, (ii) post the 2018 True-up calculations by June 1, 2019, (iii) hold the customer meeting by June 30, 2019, (iv) reflect the 2018 True-up in customer invoices as promptly as possible, and (v) notify customers thirty (30) days in advance of planned section 205 changes to the Template. The Commission will likely not issue an order accepting the Revised Template until mid-August 2019, however, after the specified dates. Allowing PSCo to use the Revised Template to calculate the 2018 True-up would allow PSCo to pass-through the benefits of the revised Common Utility Plant and TJCA ADIT revisions when initially calculating the 2018 True-up, and avoid the need to explain multiple 2018 true-up calculations to customers. The invoice adjustments for the 2018 annual true-up would not be implemented until after the Commission issues an order, and PSCo would reflect any requirements in the Commission order when calculating the final 2018 Annual True-up amounts.

PSCo's request satisfies the Commission's criteria for granting such tariff waivers because: (i) PSCo has acted in good faith, because its waiver request is consistent with good faith efforts to flow-through the benefits of the TCJA (and the changes to Common Utility Plant depreciation rates) effective January 1, 2018; (ii) the waiver is of limited scope, because it represents a one-time adjustment to the process for calculating an annual True-up; (iii) the waiver addresses a concrete problem, because it ensures PSCo's transmission service customers benefit from the rate reductions resulting from the Revised Template; and (iv) the waiver does not have undesirable consequences, such as harming third parties, because the revisions proposed in this filing result in a rate reduction for all of PSCo's transmission service customers.⁷⁹ The Commission granted a similar Protocol waiver and allowed SPS to revise its production rates effective January 1, 2018 in Docket No. ER18-228-000.⁸⁰

IV. ADDITIONAL INFORMATION SUBMITTED IN SUPPORT OF FILING

A. Information Required by Section 35.13 of the Commission's Regulations, 18 C.F.R. § 35.13

1. Contents of Filing – Section 35.13(b)(1)

In addition to this transmittal letter, this filing includes the following:

⁷⁹ See *The Empire District Electric Co.*, 166 FERC ¶ 61,164, at P 32 (2019) (granting waiver and listing the Commission's four criteria for granting tariff waivers); *Public Service Company of Colorado*, 166 FERC ¶ 61,077, at P 48 (2019); *EDP Renewables North America LLC*, 161 FERC ¶ 61,086, at P 6 (2017); *Southwest Power Pool, Inc.*, 153 FERC ¶ 61,339, at PP 17-18 (2015).

⁸⁰ *Southwestern Public Service Co.*, 161 FERC ¶ 61,312 (2017).

- Exhibit Nos. XES – 100: revised tables and workpapers to the Attachment O-PSCo Transmission Formula Rate Template in clean eTariff format;
- Exhibit Nos. XES – 101: revised tables and workpapers to the Attachment O-PSCo Template in marked format;
- Exhibit No. XES – 200: the Direct Testimony of Mr. Mark P. Moeller of XES;
- Exhibit No. XES – 201: Comparison of Current, Depreciation Rate Study, and Settlement Agreement Depreciation Rates and Parameters by Plant Account;
- Exhibit No. XES – 202: Unanimous Comprehensive Settlement Agreement, CoPUC Proceeding No. 16A-0231E, November 10, 2016 (“Settlement Agreement”);
- Exhibit No. XES – 203: Depreciation Rates Resulting from Settlement, CoPUC Proceeding No. 16A-0231E (Exhibit A to Settlement Agreement);
- Exhibit No. XES – 204: Documents Supporting the Depreciation Rates Resulting from Settlement Agreement, CoPUC Proceeding No. 16A-0231E (portions of Exhibit B to Settlement Agreement affecting Common Plant rates);
- Exhibit No. XES – 205: Public Service Company of Colorado – Electric and Common Utility Plant Depreciation Rate Study at January 1, 2018, conducted by Alliance Consulting Group, CoPUC Proceeding No. 16A-0231E Supplemental;
- Exhibit No. XES – 206: Recommended Decision of the Administrative Law Judge, dated December 13, 2016 (recommending approval of Settlement Agreement);
- Exhibit No. XES – 207: Deferred Tax Expense Calculation Examples;
- Exhibit No. XES – 300: the Direct Testimony of Ms. Kourtnei M. Yager of XES;
- Exhibit No. XES – 301: Roadmap of Changes to Formula Rate Template;
- Exhibit No. XES – 302: Transmission Customer Annual Revenue Impacts; and
- Exhibit No. XES – 303: Change in Ancillary Service Rates.

2. The Names and Addresses of Persons to Whom a Copy of the Rate Change Has Been Posted – Section 35.13(b)(3)

An electronic notice of this filing will be served on the Colorado Public Utilities commission and all affected PSCo transmission service customers taking service under the PSCo Tariff. A courtesy copy will be served on the Director, Division of Electric Power Regulation

(West). In addition, a copy of this filing will be available at the offices of PSCo at 1800 Larimer Street, Denver, Colorado.

3. Brief Description of Rate Change – Section 35.13(b)(4)

See Sections II and III above.

4. Statement of Reasons for Rate Change – Section 35.13(b)(5)

See Sections II and III above.

5. Requisite Agreement for Rate Change – Section 35.13(b)(6)

See Section II above.

6. Statement Showing Expenses or Costs Included in Cost-of-Service Statements – Section 35.13(b)(7)

None of the costs related to this filing have been alleged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs that are demonstrably the product of discriminatory practices.

B. Communications

Correspondence and communications with respect to this filing should be sent to, and XES requests the Secretary include on the official service list, the following:⁸¹

⁸¹ To the extent necessary, XES and PSCo respectfully request waiver of Rule 203(b)(3) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.203(b), to permit all of the persons listed to be placed on the official service list for this proceeding.

The Honorable Kimberly D. Bose

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V. CONCLUSION

For the reasons stated above, the PSCo respectfully requests that the Commission accept the revised e-Tariff records to the Attachment O-PSCo Template and grant waiver of the prior notice requirements so that the revisions may be effective on January 1, 2018, without suspension, and grant any other waivers necessary to allow the Revised Template tariff sheets to be effective as proposed.

Please direct any questions regarding this filing to the undersigned.

Respectfully submitted,

/s/ Liam D. Noailles

Liam D. Noailles

Manager, Federal Regulatory Affairs

Xcel Energy Services Inc.

1800 Larimer St, Suite 1200

Denver, CO 80202

Telephone: (303) 571-2794

Email: Liam.D.Noailles@xcelenergy.com

Cc: Colorado Public Utilities Commission
Director, Division of Tariffs and Market Development (West)
PSCo Tariff Customers

CERTIFICATE OF SERVICE

I, Tracee J. Holte, hereby certify that I have this day served a notice of the enclosed document filing, electronically, on the Colorado Public Utilities Commission and each party designated on the official service list compiled by the Secretary in this proceeding.

Dated at Minneapolis, Minnesota this 7th day of June, 2019.

/s/ Tracee J. Holte

Tracee J. Holte

Xcel Energy Services Inc.

Transmission Business Analyst

414 Nicollet Mall, MP08

Minneapolis, MN 55401

(612) 330-6206

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CLEAN TARIFF

Proposed Effective Date: 1/1/2018

Public Service Company of Colorado

**Transmission Formula Rate Settlement Template
 Twelve Months Ended December 31, 20XX**

**Table 1
 Table of
 Contents**

Table No.	Schedule/Workpaper	Description
Table 2	Est. Rates	Summary of Estimated Rates
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Table 5	ATRR Act	Annual Transmission Revenue Requirements- Actual
Table 6	WP_A-2	Prior Period Corrections
Table 7	WP_B-1	Gross Plant, Accumulated Depreciation & Amortization, and Depreciation Expense
Table 8	WP_B-2	Accumulated Deferred Income Taxes (Credits)
Table 8.1	WP_B-2-Excess ADIT	Excess Accumulated Deferred Income Taxes (Credits)
Table 9	WP_B-3	Accumulated Deferred Income Taxes (Debits)
Table 9.1	WP_B-3-Deficient ADIT	Deficient Accumulated Deferred Income Taxes (Debits)
Table 10	WP_B-4	Acquisition Adjustment
Table 11	WP_B-5	Prepayments- FERC Account 165
Table 12	WP_B-6	Materials and Supplies - FERC Account 154
Table 13	WP_B-7	Regulatory Liabilities- FERC Account 254
Table 14	WP_B-8	Construction Work in Progress
Table 15	WP_B-Inputs Est.	Rate Base Data Inputs- Estimated
Table 16	WP_B-Inputs Act.	Rate Base Data Inputs- Actual
Table 17	WP_C-1	Transmission O&M
Table 18	WP_C-2	Administrative and General Expenses
Table 19	WP_C-3	Post-Employment Benefits Other than Pensions (FAS 106)
Table 20	WP_C-4	Regulatory Commission Expense Detail (FERC Account 928)
Table 21	WP_D-1	Taxes Other Than Income Tax
Table 22	WP_E-1	Revenue Credits
Table 23	WP_F-1	Account 456.1- Revenues from Transmission of Electricity of Others
Table 24	WP_G-1	Capital Structure Details
Table 25	WP_H-1	Depreciation and Amortization Rates
Table 26	WP_I-1	Transmission System Peak Demand Summary
Table 27	Schedule 1	Scheduling System Control and Dispatch Service
Table 28	Schedule 2	Reactive Supply and Voltage Control From Generation Source Services
Table 29	Schedule 3 and 3A	Regulation and Frequency Response Service
Table 30	Schedule 5	Operating Reserve - Spinning Reserve Service
Table 31	Schedule 6	Operating Reserve - Supplemental Reserve Service
Table 32	WP_FCR	Fixed Charge Rate Worksheet ("FCR")
Table 33	WP_Cost per Unit	Cost Per Unit
Table 34	WP_Load Factor	Schedule 3 Load Factor
Table 35	Schedule 16	Flex Reserves
Table 36	WP_Installed Cost	Installed Cost
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FERC FPA Electric Tariff
Third Revised Volume No. 1

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**Public Service Company of Colorado
Transmission Formula Rate Settlement Template
Twelve Months Ended December 31, 20XX
Summary of Estimated Rates**

**Table 2
Est. Rates**

Line No.	Description	Reference	Transmission Amount	
	Col. (1)	Col. (2)	Col. (3)	
1	Revenue Requirement	ATRR Est. Line 138	\$ -	
2				
3	Prior Period Correction True up Adjustment	WP_A-2 Line 136	-	
4	Interest on Prior Period Correction True Up Adjustment	WP_A-2 Line 137	-	
5				
6	Estimated Revenue Requirement with True Up	Sum Lines 1 through 4	<u>\$ -</u>	
7				
8	Divisor			
9	Transmission Network Load	WP_I-1 Line 15, Col. (g)	0	
10				
11	Rates			
12	Annual Cost (\$/kW-Yr)	Line 6 / Line 9	\$ -	/kW-year
13				
14	Network & Point-to-Point Rate (\$/kW-Mo)	Line 12 / 12	\$ -	/kW-month
15				
16	Weekly P-To-P Rate	Line 12 / 52	\$ -	/kW-week
17	Daily P-To-P Rate (Capped at weekly rate)	Line 16 / 6	\$ -	/kW-day
18	On Peak Hourly P-To-P Rate (Capped at weekly & daily rate)	(Line 17 / 16) X 1,000	\$ -	/MWh
19	Off Peak Hourly P-To-P Rate	((Line 16 / 7) / 24) X 1,000	\$ -	/MWh
20				
21	FERC Annual Charge	(Note 1)		/MWh
22				
23				
24	Ancillary Service Rates (2)			
25				
26	Schedule 1- Scheduling, System Control and Dispatch			
27	Monthly Point-to-Point Delivery	Schedule 1 Line 18	\$ -	/kW-month
28	Weekly Point-to-Point	Schedule 1	\$ -	/kW-week

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	Delivery		Line 19					
	Daily	Point-to-Point	Schedule 1					
29	Delivery		Line 20	\$	-	/kW-day		
	Hourly	Point-to-Point	Schedule 1					
30	Delivery		Line 21	\$	-	/MWh		
	Network	Integration	Schedule 1					
31	Delivery		Line 18	\$	-	/kW-month		
			Schedule 1					
32	Ancillary Service Delivery		Line 18	\$	-	/kW-month		
33								
34	Schedule 2- Reactive Supply and Voltage Control From Generation Sources Service							
	Monthly	Point-to-Point	Schedule 2					
35	Delivery		Line 24	\$	-	/kW-month		
	Weekly	Point-to-Point	Schedule 2					
36	Delivery		Line 25	\$	-	/kW-week		
	Daily	Point-to-Point	Schedule 2					
37	Delivery		Line 26	\$	-	/kW-day		
	Daily	Point-to-Point	Schedule 2					
38	Delivery off Peak		Line 27	\$	-	/kW-day		
	Hourly	Point-to-Point	Schedule 2					
39	Delivery		Line 28	\$	-	/MWh		
	Hourly	Point-to-Point	Schedule 2					
40	Delivery off Peak		Line 29	\$	-	/MWh		
	Network	Integration	Schedule 2					
41	Delivery		Line 24	\$	-	/kW-month		
			Schedule 2					
42	Ancillary Service Delivery		Line 24	\$	-	/kW-month		
43								
44	Schedule 3 and 3A- Regulation and Frequency Response Service			Load	Non-VER	VER		
	Reserved Capacity							
	Factor applicable to network load or reserved capacity							
45			Note 3	1.27%	0.24%	2.07%		
				\$	-	\$	-	\$
	Monthly	Point-to-Point	Schedule 3					
46	Delivery		Line 34	\$	-	\$	-	\$ /kW-month
	Weekly	Point-to-Point	Schedule 3 line					
47	Delivery		35	\$	-	\$	-	\$ /kW-week
	Daily	Point-to-Point	Schedule 3					
48	Delivery on Peak		Line 36	\$	-	\$	-	\$ /MW-day
	Daily	Point-to-Point	Schedule 3					
49	Delivery off Peak		Line 37	\$	-	\$	-	\$ /MW-day
	Hourly	Point-to-Point	Schedule 3					
50	Delivery on Peak		Line 38	\$	-	\$	-	\$ /MWh
	Hourly	Point-to-Point	Schedule 3					
51	Delivery off Peak		Line 39	\$	-	\$	-	\$ /MWh
	Network	Integration	Schedule 3					
52	Delivery		Line 34	\$	-	\$	-	\$ /kW-month
			Schedule 3					
53	Ancillary Service Delivery		Line 34	\$	-	\$	-	\$ /kW-month
54								

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56 **Schedule 5- Operating Reserve- Spinning Reserve Service**

Reserved Capacity Factor applicable to network load or reserved capacity						x monthly Load	
57	Monthly	Point-to-Point	Note 3 Schedule 5	3.50%			
58	Delivery	Point-to-Point	Line 22	\$	-	/kW-month	
59	Weekly	Point-to-Point	Schedule 5 Line 23	\$	-	/kW-week	
60	Delivery	Point-to-Point	Schedule 5 Line 24	\$	-	/kW-day	
61	Daily	Point-to-Point	Schedule 5 Line 25	\$	-	/kW-day	
62	Delivery off Peak	Point-to-Point	Schedule 5 Line 26	\$	-	/MWh	
63	Hourly	Point-to-Point	Schedule 5 Line 27	\$	-	/MWh	
64	Delivery on Peak	Point-to-Point	Schedule 5 Line 22	\$	-	/kW-month	
65	Hourly	Point-to-Point	Schedule 5 Line 22	\$	-	/kW-month	
66	Delivery off Peak	Point-to-Point	Schedule 5 Line 22	\$	-	/kW-month	
67	Network	Integration	Schedule 5 Line 22	\$	-	/kW-month	
68	Ancillary Service Delivery		Schedule 5 Line 22	\$	-	/kW-month	

66

67 **Schedule 6 - Operating Reserve - Supplemental Reserve Service**

Reserved Capacity Factor applicable to network load or reserved capacity						x monthly Load	
68	Monthly	Point-to-Point	Note 3 Schedule 6	3.50%			
69	Delivery	Point-to-Point	Line 22	\$	-	/kW-month	
70	Weekly	Point-to-Point	Schedule 6 Line 23	\$	-	/kW-week	
71	Delivery	Point-to-Point	Schedule 6 Line 24	\$	-	/kW-day	
72	Daily	Point-to-Point	Schedule 6 Line 25	\$	-	/kW-day	
73	Delivery off Peak	Point-to-Point	Schedule 6 Line 26	\$	-	/MWh	
74	Hourly	Point-to-Point	Schedule 6 Line 27	\$	-	/MWh	
75	Delivery on Peak	Point-to-Point	Schedule 6 Line 22	\$	-	/kW-month	
76	Hourly	Point-to-Point	Schedule 6 Line 22	\$	-	/kW-month	
77	Network	Integration	Schedule 6 Line 22	\$	-	/kW-month	
78	Ancillary Service Delivery		Schedule 6 Line 22	\$	-	/kW-month	

77

78 **Schedule 16 - Flex Reserve**

Reserved Capacity Factor applicable to network load or reserved capacity						x monthly Load	
79	Monthly	Point-to-Point	Note 3 Schedule 16	0%			
80	Delivery	Point-to-Point	Schedule 16	\$	-	/kW-month	

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	Delivery		Line 34			
	Weekly	Point-to-Point	Schedule 16			
81	Delivery		line 35	\$	-	/kW-week
	Daily	Point-to-Point	Schedule 16			
82	Delivery		Line 36	\$	-	/kW-day
	Daily	Point-to-Point	Schedule 16			
83	Delivery off Peak		Line 37	\$	-	/kW-day
	Hourly	Point-to-Point	Schedule 16			
84	Delivery on Peak		Line 38	\$	-	/MWh
	Hourly	Point-to-Point	Schedule 16			
85	Delivery off Peak		Line 39	\$	-	/MWh
	Network	Integration	Schedule 16			
86	Delivery		Line 34	\$	-	/kW-month
			Schedule 16			
87	Ancillary Service Delivery		Line 34	\$	-	/kW-month

Note 1. The FERC's annual charge per MWh is established by the Commission annually, and is assessed to the Transmission Owner, and is passed through to the Transmission Customers.

Note 2. Ancillary Service Schedules 2, 3, 3A, 5, 6, 16 will be based on actual data from the latest FERC Form No. 1. These schedules will be updated annually with the Annual Update but will not be subject to the True-up provision. Ancillary Service Schedule 1 will be updated annually, will be based on forecast data and will be subject to the True-up provision.

Note 3. Amount identified on Table 35, line 29.

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Transmission Formula Rate Settlement Template
Twelve Months Ended December 31, 20XX
Actual Rates and True-up

Table 3
Actual Rates

Line No.	Description	Reference	Actual Rates	Estimated Rates	Difference (True-up) (Note 1)
	Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5) = (3) - (4)
1	Revenue Requirement	ATRR Act & Est. Line 138	\$ -	\$ -	\$ -
2					
3	Divisor				
4	Transmission Network Load	WP_I-1 Line 15	-	-	-
5					
6	Rates				
7	Annual Cost (\$/kW-Yr)	Line 1 / Line 4	\$ -	\$ -	\$ - /kW-year
8					
9	Network & Point-to-Point Rate (\$/kW-Mo)	Line 7 / 12	\$ -	\$ -	\$ - /kW-month
10					
11	Weekly P-To-P Rate	Line 7 / 52	\$ -	\$ -	\$ - /kW-week
12	Daily P-To-P Rate (Capped at weekly rate)	Line 11 / 6	\$ -	\$ -	\$ - /kW-day
13	On Peak Hourly P-To-P Rate (Capped at weekly & daily rate)	(Line 12 / 16) X 1,000 ((Line 11 / 7) / 24) X	\$ -	\$ -	\$ - /MWh
14	Off Peak Hourly P-To-P Rate	1,000	\$ -	\$ -	\$ - /MWh
15					
16					
17	Ancillary Service Rates (Note 2)				
18					
19	Schedule 1- Scheduling, System Control and Dispatch				
20	Monthly Point-to-Point Delivery	Schedule 1 Line 40 & 17	\$ -	\$ -	\$ - /kW-month
21	Weekly Point-to-Point Delivery	Schedule 1 Line 41 & 18	\$ -	\$ -	\$ - /kW-week
22	Daily Point-to-Point Delivery	Schedule 1 Line 42 & 19	\$ -	\$ -	\$ - /kW-day
23	Hourly Point-to-Point Delivery	Schedule 1 Line 43 & 20	\$ -	\$ -	\$ - /MWh
24	Network Integration Delivery	Schedule 1 Line 40 & 17	\$ -	\$ -	\$ - /kW-month
25	Ancillary Service Delivery	Schedule 1 Line 40 & 17	\$ -	\$ -	\$ - /kW-month

Note 1. The True-up calculations will include interest pursuant to Section 35.19a of the FERC's regulations. Interest will be calculated from the beginning of the Rate year to the date the refunds or surcharges are billed.

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Note 2. Ancillary Service Schedule 1 is the only Ancillary Services rate that is subject to true up.

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Transmission Formula Rate Settlement Template
Twelve Months Ended December 31, 20XX
Annual Transmission Revenue Requirements- Estimated

Table 4
ATRR Est.

Line No.	RATE BASE & RETURN CALCULATION	Reference/Notes	Total Col. (3)	Allocator (Note O) Col. (4)	Transmission Col. (5)
	Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5)
1	GROSS PLANT IN SERVICE	(Note A)			
2	Production	WP_B-1 Col. (d), Line 2	-	NA 0.00%	-
3	Transmission	WP_B-1 Col. (d), Line 3	-	DA 100%	0
4	Distribution	WP_B-1 Col. (d), Line 4	-	NA 0.00%	-
5	General Plant	WP_B-1 Col. (d), Line 5	-	W/S 0.00%	0
6	Intangible Plant	WP_B-1 Col. (d), Line 6	-	W/S 0.00%	0
7	Common Intangible	WP_B-1 Col. (d), Line 7	-	CE 0.00%	0
8	Common General	WP_B-1 Col. (d), Line 8	-	CE 0.00%	0
9	TOTAL GROSS PLANT	Sum Lines 2 through 8	-	GP	-
10		Line 9, Col (5) divided by Col (3)		= 0.00%	
11					
12	ACCUMULATED DEPRECIATION	(Note A)			
13	Production	WP_B-1 Col. (d), Line 12	-	NA 0.00%	-
14	Transmission	WP_B-1 Col. (d), Line 13	-	DA 100%	-
15	Distribution	WP_B-1 Col. (d), Line 14	-	NA 0.00%	-
16	General Plant	WP_B-1 Col. (d), Line 15	-	W/S 0.00%	-
17	Intangible Plant	WP_B-1 Col. (d), Line 16	-	W/S 0.00%	-
18	Common Intangible	WP_B-1 Col. (d), Line 17	-	CE 0.00%	-
19	Common General	WP_B-1 Col. (d), Line 18	-	CE 0.00%	-
20	TOTAL ACCUMULATED DEPRECIATION	Sum Lines 13 through 19	-		-
21					
22	NET ACQUISITION ADJUSTMENT	(Note B)			
23	Production	WP_B-4 Col.(i) Line 15	-	NA 0.00%	-
24	Transmission Serving Production	WP_B-4 Col.(j) Line 15	-	NA 0.00%	-
25	Transmission Serving Transmission	WP_B-4 Col.(k) Line 15	-	DA 100%	-
26	TOTAL NET ACQUISITION ADJUSTMENT	Sum Lines 23 through 25	-		-
27					
28	NET PLANT IN SERVICE	(Note A)			

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29	Production	Line 2 minus 13 plus 23 plus 24	-	-	-	-
30	Transmission	Line 3 minus 14 plus 25	-	-	-	-
31	Distribution	Line 4 minus 15	-	-	-	-
32	General Plant	Line 5 minus 16	-	-	-	-
33	Intangible Plant	Line 6 minus 17	-	-	-	-
34	Common Intangible	Line 7 minus 18	-	-	-	-
35	Common General	Line 8 minus 19	-	-	-	-
36	TOTAL NET PLANT IN SERVICE	Sum Lines 29 through 35	-	-	-	-
37		Line 36, Col (5) divided by Col (3)		NP=	0.00%	-
38						
39	OTHER RATE BASE ITEMS	(Note C)				
40	Account No. 281	WP_B-2 Col (c) & (e), Line 3	-	DA	0.00%	-
41	Account No. 282	WP_B-2 Col (c) & (e), Line 30	-	DA		-
42	Account No. 283	WP_B-2 Col (c) & (e), Line 44	-	DA		-
43	Account No. 190	WP_B-3 Col (c) & (e), Line 81	-	DA		-
44	Account 182.3-Deficient ADIT	WP_B-3-Deficient ADIT		DA		-
45	Account 254-Excess ADIT	WP_B-2-Excess ADIT		DA		-
46	Regulatory Liabilities- FERC Account No. 254 (Note C)	WP_B-7 Col (e), Line 14	-	W/S	0.00%	-
47	Account No. 255	267.8.h	-	DA	100%	-
48	Account No. 107 (CWIP) (Note E)	WP_B-8 Col (a), Line 16	-	DA	100%	-
49	Net Pre-Funded AFUDC on CWIP included (Note E)	WP_B-8 Col (d), Line 16	-	DA	100%	-
50	Unamortized Balance of Abandoned Incentive Plant (Note E)	WP_B-Inputs Est. Line 143	-	DA	100%	-
51	Unamortized Balance of Extraordinary Property Loss (Note E)	WP_B-Inputs Est. Line 143	-	DA	100%	-
52	TOTAL OTHER RATE BASE ITEMS	Sum Lines 40 through 51	-			-
53						
54	LAND HELD FOR FUTURE USE (Note F)	WP_B-Inputs Est. Line 143	-	TP	0.00%	-
55						
56	WORKING CAPITAL					
57	Cash Working Capital	(Note G)	-			-
58	Materials & Supplies - Transmission	WP_B-6 Line 29	-	TP	0.00%	-
59	Materials & Supplies - Other	WP_B-6 Line 31	-	NP	0.00%	-
60	Prepayments (Account 165) Plant Related	WP_B-5 Line 8	-	NP	0.00%	-
61	Prepayments (Account 165) Labor Related	WP_B-5 Line 16	-	W/S	0.00%	-
62	Prepayments (Account 165) Transmission Related	WP_B-5 Line 20	-	TP	0.00%	-

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63	Prepayments (Account 165) Other Not Allocated	WP_B-5 Line 44	-	NA	0.00%	-
64	TOTAL WORKING CAPITAL	Sum Lines 57 through 63	-			-
65						
66	RATE BASE	Line 36 plus 52 plus 54 plus 64	-			-
67						
68	Rate of Return	Line 166	0.00%			0.00%
69						
70	RETURN (Rate Base * Rate of Return)	Line 66 times Line 68	-			-

Line No.	EXPENSE, TAXES & REVENUE			Total			
	REQUIREMENTS	CALCULATION	Reference/Notes	Total	Allocator (Note O)	Transmission	
	Col. (1)		Col. (2)	Col. (3)	Col. (4)	Col. (5)	
71	OPERATION & MAINTENANCE EXPENSE						
72	Transmission		WP_C-1 Line 31	-			
73	Less Total Account 561		WP_C-1 Line 36	-			
74	Add Back Account 561.4		WP_C-1 Line 5	-			
75	Add Back Account 561.5		WP_C-1 Line 6	-			
76	Add Back Account 561.6		WP_C-1 Line 7	-			
77	Add Back Account 561.7		WP_C-1 Line 8	-			
78	Add Back Account 561.8		WP_C-1 Line 9	-			
79	Less Total Account 565 (Note H)		WP_C-1 Line 13	-			
80	Add Back Account 565.25- System Integration Costs		WP_C-1 Line 34	-	TP	0.00%	
81	Transmission Subtotal		Sum Lines 72 through 80	-			-
82							
83	Administrative and General (Note I)		WP_C-2 Line 15	-			
84	Less: Acc. 924, Property Insurance		WP_C-2 Line 5	-			
85	Balance of A & G		Sum Lines 83 through 84	-	W/S	0.00%	
86	Plus: Account 924, Property Insurance		Line 84	-	NP	0.00%	
87	Account 928 - Transmission Specific		WP_C-4 Line 6	-	DA	100%	
88	A & G Subtotal		Sum Lines 85 through 87	-		-	
89							
90	TOTAL O & M EXPENSE		Line 81 plus Line 88	-		-	
91							
92							
93	DEPRECIATION AND AMORTIZATION EXPENSE						

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94	Transmission	WP_B-1 Line 24 Col. (d)	-	DA	100%	-
95	Plus: Pre-Funded AFUDC Amortization (Note E)	WP_B-8 Col (f), Line 18	-	DA	100%	-
96	Plus: Recovery of Abandoned Incentive Plant (Note E)	WP_B-Inputs Est. Line 143	-	DA	100%	-
97	Plus: Recovery of Extraordinary Property Loss (Note E)	WP_B-Inputs Est. Line 143	-	DA	100%	-
98	General	WP_B-1 Line 26 Col. (d)	-	W/S	0.00%	-
99	Intangible	WP_B-1 Line 27 Col. (d)	-	W/S	0.00%	-
100	Common Intangible	WP_B-1 Line 28 Col. (d)	-	CE	0.00%	-
101	Common General	WP_B-1 Line 29 Col. (d)	-	CE	0.00%	-
102	Acquisition Adjustment Amortization (Note F)	WP_B-4 Line 15 Col. Col. (o)	-	DA	100%	-
103	TOTAL DEPRECIATION AND AMORTIZATION	Sum Lines 94 through 102	-			-
104						
105	TAXES OTHER THAN INCOME	(Note J)				
106	Labor Related	WP_D-1 Line 5	-	W/S	0.00%	-
107	Plant Related	WP_D-1 Line 9	-	NP	0.00%	-
108	Miscellaneous	WP_D-1 Line 12 Sum Lines 106 through 108	-	NA	0.00%	-
109	TOTAL OTHER TAXES		-			-
110						
111	INCOME TAXES	(Note K)				
112	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		0.00%			
113	$CIT=(T/1-T) * (1-(WCLTD/R)) =$		0.00%			
114	where WCLTD=(line 153) and R= (line 156)					
115	and FIT, SIT & p are as given in Note K.					
116	$1 / (1 - T) =$ (from ln 110)		-			
117	Amortized Investment Tax Credit (enter negative)	Company Records				
118						
119	Excess ADIT Amortization (Credit) (Note Q)	WP_B-2-Excess ADIT				
120	Deficient ADIT Amortization (Debit) (Note Q)	WP_B-3- Deficient ADIT				
121						
122	Income Tax Calculation	Line 70 times Line 113	-			-
123	ITC adjustment	Line 116 times Line 117	-	NP	0.00%	-
124	Excess ADIT Amortization (Credit)	Line 116 times line 119				
125	Deficient ADIT Amortization (Debit)	Line 116 times line 120				
126	TOTAL INCOME TAXES	Sum Lines 122 through 125	-			-
127						
128						
129	REVENUE CREDITS	(Note L)				
130	Account No. 454 (Rent from Transmission Facilities)	WP_E-1 Line 4	-	DA	100%	-

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131	Account No. 421.1 (Gain From Disposition of Utility Plant)	WP_E-1 Line 14	-	WS	0.00%	-
132	Account No. 456.0 (Revenue from Schedule 18)	WP_E-1 Line 9	-	DA	100%	-
133	Account No. 456.1 (Revenue from Trans. of Elect. of Others)	WP_F-1 Line 8 Col. (b)	-	DA	100%	-
134	Account No. 456.1 (Revenue from Trans. of Elect. of Others)	WP_F-1 Line 8 Col. (c)	-	DA	100%	-
135	Settlement Credit	Note P	726,905	DA	100%	-
136	Total Revenue Credits		726,905			-
137						
138	REVENUE REQUIREMENT					-

Line No.	SUPPORTING CALCULATIONS	Reference/Notes	Total Col. (3)	Allocator (Note O) Col. (4)	Total Transmission Col. (5)
	Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5)
139	TRANSMISSION PLANT INCLUDED IN THE ATRR	(Note M)			
140	Transmission plant	WP_B-1 Col. (a), Line 3			-
141	Transmission related Acquisition Adjustment	WP_B-4 Col. (c), Line 15			-
142	Total Transmission Plant	Sum Lines 140 through 141			-
143	Eliminate Generator Step-up facilities	WP_B-Inputs Est. Line 118			-
144	Transmission plant included in OATT Trans Rate	Sum Lines 142 through 143			-
145	Percent of Transmission Plant in the ATRR	Line 144 divided by Line 142		TP=	0.00%
146					
147	WAGES & SALARY ALLOCATOR (W/S)				
148	Production	Company Records WP_C-1 Line 31 Col. (b)		NA	0.00% -
149	Transmission		-	TP	0.00% -
150	Regional Market	Company Records		NA	0.00% -
151	Distribution	Company Records		NA	0.00% -
152	Other	Company Records		NA	0.00% -
153	Total	Sum Lines 148 through 152	-		-
154					
155	W/S Allocator	Line 145, Col. (5) divided by Col. (3)		W/S=	0.00%
156					
157	Common to Electric Transmission Allocator	Common Plant to Electric (Common Plant Study) W/S Allocator, Line 155			
158					0.00%

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159		Line 157 times				
160		Line 158			CE=	0.00%
161						
162	RETURN	(Note N)	\$	%	Cost	Weighted
163	Long Term Debt	WP_G-1 Col (n), Line 6	-	%	0.00%	0.0000
164	Preferred Stock	WP_G-1 Col (n), Line 8	-	%	0.00%	0.0000
165	Common Stock	WP_G-1 Col (n), Line 14	-	%	9.72%	0.0000
166	Total	Sum Lines 163 through 165	-		ROR=	0.0000
167						
168						

169 PREPAYMENTS ALLOCATION FACTOR TO
170 ELECTRIC

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171	Total Electric Plant in Service	207, Ln.100, Col. (g)	
172	Common PIS Allocated to Electric	356	
173	Electric Plant Held for Future Use	214, Ln. 47, Col. (d)	
174	Electric Construction Work in Progress	216, Ln. 43, Col. (b)	
175	Common CWIP Allocated to Electric	356	
176	Total Electric Plant	Sum Lines 163 through 167	-
177	Total Utility Plant	110, Ln. 4, Col. (c)	
178			
179	Electric Plant to Total Plant Allocation Factor	Line 176 divided by Line 177	0.00%

**General Notes: a) References to data from FERC Form No. 1
are indicated as: page#.line#.col.#**

Notes:

- A Gross Plant, Accumulated Depreciation Reserves will be the average of thirteen monthly balances.
- B Transmission serving transmission related amounts associated with the Calpine Acquisition are included.
Future Acquisition Adjustment amounts will not be included in the formula except as directed by the Commission pursuant to a Section 205 filing.
- C The Net Acquisition Adjustment will be the average of thirteen monthly balances.
Reflects the BOY/EOY average of the transmission related portion of balances in Accounts 281, 282, 283, 190 and 255 as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106, 109, 133, 158 or FASB Interpretation No. 48. Balance of Account 255 is reduced by prior flow throughs and completely excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note k. The calculation of ADIT for both the true-up and the annual projection will be performed in accordance with IRS regulation Section 1.167(l)-1(h)(6). The Annual True-Up for a given year will use the same methodology that was used to project that year's rates. The annual true-up calculation will use the beginning-of-year and end-of-year balances as set forth in Table 8, Workpaper B-2, Estimated and Table 9, Workpaper B-3, Estimated; and the calculation of ADIT in the annual projection will be performed as set forth in Table 8, Workpaper B-2, Actual and Table 9, Workpaper B-3, Actual.

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- D The Regulatory Liability associated with the sale of the Technical Service Building (TSB) will be included in Rate Base. Future Regulatory Liabilities will not be included in the formula except as directed by the Commission pursuant to a Section 205 filing.
- E Includes any incentive Construction Work in Progress (CWIP), any related Pre-funded Allowance for Funds Used During Construction (AFUDC), any unamortized balances related to the recovery of abandoned incentive plant costs, any extraordinary property losses and any related depreciation and amortization expense amounts.
 Formula amounts for all of the foregoing items will remain at \$0 until approved by FERC pursuant to a Section 205 filing under a separate docket.
- F Includes only transmission related or functionally booked as transmission land held for future use.
- G Cash Working Capital will be set at and remain \$0 until such time as PSCo files and receives FERC approval.
- H Account 565 Transmission by Others is included only to the extent used to integrate the PSCo Transmission system.
- I Post-Employment Benefits Other than Pensions (FAS 106) shall remain as a stated, fixed amount and shall not be changed except as directed by the Commission following a filing seeking such change pursuant to section 205 or 206 of the FPA. The adjustment is shown on WP_C-3 PBOP.
 Regulatory Commission expenses (FERC Account 928) will be directly assigned or allocated to Transmission.
 General Advertising Expenses (FERC Account 930.1) will be excluded.
 All industry association dues recorded in FERC Account 930.2 will be excluded. The adjustment is shown on WP_C-2, Note 4.
- J Includes only FICA, unemployment, property, and other assessments charged in the current year.
 Taxes related to income are excluded. Franchise taxes are not included in transmission revenue requirement in the Rate Formula Template.
- K The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and $p =$
 "the percentage of federal income tax deductible for state income taxes".
 PSCo has elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) less adjustments multiplied by $(1/1-T)$ (page 3, line 30).
- | | | | |
|------------------|-------|--|--|
| Inputs Required: | FIT = | | |
| | SIT= | | (State Income Tax Rate or Composite SIT) |
| | $p =$ | | (percent of FIT deductible for state purposes) |
- If a change in an income tax rate is known sufficiently in advance to be reflected in the estimated rates that will become effective January 1 for the upcoming formula rate year, PSCo will reflect the new tax rate(s) in the estimated rate calculations for the months in which the new tax rate will be in effect for the formula rate year. Otherwise, such tax change will be captured and reflected in the annual formula true-up by weighting the tax rates in effect during the year by the number of days each such tax rate was in effect.
- L Includes income related to transmission facilities, such as pole attachments, rentals and special use for the Transmission facilities included herein.
 FERC 421.1 Gain on the Disposition of Utility Property will be assigned or allocated to the transmission function based on the specific property sold.
 Revenue from coincident peak loads included in the DIVISOR are also not included as revenue credits unless this revenue is offset by a corresponding expense
- M Removes the dollars of plant booked to transmission plant that is excluded from the Tariff because it does not meet the Tariff's definition of Transmission Facilities, or is booked to transmission (e.g. step-up transformers) that is included in the development of OATT ancillary service rates,
 or is otherwise not eligible to be recovered under this Tariff.
- N Return on Equity will be set at 9.72%. Thereafter, any change will require a filing with the Commission pursuant to FPA Section 205 or a Commission order pursuant to FPA Section 206.
 If and when the Company issues preferred stock, footnote will indicate the authorizing regulatory agency, the docket/case number, and the date of the authorizing order.
- O The calculation of the GP Allocator is found on Line 10.

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The calculation of the **NP** Allocator is found on Line 37.

The calculation of the **W/S** Allocator is found on Line 155.

The calculation of the **CE** Allocator is found on Line 159.

The calculation of the **TP** Allocator is found on Line 145.

- P The Company agreed in Docket No. ER12-1589-000 to include a total company credit in the Transmission Formula Template equal to \$726,905. This amount is fixed and cannot be

changed without a Section 205 or 206 filing.

- Q Includes the amortization of any excess/deficient deferred income taxes resulting from changes to income tax laws, income tax rates (including changes in apportionment) and other actions taken by a taxing authority. Excess and deficient deferred income taxes will reduce or increase tax expense by the amount of the excess or deficiency multiplied by $(1/(1-T))$. Amortizations of excess/deficient deferred income taxes resulting from the enactment of the Tax Cuts and Jobs Act will be included beginning January 1, 2018 (with the 2018 True-Up).

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Public Service Company of Colorado
Transmission Formula Rate Settlement Template
Twelve Months Ended December 31, 20XX
Annual Transmission Revenue Requirements- Estimated

Table 4
ATRR Est.

Line No.	RATE BASE & RETURN CALCULATION	Reference/Notes	Total Col. (3)	Allocator (Note O) Col. (4)	Transmission Col. (5)
	Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5)
1	GROSS PLANT IN SERVICE	(Note A)			
2	Production	WP_B-1 Col. (d), Line 2	-	NA 0.00%	-
3	Transmission	WP_B-1 Col. (d), Line 3	-	DA 100%	0
4	Distribution	WP_B-1 Col. (d), Line 4	-	NA 0.00%	-
5	General Plant	WP_B-1 Col. (d), Line 5	-	W/S 0.00%	0
6	Intangible Plant	WP_B-1 Col. (d), Line 6	-	W/S 0.00%	0
7	Common Intangible	WP_B-1 Col. (d), Line 7	-	CE 0.00%	0
8	Common General	WP_B-1 Col. (d), Line 8	-	CE 0.00%	0
9	TOTAL GROSS PLANT	Sum Lines 2 through 8	-	GP	-
10		Line 9, Col (5) divided by Col (3)		= 0.00%	
11					
12	ACCUMULATED DEPRECIATION	(Note A)			
13	Production	WP_B-1 Col. (d), Line 12	-	NA 0.00%	-
14	Transmission	WP_B-1 Col. (d), Line 13	-	DA 100%	-
15	Distribution	WP_B-1 Col. (d), Line 14	-	NA 0.00%	-
16	General Plant	WP_B-1 Col. (d), Line 15	-	W/S 0.00%	-
17	Intangible Plant	WP_B-1 Col. (d), Line 16	-	W/S 0.00%	-
18	Common Intangible	WP_B-1 Col. (d), Line 17	-	CE 0.00%	-
19	Common General	WP_B-1 Col. (d), Line 18	-	CE 0.00%	-
20	TOTAL ACCUMULATED DEPRECIATION	Sum Lines 13 through 19	-		-
21					
22	NET ACQUISITION ADJUSTMENT	(Note B)			
23	Production	WP_B-4 Col.(i) Line 15	-	NA 0.00%	-
24	Transmission Serving Production	WP_B-4 Col.(j) Line 15	-	NA 0.00%	-
25	Transmission Serving Transmission	WP_B-4 Col.(k) Line 15	-	DA 100%	-
26	TOTAL NET ACQUISITION ADJUSTMENT	Sum Lines 23 through 25	-		-
27					
28	NET PLANT IN SERVICE	(Note A)			

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29	Production	Line 2 minus 13 plus 23 plus 24	-	-	-	-
30	Transmission	Line 3 minus 14 plus 25	-	-	-	-
31	Distribution	Line 4 minus 15	-	-	-	-
32	General Plant	Line 5 minus 16	-	-	-	-
33	Intangible Plant	Line 6 minus 17	-	-	-	-
34	Common Intangible	Line 7 minus 18	-	-	-	-
35	Common General	Line 8 minus 19	-	-	-	-
36	TOTAL NET PLANT IN SERVICE	Sum Lines 29 through 35	-	-	-	-
37		Line 36, Col (5) divided by Col (3)		NP=	0.00%	-
38						
39	OTHER RATE BASE ITEMS	(Note C)				
40	Account No. 281	WP_B-2 Col (c) & (e), Line 3	-	DA	0.00%	-
41	Account No. 282	WP_B-2 Col (c) & (e), Line 30	-	DA		-
42	Account No. 283	WP_B-2 Col (c) & (e), Line 44	-	DA		-
43	Account No. 190	WP_B-3 Col (c) & (e), Line 81	-	DA		-
44	Account 182.3- Deficient ADIT (Non Plant)	WP_B-3- Deficient ADIT		DA		
45	Account 254- Excess ADIT (Non Plant)	WP_B-2- Excess ADIT		DA		
46	Regulatory Liabilities- FERC Account No. 254 (Note C)	WP_B-7 Col (e), Line 14	-	W/S	0.00%	-
47	Account No. 255	267.8.h	-	DA	100%	-
48	Account No. 107 (CWIP) (Note E)	WP_B-8 Col (a), Line 16	-	DA	100%	-
49	Net Pre-Funded AFUDC on CWIP included (Note E)	WP_B-8 Col (d), Line 16	-	DA	100%	-
50	Unamortized Balance of Abandoned Incentive Plant (Note E)	WP_B-Inputs Est. Line 143	-	DA	100%	-
51	Unamortized Balance of Extraordinary Property Loss (Note E)	WP_B-Inputs Est. Line 143	-	DA	100%	-
52	TOTAL OTHER RATE BASE ITEMS	Sum Lines 40 through 51	-			-
53						
54	LAND HELD FOR FUTURE USE (Note F)	WP_B-Inputs Est. Line 143	-	TP	0.00%	-
55						
56	WORKING CAPITAL					
57	Cash Working Capital	(Note G)	-			-
58	Materials & Supplies - Transmission	WP_B-6 Line 29	-	TP	0.00%	-
59	Materials & Supplies - Other	WP_B-6 Line 31	-	NP	0.00%	-
60	Prepayments (Account 165) Plant Related	WP_B-5 Line 8	-	NP	0.00%	-
61	Prepayments (Account 165) Labor Related	WP_B-5 Line 16	-	W/S	0.00%	-
62	Prepayments (Account 165) Transmission Related	WP_B-5 Line 20	-	TP	0.00%	-

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63	Prepayments (Account 165) Other Not Allocated	WP_B-5 Line 44	-	NA	0.00%	-
64	TOTAL WORKING CAPITAL	Sum Lines 57 through 63	-			-
65						
66	RATE BASE	Line 36 plus 52 plus 54 plus 64	-			-
67						
68	Rate of Return	Line 166	0.00%			0.00%
69						
70	RETURN (Rate Base * Rate of Return)	Line 66 times Line 68	-			-

Line No.	EXPENSE, TAXES & REVENUE		Reference/Notes	Total Col. (3)	Allocator (Note O) Col. (4)	Total Transmission Col. (5)
	REQUIREMENTS	CALCULATION				
		Col. (1)	Col. (2)			
71	OPERATION & MAINTENANCE EXPENSE					
72	Transmission		WP_C-1 Line 31	-		
73	Less Total Account 561		WP_C-1 Line 36	-		
74	Add Back Account 561.4		WP_C-1 Line 5	-		
75	Add Back Account 561.5		WP_C-1 Line 6	-		
76	Add Back Account 561.6		WP_C-1 Line 7	-		
77	Add Back Account 561.7		WP_C-1 Line 8	-		
78	Add Back Account 561.8		WP_C-1 Line 9	-		
79	Less Total Account 565 (Note H)		WP_C-1 Line 13	-		
80	Add Back Account 565.25- System Integration Costs		WP_C-1 Line 34	-		
81	Transmission Subtotal		Sum Lines 72 through 80	-	TP 0.00%	-
82						
83	Administrative and General (Note I)		WP_C-2 Line 15	-		
84	Less: Acc. 924, Property Insurance		WP_C-2 Line 5	-		
85	Balance of A & G		Sum Lines 83 through 84	-	W/S 0.00%	-
86	Plus: Account 924, Property Insurance		Line 84	-	NP 0.00%	-
87	Account 928 - Transmission Specific		WP_C-4 Line 6	-	DA 100%	-
88	A & G Subtotal		Sum Lines 85 through 87	-		-
89						
90	TOTAL O & M EXPENSE		Line 81 plus Line 88	-		-
91						
92						
93	DEPRECIATION AND AMORTIZATION EXPENSE					

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94	Transmission	WP_B-1 Line 24 Col. (d)	-	DA	100%	-
95	Plus: Pre-Funded AFUDC Amortization (Note E)	WP_B-8 Col (f), Line 18	-	DA	100%	-
96	Plus: Recovery of Abandoned Incentive Plant (Note E)	WP_B-Inputs Est. Line 143	-	DA	100%	-
97	Plus: Recovery of Extraordinary Property Loss (Note E)	WP_B-Inputs Est. Line 143	-	DA	100%	-
98	General	WP_B-1 Line 26 Col. (d)	-	W/S	0.00%	-
99	Intangible	WP_B-1 Line 27 Col. (d)	-	W/S	0.00%	-
100	Common Intangible	WP_B-1 Line 28 Col. (d)	-	CE	0.00%	-
101	Common General	WP_B-1 Line 29 Col. (d)	-	CE	0.00%	-
102	Acquisition Adjustment Amortization (Note F)	WP_B-4 Line 15 Col. Col. (o)	-	DA	100%	-
103	TOTAL DEPRECIATION AND AMORTIZATION	Sum Lines 94 through 102	-			-
104						
105	TAXES OTHER THAN INCOME	(Note J)				
106	Labor Related	WP_D-1 Line 5	-	W/S	0.00%	-
107	Plant Related	WP_D-1 Line 9	-	NP	0.00%	-
108	Miscellaneous	WP_D-1 Line 12 Sum Lines 106 through 108	-	NA	0.00%	-
109	TOTAL OTHER TAXES		-			-
110						
111	INCOME TAXES	(Note K)				
112	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		0.00%			
113	$CIT=(T/1-T) * (1-(WCLTD/R)) =$		0.00%			
114	where WCLTD=(line 153) and R= (line 156)					
115	and FIT, SIT & p are as given in Note K.					
116	$1 / (1 - T) =$ (from ln 110)		-			
117	Amortized Investment Tax Credit (enter negative)	Company Records				
118						
119	Excess ADIT Amortization (Credit) (Note Q)	WP_B-2-Excess ADIT				
120	Deficient ADIT Amortization (Debit) (Note Q)	WP_B-3-Deficient ADIT				
121						
122	Income Tax Calculation	Line 70 times Line 113	-			-
123	ITC adjustment	Line 116 times Line 117	-	NP	0.00%	-
124	Excess ADIT Amortization (Credit)	Line 116 times Line 119				
125	Deficient ADIT Amortization (Debit)	Line 116 times Line 120				
126	TOTAL INCOME TAXES	Sum Lines 122 through 125	-			-
127						
128						
129	REVENUE CREDITS	(Note L)				
130	Account No. 454 (Rent from Transmission Facilities)	WP_E-1 Line 4	-	DA	100%	-

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131	Account No. 421.1 (Gain From Disposition of Utility Plant)	WP_E-1 Line 14	-	WS	0.00%	-
132	Account No. 456.0 (Revenue from Schedule 18)	WP_E-1 Line 9	-	DA	100%	-
133	Account No. 456.1 (Revenue from Trans. of Elect. of Others)	WP_F-1 Line 8 Col. (b)	-	DA	100%	-
134	Account No. 456.1 (Revenue from Trans. of Elect. of Others)	WP_F-1 Line 8 Col. (c)	-	DA	100%	-
135	Settlement Credit	Note P	726,905	DA	100%	-
136	Total Revenue Credits		726,905			-
137						
138	REVENUE REQUIREMENT		(726,905)			-

Line No.	SUPPORTING CALCULATIONS	Reference/Notes	Total Col. (3)	Allocator (Note O) Col. (4)	Total Transmission Col. (5)
139	TRANSMISSION PLANT INCLUDED IN THE ATRR	(Note M)			
140	Transmission plant	WP_B-1 Col. (a), Line 3			-
141	Transmission related Acquisition Adjustment	WP_B-4 Col. (c), Line 15			-
142	Total Transmission Plant	Sum Lines 140 through 141			-
143	Eliminate Generator Step-up facilities	WP_B-Inputs Est. Line 118			-
144	Transmission plant included in OATT Trans Rate	Sum Lines 142 through 143			-
145	Percent of Transmission Plant in the ATRR	Line 1144 divided by Line 142		TP=	0.00%
146					
147	WAGES & SALARY ALLOCATOR (W/S)				
148	Production	Company Records WP_C-1 Line 31		NA	0.00% -
149	Transmission	Col. (b)	-	TP	0.00% -
150	Regional Market	Company Records		NA	0.00% -
151	Distribution	Company Records		NA	0.00% -
152	Other	Company Records		NA	0.00% -
153	Total	Sum Lines 148 through 152	-		-
154					
155	W/S Allocator	Line 153, Col. (5) divided by Col. (3)		W/S=	0.00%
156					
157	Common to Electric Transmission Allocator	Common Plant to Electric (Common Plant Study)			
158		W/S Allocator, Line			0.00%

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159		155			
160		Line 157 times Line			
161		158		CE=	0.00%
162	RETURN				
163	Long Term Debt	(Note N)	\$	%	Cost
164	Preferred Stock	WP_G-1 Col (n),			Weighted
165	Common Stock	Line 6	-	0.00	
166	Total	WP_G-1 Col (n),		0.00%	0.0000
167		Line 8	-	0.00%	0.0000
168		WP_G-1 Col (n),		0.00	
		Line 14	-	9.72%	0.0000
		Sum Lines 163			
		through 165	-	ROR=	0.0000

169	PREPAYMENTS	ALLOCATION	FACTOR	TO
170	ELECTRIC			
171	Total Electric Plant in Service	207, Ln.100, Col.		
172	Common PIS Allocated to Electric	(g)		
173	Electric Plant Held for Future Use	356		
174	Electric Construction Work in Progress	214, Ln. 47, Col. (d)		
175	Common CWIP Allocated to Electric	216, Ln. 43, Col. (b)		
176	Total Electric Plant	356		
177	Total Utility Plant	Sum Lines 163		
178		through 167	-	
179	Electric Plant to Total Plant Allocation Factor	110, Ln. 4, Col. (c)		
		Line 176 divided by		
		Line 177	0.00%	

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General Notes: a) References to data from FERC Form No. 1 are indicated as: page#.line#.col.#

Notes:

- A Gross Plant, Accumulated Depreciation Reserves will be the average of thirteen monthly balances.
- B Transmission serving transmission related amounts associated with the Calpine Acquisition are included.

Future Acquisition Adjustment amounts will not be included in the formula except as directed by the Commission pursuant to a Section 205 filing.

The Net Acquisition Adjustment will be the average of thirteen monthly balances.

- C Reflects the BOY/EOY average of the transmission related portion of balances in Accounts 281, 282, 283, 190 and 255 as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106, 109, 133, 158 or FASB Interpretation No. 48. Balance of Account 255 is reduced by prior flow throughs and completely excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note k. The calculation of ADIT for both the true-up and the annual projection will be performed in accordance with IRS regulation Section 1.167(l)-1(h)(6). The Annual True-Up for a given year will use the same methodology that was used to project that year's rates. (Except for ADIT proration, which is described in Table 39, WP_ADIT Prorate.) The annual true-up calculation will use the beginning-of-year and end-of-year balances as set forth in Table 8, Workpaper B-2, Estimated and Table 9, Workpaper B-3, Estimated; and the calculation of ADIT in the annual projection will be performed as set forth in Table 8, Workpaper B-2, Actual and Table 9, Workpaper B-3, Actual.

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- D The Regulatory Liability associated with the sale of the Technical Service Building (TSB) will be included in Rate Base. Future Regulatory Liabilities will not be included in the formula except as directed by the Commission pursuant to a Section 205 filing.
- E Includes any incentive Construction Work in Progress (CWIP), any related Pre-funded Allowance for Funds Used During Construction (AFUDC), any unamortized balances related to the recovery of abandoned incentive plant costs, any extraordinary property losses and any related depreciation and amortization expense amounts.
 Formula amounts for all of the foregoing items will remain at \$0 until approved by FERC pursuant to a Section 205 filing under a separate docket.
- F Includes only transmission related or functionally booked as transmission land held for future use.
- G Cash Working Capital will be set at and remain \$0 until such time as PSCo files and receives FERC approval.
- H Account 565 Transmission by Others is included only to the extent used to integrate the PSCo Transmission system.
- I Post-Employment Benefits Other than Pensions (FAS 106) shall remain as a stated, fixed amount and shall not be changed except as directed by the Commission following a filing seeking such change pursuant to section 205 or 206 of the FPA. The adjustment is shown on WP_C-3 PBOP.
 Regulatory Commission expenses (FERC Account 928) will be directly assigned or allocated to Transmission.
 General Advertising Expenses (FERC Account 930.1) will be excluded.
 All industry association dues recorded in FERC Account 930.2 will be excluded. The adjustment is shown on WP_C-2, Note 4.
- J Includes only FICA, unemployment, property, and other assessments charged in the current year.
 Taxes related to income are excluded. Franchise taxes are not included in transmission revenue requirement in the Rate Formula Template,
- K The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and $p =$
 "the percentage of federal income tax deductible for state income taxes".
 PSCo has elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) less adjustments multiplied by $(1/1-T)$ (page 3, line 30).
- | | | | |
|------------------|-------|--|--|
| Inputs Required: | FIT = | | |
| | SIT= | | (State Income Tax Rate or Composite SIT) |
| | $p =$ | | (percent of FIT deductible for state purposes) |
- If a change in an income tax rate is known sufficiently in advance to be reflected in the estimated rates that will become effective January 1 for the upcoming formula rate year, PSCo will reflect the new tax rate(s) in the estimated rate calculations for the months in which the new tax rate will be in effect for the formula rate year. Otherwise, such tax change will be captured and reflected in the annual formula true-up by weighting the tax rates in effect during the year by the number of days each such tax rate was in effect.
- L Includes income related to transmission facilities, such as pole attachments, rentals and special use for the Transmission facilities included herein.
 FERC 421.1 Gain on the Disposition of Utility Property will be assigned or allocated to the transmission function based on the specific property sold.
 Revenue from coincident peak loads included in the DIVISOR are also not included as revenue credits unless this revenue is offset by a corresponding expense
- M Removes the dollars of plant booked to transmission plant that is excluded from the Tariff because it does not meet the Tariff's definition of Transmission Facilities, or is booked to transmission (e.g. step-up transformers) that is included in the development of OATT ancillary service rates,
 or is otherwise not eligible to be recovered under this Tariff.
- N Return on Equity will be set at 9.72%. Thereafter, any change will require a filing with the Commission pursuant to FPA Section 205 or a Commission order pursuant to FPA Section 206.
 If and when the Company issues preferred stock, footnote will indicate the authorizing regulatory agency, the docket/case number, and the date of the authorizing order.
- O The calculation of the **GP** Allocator is found on Line 10.
 The calculation of the **NP** Allocator is found on Line 37.

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The calculation of the **WIS** Allocator is found on Line 155.

The calculation of the **CE** Allocator is found on Line 159.

The calculation of the **TP** Allocator is found on Line 145.

- P The Company agreed in Docket No. ER12-1589-000 to include a total company credit in the Transmission Formula Template equal to \$726,905. This amount is fixed and cannot be

changed without a Section 205 or 206 filing.

- Q Includes the amortization of any excess/deficient deferred income taxes resulting from changes to income tax laws, income tax rates (including changes in apportionment) and other actions taken by a taxing authority. Excess and deficient deferred income taxes will reduce or increase tax expense by the amount of the excess or deficiency multiplied by $(1/(1-T))$. Amortizations of excess/deficient deferred income taxes resulting from the enactment of the Tax Cuts and Jobs Act will be included beginning January 1, 2018 (with the 2018 True-Up)

Xcel Energy Operating Companies
FERC FPA Electric Tariff
Third Revised Volume No. 1

Att O-PSCo Formula Rate,
Table 4, ATRR Est
Version ~~0.4.0~~ 0.4.5
Proposed Effective Date: ~~1/1/2019~~ 1/1/2019
Page 1 of 1

Proposed Effective Date: 1/1/2018

Public Service Company of Colorado
Transmission Formula Rate Settlement Template
Twelve Months Ended December 31, 20XX
Annual Transmission Revenue Requirements- Actual

Table 5
ATRR Act

Line No.	RATE BASE & RETURN CALCULATION	Reference/Notes	Total	Allocator (Note O)	Transmission
	Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5)
1	GROSS PLANT IN SERVICE	(Note A)			
2	Production	WP_B-1 Col. (d), Line 2	-	NA 0.00%	-
3	Transmission	WP_B-1 Col. (d), Line 3	-	DA 100%	-
4	Distribution	WP_B-1 Col. (d), Line 4	-	NA 0.00%	-
5	General Plant	WP_B-1 Col. (d), Line 5	-	W/S 0.00%	-
6	Intangible Plant	WP_B-1 Col. (d), Line 6	-	W/S 0.00%	-
7	Common Intangible	WP_B-1 Col. (d), Line 7	-	CE 0.00%	-
8	Common General	WP_B-1 Col. (d), Line 8	-	CE 0.00%	-
9	TOTAL GROSS PLANT	Sum Lines 2 through 8	-		-
10		Line 9, Col. (5) divided by Col. (3)		GP= 0.00%	
11					
12	ACCUMULATED DEPRECIATION	(Note A)			
13	Production	WP_B-1 Col. (d), Line 12	-	NA 0.00%	-
14	Transmission	WP_B-1 Col. (d), Line 13	-	DA 100%	-
15	Distribution	WP_B-1 Col. (d), Line 14	-	NA 0.00%	-
16	General Plant	WP_B-1 Col. (d), Line 15	-	W/S 0.00%	-
17	Intangible Plant	WP_B-1 Col. (d), Line 16	-	W/S 0.00%	-
18	Common Intangible	WP_B-1 Col. (d), Line 17	-	CE 0.00%	-
19	Common General	WP_B-1 Col. (d), Line 18	-	CE 0.00%	-
20	TOTAL ACCUMULATED DEPRECIATION	Sum Lines 13 through 19	-		-
21					
22	NET ACQUISITION ADJUSTMENT	(Note B)			
23	Production	WP_B-4 Col.(i), Line 15	-	NA 0.00%	-
24	Transmission Serving Production	WP_B-4 Col.(j), Line 15	-	NA 0.00%	-
25	Transmission Serving Transmission	WP_B-4 Col.(k), Line 15	-	DA 100%	-
26	TOTAL NET ACQUISITION ADJUSTMENT	Sum Lines 23 through 25	-		-
27					
28	NET PLANT IN SERVICE	(Note A)			
29	Production	Line 2 minus 13			

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		plus 23 plus 24	-		-
30	Transmission	Line 3 minus 14 plus 25	-		-
31	Distribution	Line 4 minus 15	-		-
32	General Plant	Line 5 minus 16	-		-
33	Intangible Plant	Line 6 minus 17	-		-
34	Common Intangible	Line 7 minus 18	-		-
35	Common General	Line 8 minus 19	-		-
36	TOTAL NET PLANT IN SERVICE	Sum Lines 29 through 35	-		-
37		Line 36, Col (5) divided by Col (3)		NP=	0.00%
38					
39	OTHER RATE BASE ITEMS	(Note C)			
40	Account No. 281	WP_B-2 Col. (c) & (e), Line 3	-	DA	0.00% -
41	Account No. 282	WP_B-2 Col. (c) & (e), Line 30	-	DA	-
42	Account No. 283	WP_B-2 Col. (c) & (e), Line 83	-	DA	-
43	Account No. 190	WP_B-3 Col. (c) & (e), Line 84	-	DA	-
44	Account 182.3-Deficient ADIT	WP_B-3-Deficient ADIT		DA	
45	Account 254-Excess ADIT	WP_B-2-Excess ADIT		DA	
46	Regulatory Liabilities- FERC Account No. 254 (Note C)	WP_B-7 Line 14	-	W/S	0.00% -
47	Account No. 255	267.8.h	-	DA	100% -
48	Account No. 107 (CWIP) (Note E)	WP_B-8 Col. (a), Line 16	-	DA	100% -
49	Net Pre-Funded AFUDC on CWIP included (Note E)	WP_B-8 Col. (d), Line 16	-	DA	100% -
50	Unamortized Balance of Abandoned Incentive Plant (Note E)	WP_B-Inputs Act. Line 142	-	DA	100% -
51	Unamortized Balance of Extraordinary Property Loss (Note E)	WP_B-Inputs Act. Line 142	-	DA	100% -
52	TOTAL OTHER RATE BASE ITEMS	Sum Lines 40 through 51	-		-
53					
54	LAND HELD FOR FUTURE USE (Note F)	WP_B-Inputs Act. Line 142	-	TP	0.00% -
55					
56	WORKING CAPITAL				
57	Cash Working Capital	(Note G)	-		-
58	Materials & Supplies - Transmission	WP_B-6 Line 29	-	TP	0.00% -
59	Materials & Supplies - Other	WP_B-6 Line 31	-	NP	0.00% -
60	Prepayments (Account 165) Plant Related	WP_B-5 Line 8	-	NP	0.00% -
61	Prepayments (Account 165) Labor Related	WP_B-5 Line 16	-	W/S	0.00% -
62	Prepayments (Account 165) Transmission Related	WP_B-5 Line 20	-	TP	0.00% -
63	Prepayments (Account 165) Other Not Allocated	WP_B-5 Line 44	-	NA	0.00% -

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			-	-
64	TOTAL WORKING CAPITAL	Sum Lines 57 through 63	-	-
65				
66	RATE BASE	Line 36 plus 52 plus 54 plus 64	-	-
67				
68	Rate of Return	Line 166	0.00%	0.00%
69				
70	RETURN (Rate Base * Rate of Return)	Line 66 times Line 68	-	-

Line No.	EXPENSE, TAXES & REVENUE		Reference/Notes	Total	Allocator (Note O)	Total Transmission
	REQUIREMENTS	CALCULATION				
		Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5)
71	OPERATION & MAINTENANCE EXPENSE					
72	Transmission		WP_C-1 Line 31	-		
73	Less Total Account 561		WP_C-1 Line 36	-		
74	Add Back Account 561.4		WP_C-1 Line 5	-		
75	Add Back Account 561.5		WP_C-1 Line 6	-		
76	Add Back Account 561.6		WP_C-1 Line 7	-		
77	Add Back Account 561.7		WP_C-1 Line 8	-		
78	Add Back Account 561.8		WP_C-1 Line 9	-		
79	Less Total Account 565 (Note H)		WP_C-1 Line 13	-		
80	Add Back Account 565.25- System Integration Costs		WP_C-1 Line 34	-		
81	Transmission Subtotal		Sum Lines 72 through 80	-	TP 0.00%	-
82						
83	Administrative and General (Note I)		WP_C-2 Line 15	-		
84	Less: Acc. 924, Property Insurance		WP_C-2 Line 5	-		
85	Balance of A & G		Sum Lines 83 through 84	-	W/S 0.00%	-
86	Plus: Account 924, Property Insurance		Line 84	-	NP 0.00%	-
87	Account 928 - Transmission Specific		WP_C-4 Line 7	-	DA 100%	-
88	A & G Subtotal		Sum Lines 85 through 87	-		-
89						
90	TOTAL O & M EXPENSE		Line 81 plus Line 88	-		-
91						
92						
93	DEPRECIATION AND AMORTIZATION EXPENSE					
94	Transmission		WP_B-1 Line 24		DA 100%	

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		Col. (d)	-		-
95	Plus: Pre-Funded AFUDC Amortization (Note E)	WP_B-8 Col (f), Line 18	-	DA 100%	-
96	Plus: Recovery of Abandoned Incentive Plant (Note E)	WP_B-Inputs Act. Line 142	-	DA 100%	-
97	Plus: Recovery of Extraordinary Property Loss (Note E)	WP_B-Inputs Act. Line 142	-	DA 100%	-
98	General	WP_B-1 Line 26 Col. (d)	-	W/S 0.00%	-
99	Intangible	WP_B-1 Line 27 Col. (d)	-	W/S 0.00%	-
100	Common Intangible	WP_B-1 Line 28 Col. (d)	-	CE 0.00%	-
101	Common General	WP_B-1 Line 29 Col. (d)	-	CE 0.00%	-
102	Acquisition Adjustment Amortization (Note F)	WP_B-4 Line 15 Col. Col. (o)	-	DA 100%	-
103	TOTAL DEPRECIATION AND AMORTIZATION	Sum Lines 94 through 102	-		-
104					
105	TAXES OTHER THAN INCOME	(Note J)			
106	Labor Related	WP_D-1 Line 5	-	W/S 0.00%	-
107	Plant Related	WP_D-1 Line 9	-	NP 0.00%	-
108	Miscellaneous	WP_D-1 Line 12	-	NA 0.00%	-
109	TOTAL OTHER TAXES	Sum Lines 106 through 108	-		-
110					
111	INCOME TAXES	(Note K)			
112	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		0.00%		
113	$CIT=(T/1-T) * (1-(WCLTD/R)) =$		0.00%		
114	where WCLTD=(line 153) and R= (line 156)				
115	and FIT, SIT & p are as given in Note K.				
116	$1 / (1 - T) =$ (from ln 110)		-		
117	Amortized Investment Tax Credit (enter negative)	FF1 266.8.f			
118					
119	Excess ADIT Amortization (Credit) (Note Q)	WP_B-2-Excess ADIT			
120	Deficient ADIT Amortization (Debit) (Note Q)	WP_B-3-Excess ADIT			
121					
122	Income Tax Calculation	Line 70 times Line 113	-		-
123	ITC adjustment	Line 116 times Line 117	-	NP 0.00%	-
124	Excess ADIT Amortization (Credit)	Line 116 times Lines 119			
125	Deficient ADIT Amortization (Debit)	Line 116 times Line 120			
126	TOTAL INCOME TAXES	Sum Lines 122 through 125	-		-
127					
128					
129	REVENUE CREDITS	(Note L)			
130	Account No. 454 (Rent from Transmission Facilities)	WP_E-1 Line 4	-	DA 100%	-
131	Account No. 421.1 (Gain From Disposition of	WP_E-1 Line 14		WS 0.00%	

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	Utility Plant)		-		-
132	Account No. 456.0 (Revenue from Schedule 18)	WP_E-1 Line 9	-	DA 100%	-
133	Account No. 456.1 (Revenue from Trans. of Elect. of Others)	WP_F-1 Line 8 Col. (b)	-	DA 100%	-
134	Account No. 456.1 (Revenue from Trans. of Elect. of Others)	WP_F-1 Line 8 Col. (c)	-	DA 100%	-
135	Settlement Credit	Note P	726,905	DA 100%	-
136	Total Revenue Credits		-		-
137					
138	REVENUE REQUIREMENT		-		-

Line No.	SUPPORTING CALCULATIONS	Reference/Notes	Total	Allocator (Note O)	Total Transmission
	Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5)
139	TRANSMISSION PLANT INCLUDED IN THE ATRR	(Note M)			
140	Transmission plant	WP_B-1 Col. (a), Line 3			-
141	Transmission related Acquisition Adjustment	WP_B-4 Col. (c), Line 15			-
142	Total Transmission Plant	Sum Lines 140 through 141			-
143	Eliminate Generator Step-up facilities	WP_B-Inputs Act. Line 117			-
144	Transmission plant included in OATT Trans Rate	Sum Lines 142 through 143			-
145	Percent of Transmission Plant in the ATRR	Line 144 divided by Line 142		TP=	0.00%
146					
147	WAGES & SALARY ALLOCATOR (W/S)				
148	Production	FF1. 354.20.b		NA 0.00%	-
149	Transmission	WP_C-1 Line 31 Col. (b)	-	TP 0.00%	-
150	Regional Market	FF1. 354.22.b		NA 0.00%	-
151	Distribution	FF1. 354.23.b		NA 0.00%	-
152	Other	FF1. 354.24.b		NA 0.00%	-
153	Total	Sum Lines 148 through 152	-		-
154					
155	W/S Allocator	Line 153, Col. (5) divided by Col. (3)		W/S=	0.00%
156					
157	Common to Electric Transmission Allocator	FF1.356			
158		W/S Allocator, Line 155			0.00%
159		Line 157 times Line 158		CE=	0.00%
160					

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161						
162	RETURN	(Note N)	\$	%	Cost	Weighted
				0.00		
163	Long Term Debt	WP_G-1 Line 6	-	%	0.00%	0.0000
				0.00		
164	Preferred Stock	WP_G-1 Line 8	-	%	0.00%	0.0000
				0.00		
165	Common Stock	WP_G-1 Line 14	-	%	9.72%	0.0000
		Sum Lines 163 through 165	-		ROR=	0.0000
166	Total					
167						
168						
	PREPAYMENTS ALLOCATION FACTOR TO ELECTRIC					
169						
170						
171	Total Electric Plant in Service	207, Ln.100, Col. (g)				
172	Common PIS Allocated to Electric	356				
173	Electric Plant Held for Future Use	214, Ln. 47, Col. (d)				
174	Electric Construction Work in Progress	216, Ln. 43, Col. (b)				
175	Common CWIP Allocated to Electric	356				
176	Total Electric Plant	Sum Lines 171 through 175	-			
177	Total Utility Plant	110, Ln. 4, Col. (c), plus Ln. 16, Col. (c)				
178						
179	Electric Plant to Total Plant Allocation Factor	Line 176 divided by Line 177			0.00%	

20XX
FERC
Form
No. 1

General Notes: a) References to data from FERC Form No. 1 are indicated as: page#.line#.col.#

Notes:

- A Gross Plant, Accumulated Depreciation Reserves will be the average of thirteen monthly balances.
- B Transmission serving transmission related amounts associated with the Calpine Acquisition are included.
Future Acquisition Adjustment amounts will not be included in the formula except as directed by the Commission pursuant to a Section 205 filing.
The Net Acquisition Adjustment will be the average of thirteen monthly balances.
- C Reflects the BOY/EOY average of the transmission related portion of balances in Accounts 281, 282, 283, 190 and 255 as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106, 109, 133, 158 or FASB Interpretation No. 48. Balance of Account 255 is reduced by prior flow throughs and completely excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note k. The calculation of ADIT for both the true-up and the annual projection will be performed in accordance with IRS regulation Section 1.167(l)-1(h)(6). The Annual True-Up for a given year will use the same methodology that was used to project that year's rates. The annual true-up calculation will use the beginning-of-year and end-of-year balances as set forth in Table 8, Workpaper B-2, Estimated and Table 9, Workpaper B-3, Estimated; and the calculation of ADIT in the annual projection will be performed as set forth in Table 8, Workpaper B-2, Actual and Table 9, Workpaper B-3, Actual.

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- Inputs Required:
- | | | |
|-------|--|--|
| FIT = | | |
| SIT= | | (State Income Tax Rate or Composite SIT) |
| p = | | (percent of FIT deductible for state purposes) |
- If a change in an income tax rate is known sufficiently in advance to be reflected in the estimated rates that will become effective January 1 for the upcoming formula rate year, PSCo will reflect the new tax rate(s) in the estimated rate calculations for the months in which the new tax rate will be in effect for the formula rate year. Otherwise, such tax change will be captured and reflected in the annual formula true-up by weighting the tax rates in effect during the year by the number of days each such tax rate was in effect.
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- N Return on Equity will be set at 9.72%. Thereafter, any change will require a filing with the Commission pursuant to FPA Section 205 or a Commission order pursuant to FPA 206.
 If and when the Company issues preferred stock, footnote will indicate the authorizing regulatory agency, the docket/case

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- number, and the date of the authorizing order.
- O The calculation of the **GP** Allocator is found on Line 10.
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Public Service Company of Colorado
Transmission Formula Rate Settlement Template
Twelve Months Ended December 31, 20XX
Annual Transmission Revenue Requirements- Actual

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ATRR Act

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	Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5)
1	GROSS PLANT IN SERVICE	(Note A)			
2	Production	WP_B-1 Col. (d), Line 2	-	NA 0.00%	-
3	Transmission	WP_B-1 Col. (d), Line 3	-	DA 100%	-
4	Distribution	WP_B-1 Col. (d), Line 4	-	NA 0.00%	-
5	General Plant	WP_B-1 Col. (d), Line 5	-	W/S 0.00%	-
6	Intangible Plant	WP_B-1 Col. (d), Line 6	-	W/S 0.00%	-
7	Common Intangible	WP_B-1 Col. (d), Line 7	-	CE 0.00%	-
8	Common General	WP_B-1 Col. (d), Line 8	-	CE 0.00%	-
9	TOTAL GROSS PLANT	Sum Lines 2 through 8	-		-
10		Line 9, Col. (5) divided by Col. (3)		GP= 0.00%	
11					
12	ACCUMULATED DEPRECIATION	(Note A)			
13	Production	WP_B-1 Col. (d), Line 12	-	NA 0.00%	-
14	Transmission	WP_B-1 Col. (d), Line 13	-	DA 100%	-
15	Distribution	WP_B-1 Col. (d), Line 14	-	NA 0.00%	-
16	General Plant	WP_B-1 Col. (d), Line 15	-	W/S 0.00%	-
17	Intangible Plant	WP_B-1 Col. (d), Line 16	-	W/S 0.00%	-
18	Common Intangible	WP_B-1 Col. (d), Line 17	-	CE 0.00%	-
19	Common General	WP_B-1 Col. (d), Line 18	-	CE 0.00%	-
20	TOTAL ACCUMULATED DEPRECIATION	Sum Lines 13 through 19	-		-
21					
22	NET ACQUISITION ADJUSTMENT	(Note B)			
23	Production	WP_B-4 Col.(i), Line 15	-	NA 0.00%	-
24	Transmission Serving Production	WP_B-4 Col.(j), Line 15	-	NA 0.00%	-
25	Transmission Serving Transmission	WP_B-4 Col.(k), Line 15	-	DA 100%	-
26	TOTAL NET ACQUISITION ADJUSTMENT	Sum Lines 23 through 25	-		-
27					
28	NET PLANT IN SERVICE	(Note A)			
29	Production	Line 2 minus 13			

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		plus 23 plus 24	-		-
30	Transmission	Line 3 minus 14 plus 25	-		-
31	Distribution	Line 4 minus 15	-		-
32	General Plant	Line 5 minus 16	-		-
33	Intangible Plant	Line 6 minus 17	-		-
34	Common Intangible	Line 7 minus 18	-		-
35	Common General	Line 8 minus 19	-		-
36	TOTAL NET PLANT IN SERVICE	Sum Lines 29 through 35	-		-
37		Line 36, Col (5) divided by Col (3)		NP=	0.00%
38					
39	OTHER RATE BASE ITEMS	(Note C)			
40	Account No. 281	WP_B-2 Col. (c) & (e), Line 3	-	DA	0.00% -
41	Account No. 282	WP_B-2 Col. (c) & (e), Line 30	-	DA	-
42	Account No. 283	WP_B-2 Col. (c) & (e), Line 83	-	DA	-
43	Account No. 190	WP_B-3 Col. (c) & (e), Line 84	-	DA	-
44	Account 182.3-Deficient ADIT	WP_B-3-Deficient ADIT		DA	
45	Account 254-Excess ADIT	WP_B-2-Excess ADIT		DA	
46	Regulatory Liabilities- FERC Account No. 254 (Note C)	WP_B-7 Line 14	-	W/S	0.00% -
47	Account No. 255	267.8.h	-	DA	100% -
48	Account No. 107 (CWIP) (Note E)	WP_B-8 Col. (a), Line 16	-	DA	100% -
49	Net Pre-Funded AFUDC on CWIP included (Note E)	WP_B-8 Col. (d), Line 16	-	DA	100% -
50	Unamortized Balance of Abandoned Incentive Plant (Note E)	WP_B-Inputs Act. Line 142	-	DA	100% -
51	Unamortized Balance of Extraordinary Property Loss (Note E)	WP_B-Inputs Act. Line 142	-	DA	100% -
52	TOTAL OTHER RATE BASE ITEMS	Sum Lines 40 through 51	-		-
53					
54	LAND HELD FOR FUTURE USE (Note F)	WP_B-Inputs Act. Line 142	-	TP	0.00% -
55					
56	WORKING CAPITAL				
57	Cash Working Capital	(Note G)	-		-
58	Materials & Supplies - Transmission	WP_B-6 Line 29	-	TP	0.00% -
59	Materials & Supplies - Other	WP_B-6 Line 31	-	NP	0.00% -
60	Prepayments (Account 165) Plant Related	WP_B-5 Line 8	-	NP	0.00% -
61	Prepayments (Account 165) Labor Related	WP_B-5 Line 16	-	W/S	0.00% -
62	Prepayments (Account 165) Transmission Related	WP_B-5 Line 20	-	TP	0.00% -
63	Prepayments (Account 165) Other Not Allocated	WP_B-5 Line 44	-	NA	0.00% -

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			-	-
64	TOTAL WORKING CAPITAL	Sum Lines 57 through 63	-	-
65				
66	RATE BASE	Line 36 plus 52 plus 54 plus 64	-	-
67				
68	Rate of Return	Line 166	0.00%	0.00%
69				
70	RETURN (Rate Base * Rate of Return)	Line 66 times Line 68	-	-

Line No.	EXPENSE, TAXES & REVENUE		Reference/Notes	Total	Allocator (Note O)	Total Transmission
	REQUIREMENTS	CALCULATION				
		Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5)
71	OPERATION & MAINTENANCE EXPENSE					
72	Transmission		WP_C-1 Line 31	-		
73	Less Total Account 561		WP_C-1 Line 36	-		
74	Add Back Account 561.4		WP_C-1 Line 5	-		
75	Add Back Account 561.5		WP_C-1 Line 6	-		
76	Add Back Account 561.6		WP_C-1 Line 7	-		
77	Add Back Account 561.7		WP_C-1 Line 8	-		
78	Add Back Account 561.8		WP_C-1 Line 9	-		
79	Less Total Account 565 (Note H)		WP_C-1 Line 13	-		
80	Add Back Account 565.25- System Integration Costs		WP_C-1 Line 34	-		
81	Transmission Subtotal		Sum Lines 72 through 80	-	TP 0.00%	-
82						
83	Administrative and General (Note I)		WP_C-2 Line 15	-		
84	Less: Acc. 924, Property Insurance		WP_C-2 Line 5	-		
85	Balance of A & G		Sum Lines 83 through 84	-	W/S 0.00%	-
86	Plus: Account 924, Property Insurance		Line 84	-	NP 0.00%	-
87	Account 928 - Transmission Specific		WP_C-4 Line 21	-	DA 100%	-
88	A & G Subtotal		Sum Lines 85 through 87	-		-
89						
90	TOTAL O & M EXPENSE		Line 81 plus Line 88	-		-
91						
92						
93	DEPRECIATION AND AMORTIZATION EXPENSE					
94	Transmission		WP_B-1 Line 24		DA 100%	

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		Col. (d)	-		-
95	Plus: Pre-Funded AFUDC Amortization (Note E)	WP_B-8 Col (f), Line 18	-	DA 100%	-
96	Plus: Recovery of Abandoned Incentive Plant (Note E)	WP_B-Inputs Act. Line 144	-	DA 100%	-
97	Plus: Recovery of Extraordinary Property Loss (Note E)	WP_B-Inputs Act. Line 144	-	DA 100%	-
98	General	WP_B-1 Line 26 Col. (d)	-	W/S 0.00%	-
99	Intangible	WP_B-1 Line 27 Col. (d)	-	W/S 0.00%	-
100	Common Intangible	WP_B-1 Line 28 Col. (d)	-	CE 0.00%	-
101	Common General	WP_B-1 Line 29 Col. (d)	-	CE 0.00%	-
102	Acquisition Adjustment Amortization (Note F)	WP_B-4 Line 15 Col. Col. (o)	-	DA 100%	-
103	TOTAL DEPRECIATION AND AMORTIZATION	Sum Lines 94 through 102	-		-
104					
105	TAXES OTHER THAN INCOME	(Note J)			
106	Labor Related	WP_D-1 Line 5	-	W/S 0.00%	-
107	Plant Related	WP_D-1 Line 9	-	NP 0.00%	-
108	Miscellaneous	WP_D-1 Line 12 Sum Lines 106 through 108	-	NA 0.00%	-
109	TOTAL OTHER TAXES		-		-
110					
111	INCOME TAXES	(Note K)			
112	$T = 1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		0.00%		
113	$CIT = (T / (1 - T)) * (1 - (WCLTD / R)) =$		0.00%		
114	where WCLTD = (line 153) and R = (line 156)				
115	and FIT, SIT & p are as given in Note K.				
116	$1 / (1 - T) =$ (from ln 110)		-		
117	Amortized Investment Tax Credit (enter negative)	FF1 266.8.f			
118					
119	Excess ADIT Amortization (Credit) (Note Q)	WP_B-2-Excess ADIT			
120	Deficient ADIT Amortization (Debit) (Note Q)	WP_B-3-Excess ADIT			
121					
122	Income Tax Calculation	Line 70 times Line 113	-		-
123	ITC adjustment	Line 116 times Line 117	-	NP 0.00%	-
124	Excess ADIT Amortization (Credit)	Line 116 times Line 119			
125	Deficient ADIT Amortization (Debit)	Line 116 times Line 120			
126	TOTAL INCOME TAXES	Sum Lines 122 through 125	-		-
127					
128					
129	REVENUE CREDITS	(Note L)			
130	Account No. 454 (Rent from Transmission Facilities)	WP_E-1 Line 4	-	DA 100%	-
131	Account No. 421.1 (Gain From Disposition of	WP_E-1 Line 14		WS 0.00%	

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	Utility Plant)		-		-
132	Account No. 456.0 (Revenue from Schedule 18)	WP_E-1 Line 9	-	DA 100%	-
133	Account No. 456.1 (Revenue from Trans. of Elect. of Others)	WP_F-1 Line 8 Col. (b)	-	DA 100%	-
134	Account No. 456.1 (Revenue from Trans. of Elect. of Others)	WP_F-1 Line 8 Col. (c)	-	DA 100%	-
135	Settlement Credit	Note P	726,905	DA 100%	-
136	Total Revenue Credits		-		-
137					
138	REVENUE REQUIREMENT		-		-

Line No.	SUPPORTING CALCULATIONS	Reference/Notes	Total	Allocator (Note O)	Total Transmission
	Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5)
139	TRANSMISSION PLANT INCLUDED IN THE ATRR	(Note M)			
140	Transmission plant	WP_B-1 Col. (a), Line 3			-
141	Transmission related Acquisition Adjustment	WP_B-4 Col. (c), Line 15			-
142	Total Transmission Plant	Sum Lines 140 through 141			-
143	Eliminate Generator Step-up facilities	WP_B-Inputs Act. Line 117			-
144	Transmission plant included in OATT Trans Rate	Sum Lines 142 through 143			-
145	Percent of Transmission Plant in the ATRR	Line 144 divided by Line 142		TP=	0.00%
146					
147	WAGES & SALARY ALLOCATOR (W/S)				
148	Production	FF1. 354.20.b		NA 0.00%	-
149	Transmission	WP_C-1 Line 31 Col. (b)	-	TP 0.00%	-
150	Regional Market	FF1. 354.22.b		NA 0.00%	-
151	Distribution	FF1. 354.23.b		NA 0.00%	-
152	Other	FF1. 354.24.b		NA 0.00%	-
153	Total	Sum Lines 148 through 152	-		-
154					
155	W/S Allocator	Line 153, Col. (5) divided by Col. (3)		W/S=	0.00%
156					
157	Common to Electric Transmission Allocator	FF1.356			
158		W/S Allocator, Line 155			0.00%
159		Line 157 times Line 158		CE=	0.00%
160					

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161						
162	RETURN	(Note N)	\$	%	Cost	Weighted
				0.00		
163	Long Term Debt	WP_G-1 Line 6	-	%	0.00%	0.0000
				0.00		
164	Preferred Stock	WP_G-1 Line 8	-	%	0.00%	0.0000
				0.00		
165	Common Stock	WP_G-1 Line 14	-	%	9.72%	0.0000
		Sum Lines 163				
166	Total	through 165	-		ROR=	0.0000
167						
168						
	PREPAYMENTS ALLOCATION FACTOR TO					
169	ELECTRIC					
170						
171	Total Electric Plant in Service	207, Ln.100, Col. (g)				
172	Common PIS Allocated to Electric	356				
173	Electric Plant Held for Future Use	214, Ln. 47, Col. (d)				
174	Electric Construction Work in Progress	216, Ln. 43, Col. (b)				
175	Common CWIP Allocated to Electric	356				
		Sum Lines 171				
176	Total Electric Plant	through 175	-			
177	Total Utility Plant	110, Ln. 4, Col. (c), plus Ln. 16, Col. (c)				
178						
179	Electric Plant to Total Plant Allocation Factor	Line 176 divided by Line 177			0.00%	

20XX
FERC
Form
No. 1

General Notes: a) References to data from FERC Form No. 1 are indicated as: page#.line#.col.#

Notes:

- A Gross Plant, Accumulated Depreciation Reserves will be the average of thirteen monthly balances.
- B Transmission serving transmission related amounts associated with the Calpine Acquisition are included.
Future Acquisition Adjustment amounts will not be included in the formula except as directed by the Commission pursuant to a Section 205 filing.
The Net Acquisition Adjustment will be the average of thirteen monthly balances.
- C Reflects the BOY/EOY average of the transmission related portion of balances in Accounts 281, 282, 283, 190 and 255 as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106, 109, 133, 158 or FASB Interpretation No. 48. Balance of Account 255 is reduced by prior flow throughs and completely excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note k. The calculation of ADIT for both the true-up and the annual projection will be performed in accordance with IRS regulation Section 1.167(l)-1(h)(6). The Annual True-Up for a given year will use the same methodology that was used to project that year's rates. (Except for ADIT proration, which is described in Table 39, WP_ADIT Prorate.) The annual true-up calculation will use the beginning-of-year and end-of-year balances as set forth in Table 8, Workpaper B-2, Estimated and Table 9, Workpaper B-3, Estimated; and the calculation of ADIT in the annual projection will be performed as set forth in Table 8, Workpaper B-2, Actual and Table 9, Workpaper B-3, Actual.

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- D The Regulatory Liability associated with the sale of the Technical Service Building (TSB) will be included in Rate Base. Future Regulatory Liabilities will not be included in the formula except as directed by the Commission pursuant to a Section 205 filing.
- E Includes any incentive Construction Work in Progress (CWIP), any related Pre-funded Allowance for Funds Used During Construction (AFUDC), any unamortized balances related to the recovery of abandoned incentive plant costs, any extraordinary property losses and any related depreciation and amortization expense amounts.
 Formula amounts for all of the foregoing items will remain at \$0 until approved by FERC pursuant to a Section 205 filing under a separate docket.
- F Includes only transmission related or functionally booked as transmission land held for future use.
- G Cash Working Capital will be set at and remain \$0 until such time as PSCo files and receives FERC approval.
- H Account 565 Transmission by Others is included only to the extent used to integrate the PSCo Transmission system.
- I Post-Employment Benefits Other than Pensions (FAS 106) shall remain as a stated, fixed amount and shall not be changed except as directed by the Commission following a filing seeking such change pursuant to section 205 or 206 of the FPA. The adjustment is shown on WP_C-3 PBOP.
 Regulatory Commission expenses (FERC Account 928) will be directly assigned or allocated to Transmission.
 General Advertising Expenses (FERC Account 930.1) will be excluded.
 All industry association dues recorded in FERC Account 930.2 will be excluded. The adjustment is shown on WP_C-2, Note 4.
- J Includes only FICA, unemployment, property, and other assessments charged in the current year.
 Taxes related to income are excluded. Franchise taxes are not included in transmission revenue requirement in the Rate Formula Template,
- K The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and $p =$
 "the percentage of federal income tax deductible for state income taxes".
 PSCo has elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) less adjustments multiplied by $(1/1-T)$ (page 3, line 30).
- Inputs Required:
- | | | |
|-------|--|--|
| FIT = | | |
| SIT= | | (State Income Tax Rate or Composite SIT) |
| p = | | (percent of FIT deductible for state purposes) |
- If a change in an income tax rate is known sufficiently in advance to be reflected in the estimated rates that will become effective January 1 for the upcoming formula rate year, PSCo will reflect the new tax rate(s) in the estimated rate calculations for the months in which the new tax rate will be in effect for the formula rate year. Otherwise, such tax change will be captured and reflected in the annual formula true-up by weighting the tax rates in effect during the year by the number of days each such tax rate was in effect.
- L Includes income related to transmission facilities, such as pole attachments, rentals and special use for the Transmission facilities included herein.
 FERC 421.1 Gain on the Disposition of Utility Property will be assigned or allocated to the transmission function based on the specific property sold.
 Revenue from coincident peak loads included in the DIVISOR are also not included as revenue credits unless this revenue is offset by a corresponding expense
- M Removes the dollars of plant booked to transmission plant that is excluded from the Tariff because it does not meet the Tariff's definition of Transmission Facilities, or is booked to transmission (e.g. step-up transformers) that is included in the development of OATT ancillary service rates,
 or is otherwise not eligible to be recovered under this Tariff.
- N Return on Equity will be set at 9.72%. Thereafter, any change will require a filing with the Commission pursuant to FPA Section 205 or a Commission order pursuant to FPA 206.
 If and when the Company issues preferred stock, footnote will indicate the authorizing regulatory agency, the docket/case

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number, and the date of the authorizing order.

- O The calculation of the **GP** Allocator is found on Line 10.
The calculation of the **NP** Allocator is found on Line 37.
The calculation of the **WIS** Allocator is found on Line 155.
The calculation of the **CE** Allocator is found on Line 159.
The calculation of the **TP** Allocator is found on Line 145.
- P The Company agreed in Docket No. ER12-1589-000 to include a total company credit in the Transmission Formula Template equal to \$726,905. This amount is fixed and cannot be changed without a Section 205 or 206 filing.
- Q Includes the amortization of any excess/deficient deferred income taxes resulting from changes to income tax laws, income tax rates (including changes in apportionment) and other actions taken by a taxing authority. Excess and deficient deferred income taxes will reduce or increase tax expense by the amount of the excess or deficiency multiplied by $(1/(1-T))$. Amortizations of excess/deficient deferred income taxes resulting from the enactment of the Tax Cuts and Jobs Act will be included beginning January 1, 2018 (with the 2018 True-Up).

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**Table
8.1
WP_
B-2 -
Exce
SS
ADIT**

Excess (Credits)	Accumulated	Deferred	Income	Taxes

[illegible]

Proposed Effective Date: 1/1/2018

2									
2	Account 254 - Regulatory Liabilities (2)								
2									
3	Plant Related- Direct Assigned to Production								
2									
4		-		-	-	-	-	-	
2									
5		-		-	-	-	-	-	
2									
6	Total	-	-	-	-	-	-	-	
2									
7									
2									
8	Plant Related- Direct Assigned to Transmission								
2									
9		-		-	-	-	-	-	
3									
0	Total	-	-	-	-	-	-	-	
3									
1									
3									
2	Labor Related								
3									
3		-		-	-	-	-	-	
3									
4		-		-	-	-	-	-	
3									
5		-		-	-	-	-	-	
3									
6		-		-	-	-	-	-	
3									
7	Sub-total labor Related	-	-	-	-	-	-	-	
3						0.00		0.00	
8	Labor Allocation Factors, ATRR Act. Line 147					%		%	
3									
9	Total Plant Related Allocated to Transmission					-		-	
4									
0									
4									
1	Related to All Plant								
4									
2		-		-	-	-	-	-	
4									
3		-		-	-	-	-	-	
4									
4	Sub-total Production Related	-	-	-	-	-	-	-	
4	Net Plant Allocation Factor, ATRR Act. Line					0.00		0.00	
5	36					%		%	
4									
6	Total Related to All Plant					-		-	
4									
7									
4									
8	Retail Related								
4									
9		-		-	-	-	-	-	
5									
0		-		-	-	-	-	-	
5									
1		-		-	-	-	-	-	
5									
2		-		-	-	-	-	-	
5									
3		-		-	-	-	-	-	
5									
5	Sub-total Retail Related								

Approved Effective Date:

[illegible]

1. Plant-related excess ADIT balances are embedded in the plant balances recorded in FERC Account 282, presented on WP_B-2, and are therefore not presented on this page.
2. Excess ADIT Balances recorded in FERC Account 254 are Unprotected.
3. Amortizations of excess/deficient deferred income taxes resulting from the enactment of the Tax Reform and Jobs Act will be included beginning January 1, 2018 (with the 2018 True-Up)

Public Service Company of Colorado

**Table
8.1
WP_
B-2 -
Exce
SS
ADIT**

Transmission Formula Rate Template

Twelve Months Ended December 31, 20XX

Actuals	(Excess)/Deficient Non-Plant ADIT Balances					(Excess)/Deficient ADIT Amortization (3)			Remaining Years to Amortize
	Balance at					Adjusted	Adjusted	Adjusted	
			Average Balance	Adjustments	Average Balance	ADIT	Adjustments	Amortization	
Line No.	Account Number	Col. (a)	Col. (b)	Col. (c)	Col. (d)	Col. (e)	Amortization	Amortization	
1	Account 282 - Other Property (1)								
2	Plant Related- Direct Assigned to Transmission								
3								-	
4								-	

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[illegible]

Approved Effective Date:

1. Plant-related excess ADIT balances are embedded in the plant balances recorded in FERC Account 282, presented on WP_B-2, and are therefore not presented on this page.

2. Excess ADIT Balances recorded in FERC Account 254 are Unprotected.

3. Amortizations of excess/deficient deferred income taxes resulting from the enactment of the Tax Cuts and Jobs Act will be included beginning January 1, 2018 (with the 2018 True-Up)

Proposed Effective Date: 1/1/2018

Table
9.1
WP_B
-3 -
Defici
ent
ADIT

Twelve Months Ended December 31, 2016

Deficient	Accumulated	Deferred	Income	Taxes
(Debits)				
100	100	100	100	100
200	200	200	200	200
300	300	300	300	300
400	400	400	400	400
500	500	500	500	500
600	600	600	600	600
700	700	700	700	700
800	800	800	800	800
900	900	900	900	900
1000	1000	1000	1000	1000
1100	1100	1100	1100	1100
1200	1200	1200	1200	1200
1300	1300	1300	1300	1300
1400	1400	1400	1400	1400
1500	1500	1500	1500	1500
1600	1600	1600	1600	1600
1700	1700	1700	1700	1700
1800	1800	1800	1800	1800
1900	1900	1900	1900	1900
2000	2000	2000	2000	2000
2100	2100	2100	2100	2100
2200	2200	2200	2200	2200
2300	2300	2300	2300	2300
2400	2400	2400	2400	2400
2500	2500	2500	2500	2500
2600	2600	2600	2600	2600
2700	2700	2700	2700	2700
2800	2800	2800	2800	2800
2900	2900	2900	2900	2900
3000	3000	3000	3000	3000
3100	3100	3100	3100	3100
3200	3200	3200	3200	3200
3300	3300	3300	3300	3300
3400	3400	3400	3400	3400
3500	3500	3500	3500	3500
3600	3600	3600	3600	3600
3700	3700	3700	3700	3700
3800	3800	3800	3800	3800
3900	3900	3900	3900	3900
4000	4000	4000	4000	4000
4100	4100	4100	4100	4100
4200	4200	4200	4200	4200
4300	4300	4300	4300	4300
4400	4400	4400	4400	4400
4500	4500	4500	4500	4500
4600	4600	4600	4600	4600
4700	4700	4700	4700	4700
4800	4800	4800	4800	4800
4900	4900	4900	4900	4900
5000	5000	5000	5000	5000
5100	5100	5100	5100	5100
5200	5200	5200	5200	5200
5300	5300	5300	5300	5300
5400	5400	5400	5400	5400
5500	5500	5500	5500	5500
5600	5600	5600	5600	5600
5700	5700	5700	5700	5700
5800	5800	5800	5800	5800
5900	5900	5900	5900	5900
6000	6000	6000	6000	6000
6100	6100	6100	6100	6100
6200	6200	6200	6200	6200
6300	6300	6300	6300	6300
6400	6400	6400	6400	6400
6500	6500	6500	6500	6500
6600	6600	6600	6600	6600
6700	6700	6700	6700	6700
6800	6800	6800	6800	6800
6900	6900	6900	6900	6900
7000	7000	7000	7000	7000
7100	7100	7100	7100	7100

[illegible]

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2	0	Total Account 190 Deficient ADIT Amortization						-	
2	1								
2	2	Account 182.3 - Regulatory Assets (2)							
2	3	Production Related - Demand							
2	4		-		-		-	-	
2	5	Total Production - Demand Related	-	-	-	-	-	-	
2	6								
2	7	Production Related - Energy							
2	8		-		-		-	-	
2	9		-		-		-	-	
3	0	Total Production - Energy Related	-	-	-	-	-	-	
3	1								
3	2	Plant Related- Direct Assigned to Transmission							
3	3		-		-		-	-	
3	4		-		-		-	-	
3	5		-		-		-	-	
3	6	Proration Adjustment (3)				-		-	
3	7	Total Plant Related- Direct Assigned to Transmission	-	-	-	-	-	-	
3	8								
3	9	Plant Related- Allocated to Transmission							
4	0		-		-		-	-	
4	1		-		-		-	-	
4	2	Proration Adjustment (3)				-		-	
4	3	Total Plant Related- Allocated to Transmission	-	-	-	-	-	-	
4	4	Labor Allocation Factors, ATRR Act. Line 147				0.0		0.00	
4	5					0%		%	
4	6	Total Plant Related Allocated to Transmission				-		-	
4	7	Related to All Plant							
4	8		-		-		-	-	
4	9		-		-		-	-	
5	0		-		-		-	-	
5	1		-		-		-	-	
5	2		-		-		-	-	

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2		-		-		-	-	-	-	
5		-		-		-	-	-	-	
3		-		-		-	-	-	-	
5	Total Related to All Plant	-	-	-	-	-	-	-	-	
5	Net Plant Allocation Factor, ATRR Act. Line 36					0.0		0.00		
5						0%		%		
5	Allocated Total Related to All Plant					-		-		
5										
7										
5										
8	Labor Related									
5		-		-		-	-	-	-	
9		-		-		-	-	-	-	
6		-		-		-	-	-	-	
0		-		-		-	-	-	-	
6		-		-		-	-	-	-	
1		-		-		-	-	-	-	
6		-		-		-	-	-	-	
2		-		-		-	-	-	-	
6		-		-		-	-	-	-	
3		-		-		-	-	-	-	
6		-		-		-	-	-	-	
4		-		-		-	-	-	-	
6		-		-		-	-	-	-	
5		-		-		-	-	-	-	
6		-		-		-	-	-	-	
6		-		-		-	-	-	-	
7		-		-		-	-	-	-	
6		-		-		-	-	-	-	
8		-		-		-	-	-	-	
6		-		-		-	-	-	-	
9		-		-		-	-	-	-	
7	Total Labor Related	-	-	-	-	-	-	-	-	
0						0.0		0.00		
7	Labor Allocation Factors, ATRR Act. Line 147					0%		%		
1										
7	Allocated Total Labor Related					-		-		
2										
7										
3										
7										
4	Retail Related									
7		-		-		-	-	-	-	
5		-		-		-	-	-	-	
7		-		-		-	-	-	-	
6		-		-		-	-	-	-	
7		-		-		-	-	-	-	
7		-		-		-	-	-	-	
8		-		-		-	-	-	-	
7		-		-		-	-	-	-	
9		-		-		-	-	-	-	
8		-		-		-	-	-	-	
0		-		-		-	-	-	-	
8		-		-		-	-	-	-	
1		-		-		-	-	-	-	
8		-		-		-	-	-	-	
2		-		-		-	-	-	-	
8		-		-		-	-	-	-	
3		-		-		-	-	-	-	
8		-		-		-	-	-	-	

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[illegible]

4. Amortizations of excess/deficient deferred income taxes resulting from the enactment of the Tax Reform and Jobs Act will be included beginning January 1, 2018 (with the 2018 True-Up)

**Table
9.1
WP_B
-3 -
Defici
ent
ADIT**

Deficient (Debits)	Accumulated	Deferred	Income	Taxes

Line No.	Account No.	(Excess)/Deficient Non-Plant ADIT Balances					(Excess)/Deficient ADIT Amortization			Remaining Years to Amortize
		Balance at		Average Balance	Adjusted Amounts	Adjusted Average Balance	ADIT		Adjusted Amortization	
		C ol.	C ol.				A m o r t i z a t i o n	A d j u s t m e n t s		
		C ol.	C ol.	C ol. (c)	C ol. (d)	C ol. (e)				

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	(a)	(b)	(d)		
	)	)			
Account 190- Accumulated Deferred Income Taxes (1)					
1 Plant Related- Direct Assigned to Transmission					
2				-	-
3				-	-
4				-	-
5				-	-
6				-	-
7				-	-
8				-	-
9 Total Plant Related- Direct Assigned to Transmission				-	-
10					
11 Plant Related- Allocated to Transmission					
12				-	-
13				-	-
14				-	-
15				-	-
16 Total Plant Related- Allocated to Transmission				-	-
17 Labor Allocation Factors, ATRR Act. Line 147					0.00 %
18 Total Plant Related Allocated to Transmission				-	
19					
20 Total Account 190 Deficient ADIT Amortization (FF1 Page 234, Footnote)				-	
21					
22					
23 Account 182.3 - Regulatory Assets (2)					
24 Production Related - Demand					
25	-	-	-	-	-
26 Total Production - Demand Related	-	-	-	-	-
27					
28 Production Related - Energy					
29	-	-	-	-	-
30	-	-	-	-	-
31 Total Production - Energy Related	-	-	-	-	-
32					
33 Plant Related- Direct Assigned to Transmission					

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3		-	-	-	-	-	-	-	-
3		-	-	-	-	-	-	-	-
3		-	-	-	-	-	-	-	-
4		-	-	-	-	-	-	-	-
3		-	-	-	-	-	-	-	-
5		-	-	-	-	-	-	-	-
3	Proration Adjustment (3)				-		-		
3	Total Plant Related- Direct Assigned to Transmission	-	-	-	-	-	-	-	-
3									
3									
9	Plant Related- Allocated to Transmission								
4		-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
4		-	-	-	-	-	-	-	-
1		-	-	-	-	-	-	-	-
4	Proration Adjustment (3)				-		-		
2	Total Plant Related- Allocated to Transmission	-	-	-	-	-	-	-	-
4									
3									
4	Labor Allocation Factors, ATRR Act. Line 147				0.0		0.00		
4					0%		%		
4	Total Plant Related Allocated to Transmission				-		-		
4									
6									
4	Related to All Plant								
4		-	-	-	-	-	-	-	-
8		-	-	-	-	-	-	-	-
4		-	-	-	-	-	-	-	-
9		-	-	-	-	-	-	-	-
5		-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
5		-	-	-	-	-	-	-	-
1		-	-	-	-	-	-	-	-
5		-	-	-	-	-	-	-	-
2		-	-	-	-	-	-	-	-
5		-	-	-	-	-	-	-	-
3		-	-	-	-	-	-	-	-
5	Total Related to All Plant	-	-	-	-	-	-	-	-
4					0.0		0.00		
5	Net Plant Allocation Factor, ATRR Act. Line 36				0%		%		
5									
5	Allocated Total Related to All Plant				-		-		
5									
7									
5									
8	Labor Related								
5		-	-	-	-	-	-	-	-
9		-	-	-	-	-	-	-	-
6		-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
6		-	-	-	-	-	-	-	-
1		-	-	-	-	-	-	-	-
6		-	-	-	-	-	-	-	-
2		-	-	-	-	-	-	-	-
6		-	-	-	-	-	-	-	-
3		-	-	-	-	-	-	-	-
6		-	-	-	-	-	-	-	-
4		-	-	-	-	-	-	-	-

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6		-	-	-	-	-	-	-	-
5		-	-	-	-	-	-	-	-
6		-	-	-	-	-	-	-	-
6		-	-	-	-	-	-	-	-
7		-	-	-	-	-	-	-	-
6		-	-	-	-	-	-	-	-
8		-	-	-	-	-	-	-	-
6		-	-	-	-	-	-	-	-
9		-	-	-	-	-	-	-	-
7	Total Labor Related	-	-	-	-	-	-	-	-
0						0.0		0.00	
7	Labor Allocation Factors, ATRR Act. Line 147					0%		%	
1									
7	Allocated Total Labor Related					-		-	
2									
7									
3									
7									
4	Retail Related								
7		-	-	-	-	-	-	-	-
5		-	-	-	-	-	-	-	-
7		-	-	-	-	-	-	-	-
6		-	-	-	-	-	-	-	-
7		-	-	-	-	-	-	-	-
7		-	-	-	-	-	-	-	-
8		-	-	-	-	-	-	-	-
7		-	-	-	-	-	-	-	-
9		-	-	-	-	-	-	-	-
8		-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
8		-	-	-	-	-	-	-	-
1		-	-	-	-	-	-	-	-
8		-	-	-	-	-	-	-	-
2		-	-	-	-	-	-	-	-
8		-	-	-	-	-	-	-	-
3		-	-	-	-	-	-	-	-
8		-	-	-	-	-	-	-	-
4		-	-	-	-	-	-	-	-
8	Total Retail Related	-	-	-	-	-	-	-	-
5									
8									
6									
8									
7	Other Non-Transmission Related								
8		-	-	-	-	-	-	-	-
8		-	-	-	-	-	-	-	-
9		-	-	-	-	-	-	-	-
9	Total Other Related	-	-	-	-	-	-	-	-
0									
1									
9	Total Account 182.3 Deficient ADIT Balances and Amortization								
2									
9									
3									
9	Total (Excess)/Deficient Non-Plant ADIT Regulatory Assets & Amortization	-	-	-	-	-	-	-	-
4									

N 1. Plant-related deficient ADIT balances are embedded in the plant balances recorded
 ot in FERC Account 190, presented on WP_B-3, and are therefore not presented on this
 e: page.

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N
ot
e: 2. With the exception of the NOL Carryforward balances, Excess ADIT Balances
recorded in FERC Account 182.3 are Unprotected.

N
ot
e: 3. Reference WP_ADIT Prorate

N
ot
e: 4. Amortizations of excess/deficient deferred
income taxes resulting from the enactment of the
Tax Cuts and Jobs Act will be included beginning
January 1, 2018 (with the 2018 True-Up)

Proposed Effective Date: 1/1/2018

Public Service Company of Colorado
Transmission Formula Rate Settlement Template
Twelve Months Ended December 31, 20XX
Depreciation and Amortization Rates
Utility Plant, Regulatory Assets, & Regulatory Liabilities

Table 25
WP_H-1

FERC Account	Name	Depreciation/ Amortization Rate (%)
Electric Plant Acquisition Adjustment- Calpine Acquisition		
114	Transmission Serving Transmission	
	Rocky Mountain Energy Center-Amortization of 55 years ending in 2065.	1.8182
Electric Intangible		
302	Franchises and Consents	N/A ¹
303	Electric Intangible Software 5 Yr	20.00
303	Electric Intangible Software 10 Yr	10.00
Steam Production		
302	Franchises and Consents	3.33
302/303	Licenses	N/A ⁵
310.2	Steam Production Land Rights	2.00
310.3	Steam Production Water Rights	2.00
311	Structures and Improvements	
	Arapahoe 3	2.28
	Arapahoe 4	4.89
	Arapahoe Unit C	6.47
	Cameo 1	1.93
	Cameo 2	1.96
	Cameo C	3.56
	Cherokee 1	21.33
	Cherokee 2	36.85
	Cherokee 3	7.07
	Cherokee 4	2.06
	Cherokee C	2.55
	Comanche 1	1.83
	Comanche 2	1.54
	Comanche 3	2.01
	Comanche C	1.68
	Craig 1	1.55
	Craig 2	1.53
	Craig C	1.58
	Hayden 1	1.87
	Hayden 2	1.53
	Hayden C	2.51
	Pawnee 1	1.57
	Pawnee C	2.86

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	Valmont 5	6.74
	Valmont C	6.93
	Zuni 1	2.84
	Zuni 2	0.00
	Zuni C	3.31
312	Boiler Plant Equipment	
	Arapahoe 3	4.36
	Arapahoe 3 AQIR	15.84
	Arapahoe 4	6.39
	Arapahoe C	15.17
	Cameo 1	3.61
	Cameo 2	3.29
	Cameo C	2.87
	Cherokee 1	28.37
	Cherokee 2	45.08
	Cherokee 2 AQIR	59.98
	Cherokee 3	8.37
	Cherokee 3 AQIR	11.41
	Cherokee 4	1.91
	Cherokee 4 AQIR	6.67
	Cherokee C	3.06
	Cherokee C AQIR	6.67
	Comanche 1	2.17
	Comanche 2	2.01
	Comanche 3	2.01
	Comanche C	1.82
	Craig 1	1.66
	Craig 2	1.65
	Craig C	2.41
	Hayden 1	3.30
	Hayden 2	1.97
	Hayden C	2.85
	Pawnee 1	1.78
	Pawnee C	3.05
	Valmont 5	6.88
	Valmont 5 AQIR	8.95
	Valmont C	8.72
	Zuni 1	2.98
	Zuni 2	2.71
	Zuni C	3.43
312.2	Coal Cars	3.17
314	Turbogenerator Units	
	Arapahoe 3	2.58
	Arapahoe 4	7.66
	Arapahoe C	22.57
	Cameo 1	2.17
	Cameo 2	2.18
	Cameo C	4.49

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	Cherokee 1	31.36
	Cherokee 2	39.51
	Cherokee 3	7.22
	Cherokee 4	1.94
	Cherokee C	5.07
	Comanche 1	1.90
	Comanche 2	1.83
	Comanche C	2.57
	Comanche 3	2.01
	Craig 1	2.82
	Craig 2	1.62
	Craig C	1.66
	Hayden 1	2.30
	Hayden 2	1.69
	Hayden C	3.04
	Pawnee 1	1.70
	Pawnee C	2.42
	Valmont 5	7.66
	Valmont C	9.97
	Zuni 1	2.99
	Zuni 2	16.65
	Zuni C	2.09
315	Accessory Electric Equipment	
	Arapahoe 3	4.66
	Arapahoe 4	4.27
	Arapahoe C	9.77
	Cameo 1	2.05
	Cameo 2	2.37
	Cameo C	3.24
	Cherokee 1	29.23
	Cherokee 2	45.26
	Cherokee 3	8.68
	Cherokee 4	1.78
	Cherokee C	2.16
	Comanche 1	1.71
	Comanche 2	1.81
	Comanche C	1.85
	Comanche 3	2.01
	Craig 1	1.62
	Craig 2	1.58
	Craig C	1.63
	Hayden 1	2.17
	Hayden 2	1.56
	Hayden C	2.77
	Pawnee 1	1.65
	Pawnee C	2.29
	Valmont 5	5.77
	Valmont C	7.52

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	Zuni 1	2.76
	Zuni 2	2.96
	Zuni C	3.19
315.2	Boiler Controls	
	Arapahoe Unit 4	11.78
	Arapahoe C	5.53
	Cherokee 1	3.90
	Cherokee 2	3.67
	Cherokee 3	4.21
	Cherokee 4	4.72
	Cherokee C	3.47
	Comanche 1	4.02
	Comanche C	3.78
	Craig C	3.02
	Hayden 1	4.09
	Hayden 2	3.83
	Pawnee 1	3.09
	Pawnee C	2.78
	Valmont C	3.63
	Zuni C	7.66
316	Miscellaneous Power Plant Equipment	
	Arapahoe 4	8.71
	Arapahoe C	11.68
	Cameo 1	1.81
	Cameo 2	1.98
	Cameo C	2.84
	Cherokee 1	3.36
	Cherokee 2	67.52
	Cherokee 3	10.89
	Cherokee 4	1.60
	Cherokee C	2.34
	Comanche 1	1.51
	Comanche 2	1.49
	Comanche C	1.76
	Comanche 3	2.01
	Craig 1	1.58
	Craig 2	1.55
	Craig C	1.71
	Hayden 1	1.89
	Hayden 2	1.57
	Hayden C	2.56
	Pawnee 1	1.64
	Pawnee C	2.42
	Valmont 5	5.81
	Valmont C	5.96
	Zuni 1	5.20
	Zuni 2	0.00
	Zuni C	5.60

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317	Asset Retirement Costs for Steam Production Plant	N/A ⁶

Hydraulic Production

330	Hydro Production Land Rights	N/A ⁷

331	Structures and Improvements	
	Ames	1.49
	Cabin Creek	1.06
	Georgetown	1.70
	Palisade	1.28
	Salida	1.84
	Shoshone	1.68
	Tacoma	1.41

332	Reservoirs, Dams and Waterways	
	Ames	1.56
	Cabin Creek	1.09
	Georgetown	2.31
	Salida	1.59
	Shoshone	0.86
	Tacoma	1.38

333	Water Wheels, Turbines and Generators	
	Ames	0.94
	Cabin Creek	1.23
	Georgetown	1.03
	Ouray	0.99
	Palisade	1.12
	Salida	0.71
	Shoshone	1.78
	Tacoma	1.85

334	Accessory Electric Equipment	
	Ames	2.47
	Cabin Creek	1.43
	Georgetown	1.61
	Palisade	1.70
	Salida	2.04
	Shoshone	2.31
	Tacoma	1.80

334.2	Computers	1.32

335	Miscellaneous Power Plant Equipment	
	Ames	1.83
	Cabin Creek	1.71
	Georgetown	2.88
	Salida	3.69
	Shoshone	2.83
	Tacoma	1.93

335.2	Recreation Facility	
	Ames	2.36
	Cabin Creek	1.55
	Georgetown	2.27

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	Salida	3.33
	Tacoma	1.66
336	Road, RR, Bridge	
	Ames	2.40
	Cabin Creek	1.07
	Salida	2.67
	Shoshone	1.12
	Tacoma	1.33
Other Production		
340	Other Production Land Rights	2.00
341	Structures and Improvements	
	Alamosa	4.63
	Blue Spruce 1	2.69
	Blue Spruce 2	2.69
	Blue Spruce C	2.69
	Cherokee 5	2.57
	Cherokee 6	2.57
	Cherokee 7	2.57
	Fruita CT	0.89
	FSV GT 1	1.44
	FSV GT 2	2.34
	FSV GT 3	2.34
	FSV GT 4	2.49
	FSV GT 5	2.56
	FSV GT 6	2.56
	FSV GT C	1.72
	Ft Lupton CT	2.56
	Misc PP&E	2.34
	Rocky Mtn 1	2.85
	Rocky Mtn 2	2.85
	Rocky Mtn 3	2.85
	Rocky Mtn C	2.85
	Valmont CT	0.82
342	Fuel Holders, Products and Accessories	
	Alamosa	1.04
	Blue Spruce 1	2.69
	Blue Spruce 2	2.69
	Blue Spruce C	2.69
	Cherokee 5	2.57
	Cherokee 6	2.57
	Cherokee 7	2.57
	Fruita CT	1.04
	FSV GT 1	2.48
	FSV GT 2	2.85
	FSV GT 3	2.89
	FSV GT 4	2.53
	FSV GT 5	2.56
	FSV GT 6	2.56
	FSV GT C	1.70

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	Ft Lupton CT	3.89
	Rocky Mtn 1	2.85
	Rocky Mtn 2	2.85
	Rocky Mtn 3	2.85
	Rocky Mtn C	2.85
	Valmont CT	1.35
343	Prime Movers	
	Blue Spruce 1	2.69
	Blue Spruce 2	2.69
	Blue Spruce C	2.69
	Cherokee 5	2.57
	Cherokee 6	2.57
	Cherokee 7	2.57
	FSV	2.07
	FSV GT 1	2.21
	FSV GT 2	2.32
	FSV GT 3	2.07
	FSV GT 4	2.07
	FSV GT 5	2.56
	FSV GT 6	2.56
	FSV GT C	2.73
	Rocky Mtn 1	2.85
	Rocky Mtn 2	2.85
	Rocky Mtn 3	2.85
	Rocky Mtn C	2.85
344	Generators	
	Alamosa	1.62
	Blue Spruce 1	2.69
	Blue Spruce 2	2.69
	Cherokee 5	2.57
	Cherokee 6	2.57
	Cherokee 7	2.57
	CO Wind Power	6.67
	Fruita CT	1.03
	FSV GT 1	1.42
	FSV GT 2	2.42
	FSV GT 3	2.73
	FSV GT 4	2.69
	FSV GT 5	2.56
	FSV GT 6	2.56
	FSV GT C	2.69
	Ft Lupton CT	4.03
	Rocky Mtn 1	2.85
	Rocky Mtn 2	2.85
	Rocky Mtn 3	2.85
	Valmont CT	1.90
345	Accessory Electric Equipment	
	Alamosa	3.75
	Blue Spruce 1	2.69
	Blue Spruce 2	2.69

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	Blue Spruce C	2.69
	Cherokee 5	2.57
	Cherokee 6	2.57
	Cherokee 7	2.57
	Fruita CT	4.20
	FSV GT 1	1.44
	FSV GT 2	2.21
	FSV GT 3	2.21
	FSV GT 4	2.54
	FSV GT 5	2.56
	FSV GT 6	2.56
	FSV GT C	2.70
	Ft Lupton CT	1.37
	Rocky Mtn 1	2.85
	Rocky Mtn 2	2.85
	Rocky Mtn 3	2.85
	Rocky Mtn C	2.85
	Valmont CT	4.55
345.2	Computers	
	FSV GT 1	1.71
	FSV GT 2	2.21
	FSV GT 3	0.23
	FSV GT C	2.20
346	Miscellaneous Power Plant Equipment	
	Alamosa	0.98
	Blue Spruce 1	2.69
	Blue Spruce 2	2.69
	Blue Spruce C	2.69
	Cherokee 5	2.57
	Cherokee 6	2.57
	Cherokee 7	2.57
	Fruita CT	1.13
	FSV GT 1	1.49
	FSV GT 2	1.88
	FSV GT 3	1.88
	FSV GT 4	2.52
	FSV GT 5	2.56
	FSV GT 6	2.56
	FSV GT C	2.63
	Ft Lupton	1.46
	Rocky Mtn 1	2.85
	Rocky Mtn 2	2.85
	Rocky Mtn 3	2.85
	Rocky Mtn C	2.85
	Valmont CT	4.84
347	Asset Retirement Costs for Other Production Plant	N/A ⁶
Electric Transmission		
350.2	Land Rights	1.03
352	Structures & Improvements	1.44

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353	Station Equipment	1.78
354	Towers & Fixtures	1.18
355	Poles & Fixtures	1.64
356	OH Conductors & Devices	1.79
357	UG Conduit	1.94
358	UG Conductors & Devices	1.88
359	Roads & Trails	0.97
373	Street Lighting & Signal Systems	2.95

Electric General

389	General Land Rights	N/A ²
390	Structures and Improvements	4.88
390.1	General Buildings	2.98
390.2	Partitions	7.69
391	Office, Furniture and Equipment	4.75
391.1	Leased Partitions	5.00
391.2	Computers	20.00
392	Transportation Equipment	9.00
393	Stores Equipment	3.17
394	Tools Shop Equipment	3.80
395	Laboratory Equipment	9.50
396	Power Operated Equipment	9.00
397	Communications Equipment	6.67
398	Miscellaneous Equipment	5.00

Common Intangible

302	Franchises and Consents	N/A ¹
303	Electric Intangible Software 3 Yr	33.3333
303	Electric Intangible Software 7 Yr	14.2857
303	Electric Intangible Software 10 Yr	10.0000
303	Electric Intangible Software 15 Yr	6.6667

Common General

389	General Land Rights	1.6667
390	Structures and Improvements	2.4191
390	1800 Larimer Leasehold Improvements	N/A ¹
390	Leasehold Improvements	N/A ¹
391	Office, Furniture and Equipment	4.9019
391.05	Computers 3 Year	32.6080
391.04	Computers	16.3559
392.1	Transportation Equipment – Automobile	7.4233
392.2	Transportation Equipment – Light Trucks	7.3603
392.3	Transportation Equipment – Trailers	3.1677
392.4	Transportation Equipment – Heavy Trucks	6.1716
393	Stores Equipment	3.1640
394	Tools Shop Equipment	3.9186
395	Laboratory Equipment	9.9572

Proposed Effective Date: 1/1/2018

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396	Power Operated Equipment	5.8982
397	Communications Equipment	5.4453
398	Miscellaneous Equipment	4.6394

Notes:

The Depreciation Rates were accepted in Docket ER08-224-000, Docket ER11-2853 and/or Docket ER19-XXX and will not change absent a section 205 or 206 FPA filing.

- 1 Electric Intangible Franchises and Leasehold Improvements are amortized over the life of the Agreement.
- 2 No Electric General Land Rights at December 31, 2010. To the extent PSCo acquires land rights, PSCo will make a section 205 FPA filing for approval of the depreciation rates.
- 3 The revised Common Utility Plant depreciation rates accepted in Docket ER19-XXX will be reflected effective January 1, 2018 (with the 2018 True-up).

Proposed Effective Date: 1/1/2018

Public Service Company of Colorado

Transmission Formula Rate Settlement Template
 Fixed Charge Rate Worksheet ("FCR")
 12 Months Ended December 31, 2010

T
a
b
l
e
3
2
W
P
-
F
C
R

Lin e No		Producti on	R e f e r e n c e
1	(1) O&M	0.00000	Li n e 5 8
2			
3	(2) Other Taxes	0.00000	Li n e 7 1
4			
5	(3) A&G	0.00000	Li n e 8 5
6			
7	(4) Return (1)	0.00000	Li n e 1 3 4
8			
9	(5) Depreciation (1)	0.00000	Li n e 1 4 9
10			
11	(6) Composite Income Tax	0.00000	Li n e 1 5 3
12			

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13	(7) General & Intangible Plant	0.00000	Li n e 1 7 4
14			
15	(8) Cash Working Capital	0.00000	Li n e 1 8 0
16			
17	(9) ADIT Adjustment	0.00000	Li n e 2 0 3
18			
19	(10) Materials & Supplies	0.00000	Li n e 2 1 6
20			
21	(11)PSCo ARAM and (Excess)/Deficient ADIT		Li n e 2 3 8
22			
23	FIXED CHARGE RATE	0.00000	
24			
25	Note 1: Return on Equity and the Depreciation rates cannot change without a Section 205 or 206 filing.		
26			

		Reference (2)	\$ Amo unt (2)
27	(1) O&M Expense:		
28			
29	A. Total Power Production Expenses	Pg 321, Ln 80b	
30			
31	B. Purchased Power Expenses (Acct. 555)	Pg 321.76b	
32			
33	C. Energy Related O&M		
34			
35			
36	Account 501	Pg 320, Ln 5b	
37	Account 503	Pg 320, Ln 7b	
38	Account 504	Pg 320, Ln 8b	
39	Account 509	Pg 320, Ln	

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		12b	
40	Account 510	Pg 320, Ln 15b	
41	Account 512	Pg 320, Ln 17b	
42	Account 513	Pg 320, Ln 18b	
43	Account 518	Pg 320, Ln 25b	
44	Account 528	Pg 320, Ln 35b	
45	Account 530	Pg 320, Ln 37b	
46	Account 531	Pg 320, Ln 38b	
47	Account 544	Pg 320, Ln 56b	
48	Account 547	Pg 321, Ln 63b	
49	Total C	Sum Line 34 - Line 46	-
50			
51	D. Total Production Plant Investment		
52	Total Production Plant	Pg 205, Ln 46g	
53	Less: Production ARO	Pg 205, -Ln 15g	
54	Plus Generator Step Ups	Schedule 2 Line 7	0
55			
56	Total D	Sum Line 50 - Line 52	0
57			
58	Production O&M FCR	(A-B-C)/D =	0.00 000
59			
60	(2) OTHER TAXES EXPENSE		
61			
62	A. Other Taxes (Electric Only)	Pg 115, Ln 14g	
63			
64	B. Total Electric Plant in Service		
65	Electric Plant in Service	Pg 207, Ln 100g	
66	Less ARO	Pg 207, Ln 15, Ln 34 Ln 44, Ln 57, Ln 74, Ln 83, Ln 98	
67	Plus Common Electric Plant in Service	Pg 356 WP_B-4 Line 15 ,Col. (d)	0
68	Plus Total Acquisition Adjustment		
69	Total Electric Plant in Service	Sum Line 63 - Line 66	0
70			
71	Other Taxes FCR	A/B	0.00 000
72			
73	(3) A&G EXPENSE		
74			
75	A. Production Wages Expense	Pg 354, Ln 20b	

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76			
77	B. A&G Wages Expense	Pg 323, Ln 181b	
78			
79	C. Total Wages Expense	Pg 354, Ln 28b	
80			
81	D. Total A&G related O&M	Pg 323, Ln 197b	
82			
83	E. Total Production Plant Investment	Line 54	0
84			
85	A&G Expense FCR	(A/(C-B))*D/E	0.00 000
86			

		Reference (2)	\$ Amount (2)
87	(4) RATE OF RETURN WORKSHEET		
88			
89			
90	A. Common Equity Calculation		
91			
92	Proprietary Capital	Pg 112 Ln 16c	
93			
94	Less: Preferred Stock Issued	Pg 112 Ln 3c	
95			
96	Less: Account No. 216.1	Pg 112 Ln 12c	
97			
98	Less: Accum other comprehensive Income	Pg 112 Ln 15	
99			
100	Common Equity =	Line 91 - 93 - 95 - 97	0
101			
102			
103	B. Rate of Return Calculation		
104			
105	Long Term Debt	pg.112, sum of 18c thru 21c	
106			
107	Preferred Stock	(Pg.112 Ln 3c)	
108			
109	Common Equity	Line 99	0
110			
111	Total Capital =	Line 103 + 105 + 107	0
112			
113			

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Approved Effective Date:

11	C. Cost of Debt	Pg 117 Ln	
2		62c	
11	Interest on Long Term Debt	Pg 117 Ln	
3		67c	
11	Interest on Debt to Assoc. Companies (LTD portion only)	Pg 117 Ln	
4		63c	
11	Amortization of Debt Discount and Expense	Pg 117 Ln	
5		64c	
11	Amortization of Loss on Reacquired Debt	Pg 117 Ln	
6		65c	
11	Less: Amort of Premium on Debt	Pg 117 Ln	
7		66c	
11	Less: Amort of Gain on Reacquired Debt		
8			
11	Total Interest Expense		0
9			
12			
0			
12	Average Cost of Debt (Line 118 / Line 103)		0.00 %
1			
12			
2			

3	D. Cost of Preferred Stock	Pg 118 Ln	
12		29c	
4	Preferred Stock Dividends		
12			
5			
12	Average Cost of Preferred Stock (Line 123 / Line 105)		
6			
12			
7			

12	CAPITAL STRUCTURE			
8				
12				Weig
9				hted
				Cost
				Of
				<u>Cap</u>
13				<u>ital</u>
0				%
13		Amount	%	%
1	Long Term Debt	\$0	0.00%	0.00%
13				%
2	Preferred Stock	\$0	0.00%	0.00%
13				%
3	Common Equity (1)	\$0	0.00%	9.72%
13				%
4	Total	\$0	0%	ROR= 0.00 %

13	DEPRECIATION EXPENSE		\$
9	(5)	Reference	Amount
14		(2)	(2)
0			
14	Production Depreciation Expense	Pg 336 Lns	

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1		2-6b	
14			
2			
14			
3	Total Production Plant Investment	Line 54	0
14			
4			
14		Line 140 /	0.00
5	SLDp =	142	000
14			
6			
14			0.00
7	n =	1 / Line 144	0
14			
8			
14			0.00
9	SFDp =	$R/(1+R)^{n-1}$	000

(6) COMPOSITE INCOME TAX EXPENSE

15			0.00
2			000
15			
3	Production CIT=		
15	Formula: (35/65+State Tx)/(1-		
4	State Tx)*(ROR+SFD-		
15	SLD)*(1-Wtd.LTD/ROR)		
5	State Tax Rate		

(7) General & Intangible Plant

16			
4			
16			
5			
16			
6	Production Wages Expense	Line 73	-
16	Total Wage Expense Less A&G Wage	Line 77 -	
7	expenses	Line 75	-
16			0.00
8	Production W/S Allocator	Line 165 / Line 166	%
16		Pg 205 and 207,	
9	General & Intangible plant	Lns5G + 96 G	
17	General & Intangible plant		
0	allocated to Production	Line 167 * Line 168	-
17		Line 3 + 7 + 9 + 11 +	0.00
1	Revenue Requirement FCR	17 + 19	0%
17	General & Intangible Plant Revenue		
2	Requirement	Line 169 * Line 170	-
17	Total Production Plant	Line 50	

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3	Investment	-
17		
4	General & Intangible Plant FCR	Line 171 / Line 172
17		-
5		
17		
6		
17		
7		
	(8) Cash Working Capital	
17		
8		
17		
9		
	Cash Working Capital will be set at and remain \$0 until such time as PSCo files and receives FERC approval.	
18		
0		
18		
1		
18		
2		
18		
3	(9) ACCUMULATED DEFERRED INCOME TAX	
18		
4		
18		
5	Total Production plant	Line 54 0
18		
6	Total Electric Plant	Line 67 0
18		
7	Accumulated Deferred Income Tax	
18		
8	Account 190	Pg 234 Ln 2c + 3c
18		
9	Account 281	Pg 273 Ln 4k
19		
0	Account 282	Pg 275 Ln 2k
19		
1	Account 283	Pg 277 Ln 9k
19		
2	Excess ADIT	Pg 232 Footnote
19		
3	Deficient ADIT	Pg 278 Footnote
19		
4	Total ADIT	0
19		
5		
19		
6	A. Production share of ADIT	(Line 184 / 185) * Line 191 -
19		
7		
19		
8		
19		
9	B. Return and Taxes	Line 7 + 11 0.00 0%
20		
0		
20		
1	C. Production Plant (plus step ups)	0
20		
2		
20		
3	(A x B) / C =	-

Proposed Effective Date: 1/1/2018

20			
4			
20			
5	(10) Materials & Supplies		
20			
6			
20			
7			
20			
8			
20			
9	A. Total Non-Fuel M&S	Pg 227 Ln 7	
21			0.00
0	B. ROR	Line 133	%
21		Line 206 *	
1	C. Return on M&S	207	0
21			
2	D. Total Prod Plnt	Line 50	0
21			
3			
21			
4	E. Total Plnt in Service	Line 63	0
21		Line 209 /	0.00
5	F. % of Prod Plant	211	00
		(Line 208 *	
21		212) / Line	0.00
6	G. Prod M&S Factor	209	000
21			
7			
21			
8			

(11) PSCo ARAM and (Excess)/Deficient ADIT

219			
220			
221	Plant	Reference	
222	Total Excess ADIT Amortization	Pg 234 Footnote	0
223	Total Deficient ADIT Amortization	Pg 273-277 Footnote	0
224			
225	Non-Plant		
226	Total Excess ADIT Amortization	Pg 232 Footnote	0
227	Total Deficient ADIT Amortization	Pg 278 Footnote	0
228			
	Total (Excess)/Deficient ADIT	Line 222 + Line 223 + Line 226 + Line 227	\$ 0
229			
230			
231	<u>Gross-up Tax Calculation</u>		
			0.
			0
			0
232	Composite Income Tax Rate	$T = 1 - \frac{\{(1 - \text{SIT}) * (1 - \text{FIT})\}}{(1 - \text{SIT} * \text{FIT})}$	Line 153 0
			0.
			0
			0
233	Gross-up factor	1/(1-T)	0
234			
235	Total ARAM and (Excess)/Deficient ADIT Amortization	Line 229 x Line 233	\$ 0
236	Total Production Plant	Ln 52	\$

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237 Total Plant in Service
238 % of Prod Plant
239
240 ADIT Amortization FCR Component

Ln 65
Line 236/237

Line 235 x Line 238 /
Line 235

0



Note 2: Fixed Charge Rate amounts are based on actuals from the most recently completed FERC Form No. 1 at the time of the estimate and are not trued up.

Approved Effective Date:

Table 39
WP_ADIT Prorate

Rate	
Year	
=	

- 1
- 2

3
4

7

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Att O-PSCo Formula Rate,
Table 39, WP ADIT Adjustments
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10	March	31	276	366	75.41%	-	-	-	-	-	-	-	-	-
11	April	30	246	366	67.21%	-	-	-	-	-	-	-	-	-
12	May	31	215	366	58.74%	-	-	-	-	-	-	-	-	-
13	June	30	185	366	50.55%	-	-	-	-	-	-	-	-	-
14	July	31	154	366	42.08%	-	-	-	-	-	-	-	-	-
15	August	31	123	366	33.61%	-	-	-	-	-	-	-	-	-
16	September	30	93	366	25.41%	-	-	-	-	-	-	-	-	-
17	October	31	62	366	16.94%	-	-	-	-	-	-	-	-	-
18	November	30	32	366	8.74%	-	-	-	-	-	-	-	-	-
19	December	31	1	366	0.27%	-	-	-	-	-	-	-	-	-
20														
21														
22														
23														
24														
25	Beginning Balance of Prorated items			(Line 7, Col H)				-			(Line 7, Col N)			-
26	Ending Balance of Prorated items			(Line 19, Col H)				-			(Line 19, Col N)			-
27	Average			(Average of Line 25 &							(Average of Line			

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7	Balance	Line 26)	-	25 & Line 26)	-
	Prorated items				
	Non-prorated			(WP_B-3, Average of Line	
2	Average	(WP_B-3, Average of Line 26,		26, Cols (a) and	
8	Balance	Cols (a) and (b))	-	(b))	-
	Proration				
2	Adjustme				
9	nt		-		-

Account 190- Accumulated
 Deferred Income Taxes
 Plant Related- Allocated to
 Transmission

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Prorated	Total Days in Future Projection of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorated actual activity above Monthly projection	Partially prorate actual activity below Monthly projection but increases ADIT	Partially prorate actual activity below Monthly projection and is a reduction to ADIT	Partially prorated actual balance

8	December 31st Balance - Prorated Items					-							-
3	January	31	336	36	91.80 %	-	-	-	-	-	-	-	-
4	February	29	307	36	83.88 %	-	-	-	-	-	-	-	-
4	March	31	276	36	75.41 %	-	-	-	-	-	-	-	-

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42	April	30	246	366	67.21%	-	-	-	-	-	-	-	-	-
43	May	31	215	366	58.74%	-	-	-	-	-	-	-	-	-
44	June	30	185	366	50.55%	-	-	-	-	-	-	-	-	-
45	July	31	154	366	42.08%	-	-	-	-	-	-	-	-	-
46	August	31	123	366	33.61%	-	-	-	-	-	-	-	-	-
47	September	30	93	366	25.41%	-	-	-	-	-	-	-	-	-
48	October	31	62	366	16.94%	-	-	-	-	-	-	-	-	-
49	November	30	32	366	8.74%	-	-	-	-	-	-	-	-	-
50	December	31	1	366	0.27%	-	-	-	-	-	-	-	-	-
51		Total	2,030	4,392		-	-							
52														
53	Proportion Factor			53.78%										
54														
55														
56	Beginning Balance of Prorated items			(Line 38, Col H)		-				(Line 38, Col N)				-
57	Ending Balance of Prorated items			(Line 50, Col H)		-				(Line 50, Col N)				-
58	Average Balance of Prorated items			(Average of Line 56 & Line 57)		-				(Average of Line 56 & Line 57)				-

Att O-PSCo Formula Rate,
Table 39, WP ADIT Adjustments
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73	April	30	246	366	67.21%	-	-	-	-	-	-	-	-
74	May	31	215	366	58.74%	-	-	-	-	-	-	-	-
75	June	30	185	366	50.55%	-	-	-	-	-	-	-	-
76	July	31	154	366	42.08%	-	-	-	-	-	-	-	-
77	August	31	123	366	33.61%	-	-	-	-	-	-	-	-
78	September	30	93	366	25.41%	-	-	-	-	-	-	-	-
79	October	31	62	366	16.94%	-	-	-	-	-	-	-	-
80	November	30	32	366	8.74%	-	-	-	-	-	-	-	-
81	December	31	1	366	0.27%	-	-	-	-	-	-	-	-
82		Total	2,030	4,392		-	-						
83													
84	Proportion Factor			53.78%									
85													
86													
87	Beginning Balance of Prorated items			(Line 69, Col H)				-		(Line 69, Col N)			-
88	Ending Balance of Prorated items			(Line 81, Col H)				-		(Line 81, Col N)			-
89	Average Balance Prorated items			(Average of Line 87 & Line 88)				-		(Average of Line 87 & Line 88)			-

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	Non-prorated		Average of Line
9	Average	(WP_B-3, Average of Line 47,	47, Cols (a) and
0	Balance	Cols (a) and (b))	(b))
		-	-
9	Proration		
9	Adjustme		
1	nt	-	-

9 **Account 281 - Accelerated amortization**
5 **property**

9 6 9 7	Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
	A	B	C	D	E	F	G	H	I	J	K	L	M	N
9 8	Month	Days in the Month	Number of Days Prorated	Total Days in Future Projection of the Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorate actual activity above Monthly projection	Partially prorate actual activity below Monthly projection but increases ADIT	Partially prorate actual activity below Monthly projection and is a reduction to ADIT	Partially prorate actual balance

0	December 31st Balance - Prorated Items	-	-
0			

101	January	31	336	366	91.80%		-	-		-	-	-	-
102	February	29	307	366	83.88%		-	-		-	-	-	-
103	March	31	276	366	75.41%		-	-		-	-	-	-

Approved Effective Date:

		To	2,0	3	-	-	-	-	-
		tal	30	9					
1			4						
1									
3									
1									
1									
4									
	Pro		5						
	ratio		3						
	on		.						
1	Fa		7						
1	cto		8						
5	r		%						
1									
1									
6									
1									
1									
7									
1	Beginning	(Line					(Line		
1	Balance of	100,					100,		
8	Prorated items	Col		-			Col		-
		H)					N)		
		(Line					(Line		
1	Ending	112,					112,		
1	Balance of	Col		-			Col		-
9	Prorated items	H)					N)		
1	Average	(Average of Line					(Average of Line		

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2	Balance	& Line 119)	-	118 & Line 119)	-
0	Prorated items				
1	Non-prorated			(WP_B-2,	
2	Average	(WP_B-2, Average of Line 4,		Average of Line	
1	Balance	Cols (a) and (b))	-	4, Cols (a) and	
1	Proration			(b))	-
2	Adjustment		-		-
2					
1					
2					
3					
1					
2					
4					
1					
2					

Account 282 - Other Property

Plant Related- Direct Assigned to
 Transmission

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Prorated	Total Days in Future Projection of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorate actual activity above Monthly projection	Partially prorate actual activity below Monthly projection but increases ADIT	Partially prorate actual activity below Monthly projection and is a reduction to ADIT	Partially prorate actual balance

December 31st Balance - Prorated Items

1	Jan												
3	uar	31	33	3	91.80								
2	y		6	6	%								

Proposed Effective Date: 1/1/2018

[illegible]

Proposed Effective Date: 1/1/2018

1	Beginning	(Line 131,		(Line 131,	
4	Balance of	Col	-	Col	-
9	Prorated items	H)		N)	
1	Ending	(Line 143,		(Line 143,	
5	Balance of	Col	-	Col	-
0	Prorated items	H)		N)	
1	Average				
5	Balance	(Average of Line 149	-	(Average of Line	-
1	Prorated items	& Line 150)		149 & Line 150)	
				(WP_B-2,	
1	Non-prorated			Average of Line	
5	Average	(WP_B-2, Average of Line 35,		35, Cols (a) and	
2	Balance	Cols (a) and (b))	-	(b))	-
1	Proration				
5	Adjustme				
3	nt		-		-

Plant Related- Allocated to Transmission

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Prorated	Total Days in Future Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorate actual activity above Monthly projection	Partially prorate actual activity below Monthly projection but increases ADIT	Partially prorate actual activity below Monthly projection and is a reduction to ADIT	Partially prorate actual balance

Proposed Effective Date: 1/1/2018

1	6	1	1	6	2	December 31st Balance - Prorated Items										-	-
1	6	3	January	31	3366	366	91.80%	-	-	-	-	-	-	-			
1	6	4	February	29	3076	366	83.88%	-	-	-	-	-	-	-			
1	6	5	March	31	2766	366	75.41%	-	-	-	-	-	-	-			
1	6	6	April	30	2466	366	67.21%	-	-	-	-	-	-	-			
1	6	7	May	31	2156	366	58.74%	-	-	-	-	-	-	-			
1	6	8	June	30	1856	366	50.55%	-	-	-	-	-	-	-			
1	6	9	July	31	1546	366	42.08%	-	-	-	-	-	-	-			
1	7	0	August	31	1236	366	33.61%	-	-	-	-	-	-	-			
1	7	1	September	30	9366	366	25.41%	-	-	-	-	-	-	-			
1	7	2	October	31	6266	366	16.94%	-	-	-	-	-	-	-			
1	7	3	November	30	3266	366	8.74%	-	-	-	-	-	-	-			
1	7	4	December	31	166	366	0.27%	-	-	-	-	-	-	-			
1	7	5	Total		2,030	4,392		-	-	-	-	-	-	-			
1	7	7	Pro			53											
1	7	7	ration			.											

Proposed Effective Date: 1/1/2018

Factor	78%				
Beginning Balance of Prorated items	(Line 162, Col H)			(Line 162, Col N)	
Ending Balance of Prorated items	(Line 174, Col H)	-		(Line 174, Col N)	-
Average Balance	(Average of Line 180 & Line 181)	-		(Average of Line 180 & Line 181)	-
Non-prorated Average Balance	(WP_B-2, Average of Line 66, Cols (a) and (b))	-		(WP_B-2, Average of Line 66, Cols (a) and (b))	-
Proration Adjustment		-			-

Account 283 - Other

Plant Related- Direct Assigned to Production

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Prorated	Total Days in Future Report Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorated actual activity above Monthly projection	Partially prorated actual activity below Monthly projection but increases ADIT	Partially prorated actual activity below Monthly projection and is a reduction to ADIT	Partially prorated actual balance

Proposed Effective Date: 1/1/2018

Approved Effective Date:

[illegible]

Proposed Effective Date: 1/1/2018

[illegible]

Proposed Effective Date: 1/1/2018

			u r e p o r t i o n o f T e s t P e r i o d								ADIT		
2													
2													
3													
2													
2	December 31st Balance - Prorated Items						-					-	
4													
2	Jan			3									
2	uar	31	33	6	91.80		-	-		-	-	-	-
5	y		6	6	%								
2	Fe			3									
2	bru	29	30	6	83.88		-	-		-	-	-	-
6	ary		7	6	%								
2	Ma			3									
2	r	31	27	6	75.41		-	-		-	-	-	-
7	rch		6	6	%								
2	Apr			3									
2	il	30	24	6	67.21		-	-		-	-	-	-
8			6	6	%								
2	Ma			3									
2	y	31	21	6	58.74		-	-		-	-	-	-
9			5	6	%								
2	Jun			3									
3	e	30	18	6	50.55		-	-		-	-	-	-
0			5	6	%								
2	Jul			3									
3	y	31	15	6	42.08		-	-		-	-	-	-
1			4	6	%								
2	Au			3									
3	gus	31	12	6	33.61		-	-		-	-	-	-
2	t		3	6	%								
2	Se			3									
3	pte	30	93	6	25.41		-	-		-	-	-	-
3	mb			6	%								
3	er												
2	Oct			3									
3	ob	31	62	6	16.94		-	-		-	-	-	-
4	er			6	%								
2	No				8.74								
3	ve	30	32	3	%		-	-		-	-	-	-

Approved Effective Date:

[illegible]

Proposed Effective Date: 1/1/2018

Approved Effective Date:

	Month	Days in the Month	Number of Days Prorated	Total Days in Future Projection of Test Period	Proration Amount (C / D)		Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)		Actual Monthly Activity	Difference between projected and actual activity	Partially prorated actual activity above Monthly projection	Partially prorated actual activity below Monthly projection but increases ADIT	Partially prorated actual activity below Monthly projection and is a reduction to ADIT	Partially prorated actual balance
253254255	December 31st Balance - Prorated Items								-							-
256	January	31	336	366	91.80%		-	-			-	-	-	-	-	-
257	February	29	307	366	83.88%		-	-			-	-	-	-	-	-
258	March	31	276	366	75.41%		-	-			-	-	-	-	-	-
259	April	30	246	366	67.21%		-	-			-	-	-	-	-	-
260	May	31	215	366	58.74%		-	-			-	-	-	-	-	-
261	June	30	185	366	50.55%		-	-			-	-	-	-	-	-
262	July	31	154	366	42.08%		-	-			-	-	-	-	-	-
266	August	31	123	366	33.61%		-	-			-	-	-	-	-	-

Approved Effective Date:

[illegible]

Proposed Effective Date: 1/1/2018

2
8
1
2
8
2
2
8
3

Electric Intangible - FERC 302

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Prorated	Total Days in Future Projection of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorated actual activity above Monthly projection	Partially prorated actual activity below Monthly projection but increases ADIT	Partially prorated actual activity below Monthly projection and is a reduction to ADIT	Partially prorated actual balance

2
8
4
2
8
5
2
8
6

December 31st Balance - Prorated Items

2
8
7
2
8
8
2
8
9
2
9
0
2
9
1

January	31	336	366	91.80 %		-	-		-	-	-	-	-
February	29	307	366	83.88 %		-	-		-	-	-	-	-
March	31	276	366	75.41 %		-	-		-	-	-	-	-
April	30	246	366	67.21 %		-	-		-	-	-	-	-
May	31	215	366	58.74 %		-	-		-	-	-	-	-

Approved Effective Date:

292	June	30	185	366	50.55%		-	-		-	-	-	-	-
293	July	31	154	366	42.08%		-	-		-	-	-	-	-
294	August	31	123	366	33.61%		-	-		-	-	-	-	-
295	September	30	93	366	25.41%		-	-		-	-	-	-	-
296	October	31	62	366	16.94%		-	-		-	-	-	-	-
297	November	30	32	366	8.74%		-	-		-	-	-	-	-
298	December	31	1	366	0.27%		-	-		-	-	-	-	-
299	Total		2,030	4,392			-	-		-	-	-	-	-
300	Pro-ratio			53										
301	Factor			78%										
302														
303														
304	Beginning Balance of Prorated items			(Line 286, Col H)			-			(Line 286, Col N)			-	
305	Ending Balance of Prorated items			(Line 298, Col H)			-			(Line 298, Col N)			-	
306	Average Balance of Prorated items			(Average of Line 304 & Line 305)			-			(Average of Line 304 & Line 305)			-	
307	Non-prorated Average Balance			(WP_B-2, Average of Line 85, Cols (a) and (b))			-			(WP_B-2, Average of Line , Cols (a) and (b))			-	
308	Proration Adjustment						-						-	

Proposed Effective Date: 1/1/2018

Approved Effective Date:

Electric Intangible - Smart Grid City

March	31	27	3	75.41%

—

1

Approved Effective Date:

0			6	6									
3	Apr		24	3									
2	il	30	6	6	67.21	-	-	-	-	-	-	-	-
1					%								
3	Ma		21	3									
2	y	31	5	6	58.74	-	-	-	-	-	-	-	-
2					%								
3	Jun		18	3									
2	e	30	5	6	50.55	-	-	-	-	-	-	-	-
3					%								
3	Jul		15	3									
2	y	31	4	6	42.08	-	-	-	-	-	-	-	-
4					%								
3	Au		12	3									
2	gus	31	3	6	33.61	-	-	-	-	-	-	-	-
5	t				%								
3	Se		93	3									
2	pte	30		6	25.41	-	-	-	-	-	-	-	-
6	mb				%								
6	er												
3	Oct		62	3									
2	ob	31		6	16.94	-	-	-	-	-	-	-	-
7	er				%								
3	No		32	3									
2	ve	30		6	8.74	-	-	-	-	-	-	-	-
8	mb				%								
8	er												
3	De			3									
2	ce	31	1	6	0.27	-	-	-	-	-	-	-	-
9	mb				%								
9	er												
Total				4									
3			2,0	3		-	-						
3			30	9									
0				2				-	-	-	-	-	
3													
3													
1													
	Pro			5									
	ratio			3									
	n			.									
3	Facto			7									
3	r			8									
2				%									
3													
3													
3													
3													
3													
4													
3	Beginning			(Line						(Line			
3	Balance of			317,						317,			
5	Prorated items			Col		-				Col			-
3	Ending			H)						N)			
3	Balance of			(Line						(Line			
6	Prorated items			329,		-				329,			-
				Col						Col			

Proposed Effective Date: 1/1/2018

		H)		N)	
3	Average				
3	Balance	(Average of Line 335		(Average of Line	
7	Prorated items	& Line 336)	-	335 & Line 336)	-
3	Non-prorated			(WP_B-2,	
3	Average	(WP_B-2, Average of Line ,		Average of Line	
8	Balance	Cols (a) and (b))	-	, Cols (a) and	-
3	Proration			(b))	
3	Adjustment		-		-
9					
3					
4					
0					
3					
4					
1					
3					
4					

WP_B-Inputs - Adjustments to ADIT

Electric Intangible - AGIS

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Prorated	Total Days in Future Period of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorated actual activity above Monthly projection	Partially prorated actual activity below Monthly projection but increases ADIT	Partially prorated actual activity below Monthly projection and is a reduction to ADIT	Partially prorated actual balance

December 31st Balance - Prorated Items

Approved Effective Date:

[illegible]

Proposed Effective Date: 1/1/2018

3									
6									
5									
3	Beginning	(Line					(Line		
6	Balance of	348,					348,		
6	Prorated items	Col	-				Col	-	
		H)					N)		
3	Ending	(Line					(Line		
6	Balance of	360,					360,		
7	Prorated items	Col	-				Col	-	
		H)					N)		
3	Average								
6	Balance	(Average of Line 366	-				(Average of Line	-	
8	Prorated items	& Line 367)					366 & Line 367)		
							(WP_B-2,		
3	Non-prorated						Average of Line		
6	Average	(WP_B-2, Average of Line ,					, Cols (a) and		
9	Balance	Cols (a) and (b))	-				(b))	-	
3	Proration								
7	Adjustme								
0	nt		-					-	

3
7
1
3
7
2
3
7
3
7
4

**WP_B-Inputs - Adjustments to
ADIT**

**Distribution Plant - Smart Grid
City**

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Prorated	Total Days in Full Year of Projection of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorate actual activity above Monthly projection	Partially prorate actual activity below Monthly projection but increases ADIT	Partially prorate actual activity below Monthly projection and is a reduction to ADIT	Partially prorate actual balance

3
7
7

Proposed Effective Date: 1/1/2018

Approved Effective Date:

[illegible]

Proposed Effective Date: 1/1/2018

3	Pro	5			
3	ratio	3			
3	on	.			
9	Factor	7			
4		8			
3		%			
9					
5					
3					
9					
6					
3	Beginning	(Line		(Line	
9	Balance of	379,		348,	
7	Prorated items	Col	-	Col	-
		H)		N)	
3	Ending	(Line		(Line	
9	Balance of	391,		360,	
8	Prorated items	Col	-	Col	-
3	Average	H)		N)	
9	Balance				
9	Prorated items	(Average of Line 397	-	(Average of Line	-
		& Line 398)		397 & Line 398)	
4	Non-prorated			(WP_B-2,	
0	Average	(WP_B-2, Average of Line ,		Average of Line	
0	Balance	Cols (a) and (b))	-	, Cols (a) and	-
4	Proration			(b))	
0	Adjustme				
1	nt		-		-

WP_B-Inputs - Adjustments to ADIT

Distribution Plant - AGIS

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Prorated	Total Days in Future Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorated actual activity above Monthly projection	Partially prorated actual activity below Monthly projection but increases ADIT	Partially prorated actual activity below Monthly projection and is a reduction to ADIT	Partially prorated actual balance

Proposed Effective Date: 1/1/2018

Approved Effective Date:

[illegible]

Proposed Effective Date: 1/1/2018

2	Number	6		
4		4		
2	Total	2,030	-	-
3		2		
4				
2				
4	Proration Factor	53.78%		
4	Beginning Balance of Prorated items	(Line 410, Col H)		(Line 410, Col N)
2	Ending Balance of Prorated items	(Line 422, Col H)	-	(Line 422, Col N)
9	Average Balance of Prorated items	(Average of Line 428 & Line 429)	-	(Average of Line 428 & Line 429)
4	Non-prorated Average Balance	(WP_B-2, Average of Line , Cols (a) and (b))	-	(WP_B-2, Average of Line , Cols (a) and (b))
3	Proration Adjustment		-	
4				
3				
3				
4				
3				
5	WP_B-Inputs - Adjustments to ADIT			
4				
6	General Plant - Smart Grid City			
4				
3				
4				
3				
8				
4				
3				
9				

Proposed Effective Date: 1/1/2018

Approved Effective Date:

	on th	or ate d	s in F u t u r e P o r t i o n o f T e s t P e r i o d			y (E x F)	ative Sum of G)		actua l activi ty	above Month ly projec tion	y projecti on but increas es ADIT	n and is a reductio n to ADIT	
4													
4													
0													
4													
4	December 31st Balance - Prorated Items					-						-	
1													
4	Jan	31	33	3	91.80	-	-		-	-	-	-	-
4	uar		6	6	%								
2	y		6	6									
4	Fe	29	30	3	83.88	-	-		-	-	-	-	-
4	bru		7	6	%								
4	ary		6	6									
3													
4	Ma	31	27	3	75.41	-	-		-	-	-	-	-
4	rch		6	6	%								
4													
4	Apr	30	24	3	67.21	-	-		-	-	-	-	-
4	il		6	6	%								
4													
4	Ma	31	21	3	58.74	-	-		-	-	-	-	-
4	y		5	6	%								
4													
4	Jun	30	18	3	50.55	-	-		-	-	-	-	-
4	e		5	6	%								
4													
4	Jul	31	15	3	42.08	-	-		-	-	-	-	-
4	y		4	6	%								
4													
4	Au	31	12	3	33.61	-	-		-	-	-	-	-
4	gus		3	6	%								
4	t												
4													
4	Se	30	93	3	25.41	-	-		-	-	-	-	-
4	pte			6	%								
4	mb												
4	er												
4	Oct				16.94								

Proposed Effective Date: 1/1/2018

[illegible]

Proposed Effective Date: 1/1/2018

4 6 9	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Month	Days in the Month	Number of Days Prorated	Total Days in Future Projection of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorated actual activity above Monthly projection	Partially prorated actual activity below Monthly projection but increases ADIT	Partially prorated actual activity below Monthly projection and is a reduction to ADIT	Partially prorated actual balance

4
7
0
4
7
1
4
7
2

December 31st Balance - Prorated Items

4 7 3	January	31	336	366	91.80 %		-	-		-	-	-	-	-
4 7 4	February	29	307	366	83.88 %		-	-		-	-	-	-	-
4 7 5	March	31	276	366	75.41 %		-	-		-	-	-	-	-
4 7 6	April	30	246	366	67.21 %		-	-		-	-	-	-	-
4 7 7	May	31	215	366	58.74 %		-	-		-	-	-	-	-
4 7 8	June	30	185	366	50.55 %		-	-		-	-	-	-	-
4 7 9	July	31	154	366	42.08 %		-	-		-	-	-	-	-

Proposed Effective Date: 1/1/2018

4800	August	31	123	366	33.61%		-	-		-	-	-	-	-
4811	September	30	93	366	25.41%		-	-		-	-	-	-	-
4822	October	31	62	366	16.94%		-	-		-	-	-	-	-
4833	November	30	32	366	8.74%		-	-		-	-	-	-	-
4844	December	31	1	366	0.27%		-	-		-	-	-	-	-
4854	Total		2,030	4,392			-	-		-	-	-	-	-
4884	Proration Factor			53.7%										
4900	Beginning Balance of Prorated items			(Line 472, Col H)			-			(Line 472, Col N)			-	
4901	Ending Balance of Prorated items			(Line 484, Col H)			-			(Line 484, Col N)			-	
4902	Average Balance of Prorated items			(Average of Line 490 & Line 491)			-			(Average of Line 490 & Line 491)			-	
4903	Non-prorated Average Balance			(WP_B-2, Average of Line , Cols (a) and (b))			-			(WP_B-2, Average of Line , Cols (a) and (b))			-	
4904	Proration Adjustment						-						-	

Proposed Effective Date: 1/1/2018

WP_B-Inputs - Adjustments to ADIT

Common Intangible - FERC 302

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Prorated	Total Days in Future Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorated actual activity above Monthly projection	Partially prorated actual activity below Monthly projection but increases ADIT	Partially prorated actual activity below Monthly projection and is a reduction to ADIT	Partially prorated actual balance

December 31st Balance - Prorated Items

January	31	336	366	91.80%		-	-	-	-	-	-	-
February	29	307	366	83.88%		-	-	-	-	-	-	-
March	31	276	366	75.41%		-	-	-	-	-	-	-
April	30	246	366	67.21%		-	-	-	-	-	-	-

Proposed Effective Date: 1/1/2018

508	May	31	215	366	58.74%	-	-	-	-	-	-
509	June	30	185	366	50.55%	-	-	-	-	-	-
510	July	31	154	366	42.08%	-	-	-	-	-	-
511	August	31	123	366	33.61%	-	-	-	-	-	-
512	September	30	93	366	25.41%	-	-	-	-	-	-
513	October	31	62	366	16.94%	-	-	-	-	-	-
514	November	30	32	366	8.74%	-	-	-	-	-	-
515	December	31	1	366	0.27%	-	-	-	-	-	-
516	Total	2,030	4,392			-	-	-	-	-	-
517	Proportion			53							
518	Factor			78%							
519											
520											
521	Beginning Balance of Prorated items			(Line 503, Col H)		-		(Line 503, Col N)		-	
522	Ending Balance of Prorated items			(Line 515, Col H)		-		(Line 515, Col N)		-	
523	Average Balance of Prorated items			(Average of Line 521& Line 522)		-		(Average of Line 521& Line 522)		-	
524	Non-prorated Average			(WP_B-2, Average of Line , Cols (a) and (b))		-		(WP_B-2, Average of Line		-	

Proposed Effective Date: 1/1/2018

Approved Effective Date:

5	Proration		
2	Adjustme		
5	nt	-	-

5			
3	Days in Period	Averaging with Proration - Projected	Averaging Preserving Projected Proration - True-up
0			

531	A	B	C	D	E		F	G	H		I	J	K	L	M	N		532
	Month	Days in the Month	Number of Days Prorated	Total Days in Future Period of Test Period	Proration Amount (C / D)		Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)		Actual Monthly Activity	Difference between projected and actual activity	Partially prorate actual activity above Monthly projection	Partially prorate actual activity below Monthly projection but increases ADIT	Partially prorate actual activity below Monthly projection and is a reduction to ADIT	Partially prorate actual balance		

[illegible][illegible][illegible]

Proposed Effective Date: 1/1/2018

[illegible]

Proposed Effective Date: 1/1/2018

5	Ending	(Line 546,		(Line 546,	
5	Balance of	Col	-	Col	-
3	Prorated items	H)		N)	
5	Average				
5	Balance	(Average of Line 552		(Average of Line	
4	Prorated items	& Line 553)	-	552 & Line 553)	-
5	Non-prorated			(WP_B-2,	
5	Average	(WP_B-2, Average of Line ,		Average of Line	
5	Balance	Cols (a) and (b))	-	, Cols (a) and	-
5	Proration			(b))	
5	Adjustment		-		-
6					
5					
5					
7					
5					
5					
8					
5					

WP_B-Inputs - Adjustments to ADIT

Common Intangible - OMS

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Prorated	Total Days in Future Projection of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorated actual activity above Monthly projection	Partially prorated actual activity below Monthly projection but increases ADIT	Partially prorated actual activity below Monthly projection and is a reduction to ADIT	Partially prorated actual balance

Proposed Effective Date: 1/1/2018

5	6	December 31st Balance - Prorated Items									
5	6										
5	6	Jan	31	33	3	91.80	-	-	-	-	-
6	6	y		6	6	%					
5	6	Fe	29	30	3	83.88	-	-	-	-	-
6	7	bru		7	6	%					
7	7	ary			6						
5	6	Ma	31	27	3	75.41	-	-	-	-	-
6	8	r		6	6	%					
8	8	ch			6						
5	6	Apr	30	24	3	67.21	-	-	-	-	-
6	9	il		6	6	%					
9	9				6						
5	7	Ma	31	21	3	58.74	-	-	-	-	-
7	0	y		5	6	%					
0	0				6						
5	7	Jun	30	18	3	50.55	-	-	-	-	-
7	1	e		5	6	%					
1	1				6						
5	7	Jul	31	15	3	42.08	-	-	-	-	-
7	2	y		4	6	%					
2	2				6						
5	7	Au	31	12	3	33.61	-	-	-	-	-
7	3	gus		3	6	%					
3	3	t			6						
5	7	Se	30	93	3	25.41	-	-	-	-	-
7	4	pte			6	%					
4	4	mb			6						
5	7	er			6						
7	5	Oct	31	62	3	16.94	-	-	-	-	-
5	5	ob			6	%					
5	5	er			6						
5	7	No	30	32	3	8.74	-	-	-	-	-
7	6	ve			6	%					
6	6	mb			6						
6	6	er			6						
5	7	De	31	1	3	0.27	-	-	-	-	-
7	7	ce			6	%					
7	7	mb			6						
7	7	er			6						
					4						
5	7	To	2,0	,	3	-	-				
7	8	tal	30		9						
8	5				2			-	-	-	-
5	7										
9	9										
		Pro			5						
		ra			3						
		ti			.						
5	8	on			7						
8	0	cto			8						
0	0	r			%						

Approved Effective Date:

5		(Line		(Line	
8		565,		565,	
1		Col	-	Col	-
5		H)		N)	
8	Beginning	(Line		(Line	
3	Balance of	577,		577,	
	Prorated items	Col	-	Col	-
		H)		N)	
5	Ending				
8	Balance of				
4	Prorated items				
5	Average				
8	Balance	(Average of Line 583	-	(Average of Line	-
5	Prorated items	& Line 584)		583 & Line 584)	
				(WP_B-2,	
5	Non-prorated			Average of Line	
8	Average	(WP_B-2, Average of Line ,		, Cols (a) and	
6	Balance	Cols (a) and (b))	-	(b))	-
5	Proration				
8	Adjustme				
7	nt		-		-

WP_B-Inputs - Adjustments to ADIT

Common General - Smart Grid City

	Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Month	Days in the Month	Number of Days Prorated	Total Days in Full Year Proportion of Total	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorate actual activity above Monthly projection	Partially prorate actual activity below Monthly projection but increases ADIT	Partially prorate actual activity below Monthly projection and is a reduction to ADIT	Partially prorate actual balance

Proposed Effective Date: 1/1/2018

[illegible]

Proposed Effective Date: 1/1/2018

610	Pro	5			
	ratio	3			
	on	.			
611	Factor	78			
611		%			
612					
613					
614	Beginning	(Line 596,		(Line 596,	
615	Balance of	Col	-	Col	-
616	Prorated items	H)		N)	
617	Ending	(Line 608,		(Line 608,	
618	Balance of	Col	-	Col	-
619	Prorated items	H)		N)	
620	Average				
621	Balance	(Average of Line 614	-	(Average of Line 614 & Line 615)	-
622	Prorated items	& Line 615)		(WP_B-2, Average of Line	
623	Non-prorated			, Cols (a) and	
624	Average	(WP_B-2, Average of Line ,		(b))	
625	Balance	Cols (a) and (b))	-		-
626	Proration				
627	Adjustment		-		-

Common General - AGIS

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Prorated	Total Days in Future	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorate actual activity above Monthly projection	Partially prorate actual activity below Monthly projection but increases ADIT	Partially prorate actual activity below Monthly projection and is a reduction to ADIT	Partially prorate actual balance

Proposed Effective Date: 1/1/2018

Approved Effective Date:

[illegible]

Proposed Effective Date: 1/1/2018

3	ce	31	1	3	%		-	-		-	-	-	-	-
9	mb			6										
	er			6										
				4										
6		To	2,0	,			-	-						
4		tal	30	3										
0				9										
6				2										
4														
1														
	Pro			5										
	ration			3										
6	Fa			.										
4	cto			7										
2	r			8										
6				%										
4														
3														
6														
4														
4														
6	Beginning			(Line						(Line				
4	Balance of			625,			-			625,			-	
5	Prorated items			Col						Col				
				H)						N)				
6	Ending			(Line						(Line				
4	Balance of			637,			-			637,			-	
6	Prorated items			Col						Col				
				H)						N)				
6	Average													
4	Balance			(Average of Line 643			-			(Average of Line			-	
7	Prorated items			& Line 644)						643 & Line 644)				
										(WP_B-2,				
6	Non-prorated									Average of Line				
4	Average			(WP_B-2, Average of Line ,			-			, Cols (a) and			-	
8	Balance			Cols (a) and (b))						(b))				
6	Proration													
4	Adjustme													
9	nt						-						-	

WP_B-3 - Deficient ADIT

NOL Carryforward - Direct Assigned to Transmission

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the	Number of Days	Total Days	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly	Prorated Projected Balance	Actual Monthly Activity	Difference between projected	Partially prorate actual activity below	Partially prorate actual activity below	Partially prorate actual activity below Monthly	Partially prorate actual balance

Proposed Effective Date: 1/1/2018

Approved Effective Date:

[illegible]

6
5
7
6
5
8

December 31st Balance - Prorated Items

1

659	January	31	336	366	91.80%	-	-	-	-	-	-
660	February	29	307	366	83.88%	-	-	-	-	-	-
661	March	31	276	366	75.41%	-	-	-	-	-	-
662	April	30	246	366	67.21%	-	-	-	-	-	-
663	May	31	215	366	58.74%	-	-	-	-	-	-
664	June	30	185	366	50.55%	-	-	-	-	-	-
665	July	31	154	366	42.08%	-	-	-	-	-	-
666	August	31	123	366	33.61%	-	-	-	-	-	-
667	September	30	93	366	25.41%	-	-	-	-	-	-

Proposed Effective Date: 1/1/2018

[illegible]

Proposed Effective Date: 1/1/2018

6 8 6	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Month	Days in the Month	Number of Days Prorated	Total Days in Future Projection of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorated actual activity above Monthly projection	Partially prorated actual activity below Monthly projection but increases ADIT	Partially prorated actual activity below Monthly projection and is a reduction to ADIT	Partially prorated actual balance

December 31st Balance - Prorated Items

6 9 0	January	31	336	366	91.80 %	-	-	-	-	-	-	-	-
6 9 1	February	29	307	366	83.88 %	-	-	-	-	-	-	-	-
6 9 2	March	31	276	366	75.41 %	-	-	-	-	-	-	-	-
6 9 3	April	30	246	366	67.21 %	-	-	-	-	-	-	-	-
6 9 4	May	31	215	366	58.74 %	-	-	-	-	-	-	-	-
6 9 5	June	30	185	366	50.55 %	-	-	-	-	-	-	-	-
6 9 6	July	31	154	366	42.08 %	-	-	-	-	-	-	-	-

Proposed Effective Date: 1/1/2018

697	August	31	123	366	33.61%		-	-		-	-	-	-	-
698	September	30	93	366	25.41%		-	-		-	-	-	-	-
699	October	31	62	366	16.94%		-	-		-	-	-	-	-
700	November	30	32	366	8.74%		-	-		-	-	-	-	-
701	December	31	1	366	0.27%		-	-		-	-	-	-	-
702	Total		2,030	4,392			-	-		-	-	-	-	-
703	Proportion Factor			53.78%										
704	Beginning Balance of Prorated items			(Line 689, Col H)			-			(Line 689, Col N)			-	
705	Ending Balance of Prorated items			(Line 701, Col H)			-			(Line 701, Col N)			-	
706	Average Balance of Prorated items			(Average of Line 707 & Line 708)			-			(Average of Line 707 & Line 708)			-	
707	Non-prorated Average Balance			(WP_B-3 – Deficient ADIT)			-			(WP_B-3 – Deficient ADIT)			-	
708	Proration Adjustment						-						-	

Approved Effective Date:

Table 39
WP_ADIT Prorate

Rate Year =	

- 1
- 2

5
6

7

8

9

1

Approved Effective Date:

0	rch	31	276	366	%	-	-	-	-	-	-	-	-	-
11	April	30	246	366	67.21%	-	-	-	-	-	-	-	-	-
12	May	31	215	366	58.74%	-	-	-	-	-	-	-	-	-
13	June	30	185	366	50.55%	-	-	-	-	-	-	-	-	-
14	July	31	154	366	42.08%	-	-	-	-	-	-	-	-	-
15	August	31	123	366	33.61%	-	-	-	-	-	-	-	-	-
16	September	30	93	366	25.41%	-	-	-	-	-	-	-	-	-
17	October	31	62	366	16.94%	-	-	-	-	-	-	-	-	-
18	November	30	32	366	8.74%	-	-	-	-	-	-	-	-	-
19	December	31	1	366	0.27%	-	-	-	-	-	-	-	-	-
20	Total		2,030	4,392		-	-							
21														
22														
23														
24														
25														
26	Ending Balance of Prorated items			(Line 19, Col H)				-		(Line 19, Col N)				-
27														
28	Non-prorated Average Balance			(WP_B-3, Average of Line 26, Cols (a) and (b))				-		(WP_B-3, Average of Line 26, Cols (a) and (b))				-

Approved Effective Date:

[illegible]

Proposed Effective Date: 1/1/2019

[illegible]

Approved Effective Date:

[illegible]

Proposed Effective Date: 1/1/2019

9 Account 281 - Accelerated amortization
5 property

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Num- ber of Days Remain- ing in Year After Month's Accru- al of De- ferred Taxes	Total Days in Fu- ture Portion of Test Period	Prorat- ion Amount (C / D)	Project- ed Monthly Activi- ty	Prorat- ed Project- ed Monthly Activi- ty (E x F)	Prorate- d Project- ed Balance (Cumul- ative Sum of G)	Actual Monthly Activi- ty	Difference between projected and actual activity (See Note 1.)	Preserve prorat- ion when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting prorat- ion or averag- ing (See Note 5.)

9
8
9
9
1
0
0 December 31st Balance - Prorated Items

1 0 1	Jan- uary	31	33 6	3 6 6	91.80 %	-	-	-	-	-	-	-	-
1 0 2	Fe- bruary	29	30 7	3 6 6	83.88 %	-	-	-	-	-	-	-	-
1 0 3	Mar- ch	31	27 6	3 6 6	75.41 %	-	-	-	-	-	-	-	-
1 0 4	Apr- il	30	24 6	3 6 6	67.21 %	-	-	-	-	-	-	-	-
1 0 5	May	31	21 5	3 6 6	58.74 %	-	-	-	-	-	-	-	-
1 0 6	June	30	18 5	3 6 6	50.55 %	-	-	-	-	-	-	-	-

Approved Effective Date:

	To	4								
1	tal	2.0	'	-	-					
1		30	3							
3			9							
			2			-	-	-	-	-

1	Non-prorated			(WP_B-2,	
2	Average	(WP_B-2, Average of Line 4,		Average of Line	
1	Balance	Cols (a) and (b))	-	(b))	-
		(Line		(Line	
		119		119	
1	Proration	minus		minus	
2	Adjustme	Line		Line	
2	nt	121)	-	121)	-

1
2
3
1
2

Proposed Effective Date: 1/1/2019

4
1
2
5
1
2
6
1
2
7
1
2
8

Account 282 - Other Property

Plant Related- Direct Assigned to Transmission

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in Year After Month's Accrual of Deferred Taxes	Total Days in Future Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)

1
2
9
1
3
0
1
3
1

December 31st Balance - Prorated Items

1
3
2
1
3
3
1
3
4
1
3
5

January	31	336	366	91.80 %		-	-		-	-	-	-	-
February	29	307	366	83.88 %		-	-		-	-	-	-	-
March	31	276	366	75.41 %		-	-		-	-	-	-	-
April	30	246	366	67.21 %		-	-		-	-	-	-	-

Proposed Effective Date: 1/1/2019

1 3 6	May	31	21 5	3 6 6	58.74 %
1 3 7	June	30	18 5	3 6 6	50.55 %
1 3 8	July	31	15 4	3 6 6	42.08 %
1 3 9	August	31	12 3	3 6 6	33.61 %
1 4 0	September	30	93	3 6 6	25.41 %
1 4 1	October	31	62	3 6 6	16.94 %
1 4 2	November	30	32	3 6 6	8.74 %
1 4 3	December	31	1	3 6 6	0.27 %

1
4
4
1
4
5
1
4
6
1
4
7
1
4
8
1
4
9

1
5
0

Ending
Balance of
Prorated items

(Line
143,
Col
H)

-

(Line
143,
Col
N)

-

1
5
1

Non-prorated
Average
Balance
Proration
Adjustme

(WP_B-2, Average of Line 35,
Cols (a) and (b))
(Line
150

-

-

(WP_B-2,
Average of Line
35, Cols (a) and
(b))
(Line
150

-

-

Proposed Effective Date: 1/1/2019

3 nt minus
 Line
 152) minus
 Line
 152)

1
 5
 4
 1
 5
 5
 1
 5
 6
 1
 5
 7
 1
 5
 8
 1
 5
 9

Account 282 - Other Property

Plant Related- Allocated to Transmission

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in Year After Month's Accrued of Deferred Taxes	Total Days in Future Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)

1
 6
 0
 1
 6
 1
 1
 6
 2
 1
 6
 3
 1
 6
 4

December 31st Balance - Prorated Items

January	31	336	366	91.80%		-	-		-	-	-	-	-
February	29	307	366	83.88%		-	-		-	-	-	-	-

Proposed Effective Date: 1/1/2019

1 6 5	Ma rch	31	27 6	3 6 6	75.41 %
1 6 6	Apr il	30	24 6	3 6 6	67.21 %
1 6 7	Ma y	31	21 5	3 6 6	58.74 %
1 6 8	Jun e	30	18 5	3 6 6	50.55 %
1 6 9	Jul y	31	15 4	3 6 6	42.08 %
1 7 0	Au gus t	31	12 3	3 6 6	33.61 %
1 7 1	Se pte mber	30	93	3 6 6	25.41 %
1 7 2	Oct ober	31	62	3 6 6	16.94 %
1 7 3	No ve mber	30	32	3 6 6	8.74 %
1 7 4	De cember	31	1	3 6 6	0.27 %

1 7 5 1 7 6 1 7 7 1 7 8 1 7 9 1 8 0	To tal	2,030	4 , 3 9 2

1 Ending
 8 Balance of
 1 Prorated items
 1

(Line
 174,
 Col
 H)

-

(Line
 174,
 Col
 N)

-

Proposed Effective Date: 1/1/2019

8					
2					
1	Non-prorated				(WP_B-2,
8	Average	(WP_B-2, Average of Line 66,			Average of Line
3	Balance	Cols (a) and (b))	-		66, Cols (a) and
		(Line			(b))
		181			(Line
1	Proration	minus			181
8	Adjustme	Line			minus
4	nt	183)	-		Line
1					183)
8					-
5					
1					
8					
6					
1					
8					
7	Account 283 - Other				
1					
8	Plant Related- Direct Assigned to				
8	Production				

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in Year After Month's Accrual of Deferred Taxes	Total Days in Future Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)

December 31st Balance - Prorated Items

Proposed Effective Date: 1/1/2019

194	January	31	336	366	91.80%	-	-	-	-	-	-
195	February	29	307	366	83.88%	-	-	-	-	-	-
196	March	31	276	366	75.41%	-	-	-	-	-	-
197	April	30	246	366	67.21%	-	-	-	-	-	-
198	May	31	215	366	58.74%	-	-	-	-	-	-
199	June	30	185	366	50.55%	-	-	-	-	-	-
200	July	31	154	366	42.08%	-	-	-	-	-	-
201	August	31	123	366	33.61%	-	-	-	-	-	-
202	September	30	93	366	25.41%	-	-	-	-	-	-
203	October	31	62	366	16.94%	-	-	-	-	-	-
204	November	30	32	366	8.74%	-	-	-	-	-	-
205	December	31	1	366	0.27%	-	-	-	-	-	-
206	Total	2,030	4,392			-	-	-	-	-	-

Proposed Effective Date: 1/1/2019

		(Line		(Line	
2	Ending	205,		205,	
1	Balance of	Col	-	Col	-
2	Prorated items	H)	<u> </u>	N)	<u> </u>
2					
1					
3					
2	Non-prorated	(WP_B-2, Average of Line		(WP_B-2,	
1	Average	Public Service Company of		Average of Line	
4	Balance	Colorado, Cols (a) and (b))	-	, Cols (a) and	
		(Line	<u> </u>	(b))	-
		212		(Line	
2	Proration	minus		212	
1	Adjustme	Line		minus	
5	nt	214)	-	Line	
2				214)	-
1					
6					
2					
1					
7					
2					
1					
8	Account 283 - Other				

Account 283 - Other

Plant Related- Allocated to Transmission

2 2 0 2 2 1	Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
	A	B	C	D	E	F	G	H	I	J	K	L	M	N
2 2 2	Month	Days in the Month	Number of Days Remaining in Year After Month's Actual Deferred Taxes	Total Days in Future Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)

Approved Effective Date:

[illegible]

Proposed Effective Date: 1/1/2019

3
8
2
3
9
2
4
0
2
4
1
2
4
2

2	Ending	(Line		(Line	
4	Balance of	236,	-	236,	-
3	Prorated items	Col		Col	
2		H)		N)	
4					
4					
2	Non-prorated			(WP_B-2,	
4	Average	(WP_B-2, Average of Line 23,		Average of Line	
5	Balance	Cols (a) and (b))	-	, Cols (a) and	-
		(Line		(Line	
2	Proration	243		243	
4	Adjustment	minus		minus	
6		Line	-	Line	-
2		245)		245)	

Account 283 - Other

Related to All Plant

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in Year After Month's	Total Days in Future Report	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or	Difference between projected and actual activity when actual and projected activity are either both increases	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity	Balance reflecting proration or averaging (See Note 5.)

2
5
3

Approved Effective Date:

		Ac cru al of De fer red Ta xe s	io n o f T e st P e ri od						decre ases. (See Note 2.)	es or decrea ses. (See Note 3.)	is a decreas e while actual activity is an increase . (See Note 4.)	
2 5 4 2 5 5	December 31st Balance - Prorated Items					-					-	
2 5 6	Jan uar y	31	33 6 6	3 6 6	91.80 %		-	-	-	-	-	-
2 5 7	Fe bru ary	29	30 7 6	3 6 6	83.88 %		-	-	-	-	-	-
2 5 8	Ma rch	31	27 6 6	3 6 6	75.41 %		-	-	-	-	-	-
2 5 9	Apr il	30	24 6 6	3 6 6	67.21 %		-	-	-	-	-	-
2 6 0	Ma y	31	21 5 6	3 6 6	58.74 %		-	-	-	-	-	-
2 6 1	Jun e	30	18 5 6	3 6 6	50.55 %		-	-	-	-	-	-
2 6 2	Jul y	31	15 4 6	3 6 6	42.08 %		-	-	-	-	-	-
2 6 3	Au gus t	31	12 3 6	3 6 6	33.61 %		-	-	-	-	-	-
2 6 4	Se pte mber	30	93 6 6	3 6 6	25.41 %		-	-	-	-	-	-
2 6 5	Oct ober	31	62 6 6	3 6 6	16.94 %		-	-	-	-	-	-
2 6 6	No ve mber	30	32 6 6	3 6 6	8.74 %		-	-	-	-	-	-
2 6 7	De ce mber	31	1 6 6	3 6 6	0.27 %		-	-	-	-	-	-

Proposed Effective Date: 1/1/2019

[illegible]

Proposed Effective Date: 1/1/2019

Approved Effective Date:

		Year After Month's Accrual of Deferred Taxes	Portion of Test Period					(See Note 1.)	ly activity are either both increases or decreases. (See Note 2.)	project ed activity are either both increases or decreases. (See Note 3.)	activity is a decrease OR projected activity is a decrease while actual activity is an increase . (See Note 4.)	
285286	December 31st Balance - Prorated Items						-				-	
287	January	31	336	366	91.80%		-	-	-	-	-	
288	February	29	307	366	83.88%		-	-	-	-	-	
289	March	31	276	366	75.41%		-	-	-	-	-	
290	April	30	246	366	67.21%		-	-	-	-	-	
291	May	31	215	366	58.74%		-	-	-	-	-	
292	June	30	185	366	50.55%		-	-	-	-	-	
293	July	31	154	366	42.08%		-	-	-	-	-	
294	August	31	123	366	33.61%		-	-	-	-	-	
295	September	30	93	366	25.41%		-	-	-	-	-	
296	October	31	62	366	16.94%		-	-	-	-	-	
297	November				8.74%							

Proposed Effective Date: 1/1/2019

9	ve	30	32	3	%		-	-		-	-	-	-	-
7	mb			6										
	er			6										
2	ce			3										
9	mb	31	1	6	0.27		-	-		-	-	-	-	-
8	er			6	%									

			4											
2	To	2,0	,			-	-							
9	tal	30	3											
9			9											
3			2											

3	Ending		(Line						(Line					
0	Balance of		298,						298,					
5	Prorated items		Col						Col					
3			H)						N)					
0														
6														
3	Non-prorated								(WP_B-2,					
0	Average		(WP_B-2, Average of Line 85,						Average of Line					
7	Balance		Cols (a) and (b))						, Cols (a) and					
			(Line						(b))					
3	Proration		305						(Line					
0	Adjustme		minus						305					
8	nt		Line						minus					
3			307)						Line					
0									307)					
9														
3														
1														
0														
3														
1														

WP_B-Inputs - Adjustments to ADIT

Electric Intangible - Smart Grid
 City

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N

Proposed Effective Date: 1/1/2019

	Month	Days in the Month	Number of Days Remaining in Year After Month's Accrual of Deferred Taxes	Total Days in Future Period of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Prese rve prorat ion when actual month ly and project ed month ly activi ty are either both increa ses or decrea ses. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)
315316317	December 31st Balance - Prorated Items							-					-	
318	January	31	336	366	91.80 %		-	-		-	-	-	-	-
319	February	29	307	366	83.88 %		-	-		-	-	-	-	-
320	March	31	276	366	75.41 %		-	-		-	-	-	-	-
321	April	30	246	366	67.21 %		-	-		-	-	-	-	-
322	May	31	215	366	58.74 %		-	-		-	-	-	-	-
323	June	30	185	366	50.55 %		-	-		-	-	-	-	-
324	July	31	154	366	42.08 %		-	-		-	-	-	-	-
325	August	31	123	366	33.61 %		-	-		-	-	-	-	-

Approved Effective Date:

[illegible]

Proposed Effective Date: 1/1/2019

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in Year After Month's Accrual of Deferred Taxes	Total Days in Future Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)
December 31st Balance - Prorated Items							-						-
January	31	336	366	91.80%		-	-		-	-	-	-	-
February	29	307	366	83.88%		-	-		-	-	-	-	-
March	31	276	366	75.41%		-	-		-	-	-	-	-
April	30	246	366	67.21%		-	-		-	-	-	-	-
May	31	215	366	58.74%		-	-		-	-	-	-	-
June	30	183	366	50.55%		-	-		-	-	-	-	-

Proposed Effective Date: 1/1/2019

[illegible]

Proposed Effective Date: 1/1/2019

3
7
2
3
7
3
3
7
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3
7
6

WP_B-Inputs - Adjustments to ADIT

Distribution Plant - Smart Grid City

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in Year After Month's Accrual of Deferred Taxes	Total Days in Future Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)
December 31st Balance - Prorated Items							-						-
January	31	336	366	91.80%									
February	29	307	366	83.88%									
March	31	276	366	75.41%									
April	30	246	366	67.21%									

3
7
7
3
7
8
3
7
9

December 31st Balance - Prorated Items

January	31	336	366	91.80%		-	-		-	-	-	-	-
February	29	307	366	83.88%		-	-		-	-	-	-	-
March	31	276	366	75.41%		-	-		-	-	-	-	-
April	30	246	366	67.21%		-	-		-	-	-	-	-

Proposed Effective Date: 1/1/2019

[illegible]

Proposed Effective Date: 1/1/2019

[illegible]

Proposed Effective Date: 1/1/2019

[illegible]

Proposed Effective Date: 1/1/2019

4					
3					
0					
4	Non-prorated				(WP_B-2,
3	Average	(WP_B-2, Average of Line ,			Average of Line
1	Balance	Cols (a) and (b))	-		, Cols (a) and
		(Line			(b))
		429			(Line
4	Proration	minus			429
3	Adjustme	Line			minus
2	nt	431)	-		Line
4					431)
3					-
3					
4					
4					
3					
5	WP_B-Inputs - Adjustments to ADIT				

WP_B-Inputs - Adjustments to ADIT

General Plant - Smart Grid City

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Num- ber of Days Rema- ining in Year After Month's Accru- al of De- ferred Taxes	Total Days in Future Period of Test Period	Prorat- ion Amount (C / D)	Project- ed Monthly Activity	Prorat- ed Project- ed Monthly Activity (E x F)	Prorate- d Project- ed Balance (Cumul- ative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)

December 31st Balance - Prorated Items

Approved Effective Date:

[illegible]

Proposed Effective Date: 1/1/2019

4		(Line		(Line	
5		453,		453,	
9		Col		Col	
4	Ending	H)	-	N)	-
6	Balance of				
0	Prorated items				
4					
6					
1					
4	Non-prorated			(WP_B-2,	
6	Average	(WP_B-2, Average of Line ,		Average of Line	
2	Balance	Cols (a) and (b))	-	, Cols (a) and	
		(Line		(b))	
		460		(Line	
4	Proration	minus		460	
6	Adjustme	Line		minus	
3	nt	462)	-	Line	
				462)	-

WP_B-Inputs - Adjustments to ADIT

General Plant - AGIS

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in Year After Month's Actual Deferred Taxes	Total Days in Future Period of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)

Approved Effective Date:

Proposed Effective Date: 1/1/2019

8
6
4
8
7
4
8
8
4
8
9
4
9
0

4	Ending	(Line		(Line	
9	Balance of	484,		484,	
1	Prorated items	Col	-	Col	-
4		H)		N)	
9					
2					
4	Non-prorated			(WP_B-2,	
9	Average	(WP_B-2, Average of Line ,		Average of Line	
3	Balance	Cols (a) and (b))	-	, Cols (a) and	
		(Line		(b))	
4	Proration	491		(Line	
9	Adjustme	minus		491	
4	nt	Line		minus	
4		493)	-	Line	
9				493)	-

4
9
5
4
9
6
4
9

WP_B-Inputs - Adjustments to ADIT

4
9
8

Common Intangible - FERC 302

4
9
9
5
0
0

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in Year After Month's	Total Days in Future Report	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or	Difference between projected and actual activity when actual and projected activity are either both increases	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity	Balance reflecting proration or averaging (See Note 5.)

5
0
1

Proposed Effective Date: 1/1/2019

		Accrued of Deferred Taxes	ion of Test Period							decreases. (See Note 2.)	es or decreases. (See Note 3.)	is a decrease while actual activity is an increase. (See Note 4.)	
502503	December 31st Balance - Prorated Items												
504	January	31	336	36	91.80%		-	-	-	-	-	-	-
505	February	29	307	36	83.88%		-	-	-	-	-	-	-
506	March	31	276	36	75.41%		-	-	-	-	-	-	-
507	April	30	246	36	67.21%		-	-	-	-	-	-	-
508	May	31	215	36	58.74%		-	-	-	-	-	-	-
509	June	30	185	36	50.55%		-	-	-	-	-	-	-
510	July	31	154	36	42.08%		-	-	-	-	-	-	-
511	August	31	123	36	33.61%		-	-	-	-	-	-	-
512	September	30	93	36	25.41%		-	-	-	-	-	-	-
513	October	31	62	36	16.94%		-	-	-	-	-	-	-
514	November	30	32	36	8.74%		-	-	-	-	-	-	-
515	December	31	1	36	0.27%		-	-	-	-	-	-	-

Proposed Effective Date: 1/1/2019

[illegible]

Approved Effective Date:

45	ve mb er	30	32	366	%		-	-		-	-	-	-	-
546	ce mb er	31	1	366	0.27%		-	-		-	-	-	-	-

[illegible]

5	Ending	(Line		(Line	
5	Balance of	546,		546,	
3	Prorated items	Col	-	Col	-
5		H)		N)	
5					
5					
4					
5	Non-prorated			(WP_B-2,	
5	Average	(WP_B-2, Average of Line ,		Average of Line	
5	Balance	Cols (a) and (b))	-	, Cols (a) and	
		(Line		(b))	
		553		(Line	-
5	Proration	minus		553	
5	Adjustme	Line		minus	
6	nt	555)	-	Line	
				555)	-

WP_B-Inputs - Adjustments to ADIT

[illegible]

Proposed Effective Date: 1/1/2019

	Month	Days in the Month	Number of Days Remaining in Year After Month's Accrual of Deferred Taxes	Total Days in Future Portion of Test Period	Proration Amount (C / D)		Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)		Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)
563564565	December 31st Balance - Prorated Items							-								-
5666	January	31	336	366	91.80 %		-	-			-	-	-	-	-	-
5677	February	29	307	366	83.88 %		-	-			-	-	-	-	-	-
5688	March	31	276	366	75.41 %		-	-			-	-	-	-	-	-
5699	April	30	246	366	67.21 %		-	-			-	-	-	-	-	-
5700	May	31	215	366	58.74 %		-	-			-	-	-	-	-	-
5711	June	30	185	366	50.55 %		-	-			-	-	-	-	-	-
5722	July	31	154	366	42.08 %		-	-			-	-	-	-	-	-
5737	August	31	123	366	33.61 %		-	-			-	-	-	-	-	-

Proposed Effective Date: 1/1/2019

[illegible]

Proposed Effective Date: 1/1/2019

1	Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
2	A	B	C	D	E	F	G	H	I	J	K	L	M	N
3	Month	Days in the Month	Number of Days Remaining in Year After Month's Accrual of Deferred Taxes	Total Days in Future Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)
4														
5														
6														
7														
8														
9														
10														
11														
12														
13														
14														
15														
16														
17														
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Proposed Effective Date: 1/1/2019

[illegible]

Proposed Effective Date: 1/1/2019

6
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1
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2
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3
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4

WP_B-Inputs - Adjustments to
ADIT

Common General - AGIS

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in Year After Month's Accrual of Deferred Taxes	Total Days in Future Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)

6
2
5

[illegible]

Proposed Effective Date: 1/1/2019

632	May	31	215	366	58.74%		-	-		-	-	-	-	-
633	June	30	185	366	50.55%		-	-		-	-	-	-	-
634	July	31	154	366	42.08%		-	-		-	-	-	-	-
635	August	31	123	366	33.61%		-	-		-	-	-	-	-
636	September	30	93	366	25.41%		-	-		-	-	-	-	-
637	October	31	62	366	16.94%		-	-		-	-	-	-	-
638	November	30	32	366	8.74%		-	-		-	-	-	-	-
639	December	31	1	366	0.27%		-	-		-	-	-	-	-
640	Total	2,030	4392				-	-		-	-	-	-	-
641														
642														
643														
644														
645														
646														
647														
648	Ending Balance of Prorated items			(Line 637, Col H)			-			(Line 637, Col N)			-	
649														
650														
651														
652														
653														
654														
655														
656														
657														
658	Non-prorated Average Balance			(WP_B-2, Average of Line Cols (a) and (b))			-			(WP_B-2, Average of Line Cols (a) and (b))			-	

Proposed Effective Date: 1/1/2019

644
minus
Line
646)

-

(Line
644
minus
Line
646)

-

Proration
Adjustment

WP_B-3 - Deficient ADIT

NOL Carryforward - Direct Assigned to
Transmission

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in Year After Month's Accrual of Deferred Taxes	Total Days in Future Period of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting prorating or averaging (See Note 5.)
December 31st Balance - Prorated Items													
January	31	336	366	91.80%		-	-		-	-	-	-	-
February	29	307	366	83.88%		-	-		-	-	-	-	-

Proposed Effective Date: 1/1/2019

[illegible]

Proposed Effective Date: 1/1/2019

6					
7					
8					
6	Non-prorated				
7	Average				
9	Balance	(WP_B-3 – Deficient ADIT)	-	(WP_B-3 – Deficient ADIT)	-
		(Line 677		(Line 677	
6	Proration	minus		minus	
8	Adjustment	Line 679)	-	Line 679)	-
0					
6					
8					
1					
6					
8					
2					
6					
8					

WP_B-3 Deficient ADIT

NOL Carryforward – Allocated to Transmission

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in Year After Month's Accrual of Deferred Taxes	Total Days in Future Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)

December 31st Balance - Prorated Items

-

-

Proposed Effective Date: 1/1/2019

690	January	31	336	366	91.80%	-	-	-	-	-	-
691	February	29	307	366	83.88%	-	-	-	-	-	-
692	March	31	276	366	75.41%	-	-	-	-	-	-
693	April	30	246	366	67.21%	-	-	-	-	-	-
694	May	31	215	366	58.74%	-	-	-	-	-	-
695	June	30	185	366	50.55%	-	-	-	-	-	-
696	July	31	154	366	42.08%	-	-	-	-	-	-
697	August	31	123	366	33.61%	-	-	-	-	-	-
698	September	30	93	366	25.41%	-	-	-	-	-	-
699	October	31	62	366	16.94%	-	-	-	-	-	-
700	November	30	32	366	8.74%	-	-	-	-	-	-
701	December	31	1	366	0.27%	-	-	-	-	-	-
702	Total		2,030	4,392		-	-	-	-	-	-

Proposed Effective Date: 1/1/2019

7					
0					
7					
7	Ending	(Line		(Line	
0	Balance of	689,	-	689,	-
8	Prorated items	Col		Col	
7		H)		N)	
0					
9					
7	Non-prorated				
1	Average			(WP_B-3 –	
0	Balance	(WP_B-3 – Deficient ADIT)	-	Deficient ADIT)	-
		(Line		(Line	
7	Proration	708		708	
1	Adjustme	minus		minus	
1	nt	Line	-	Line	-
		710)		710)	

- 1) Column J is the difference between projected monthly and actual monthly activity (Column I minus Column F). Specifically, if projected and actual activity are both positive, a negative in Column J represents over-projection (amount of projected activity that did not occur) and a positive in Column J represents under-projection (excess of actual activity over projected activity). If projected and actual activity are both negative, a negative in Column J represents under-projection (excess of actual activity over projected activity) and a positive in Column J represents over-projection (amount of projected activity that did not occur).
- 2) Column K preserves proration when actual monthly and projected monthly activity are either both increases or decreases. Specifically, if Column J is over-projected, enter Column G x [Column I/Column F]. If Column J is under-projected, enter the amount from Column G and complete Column L). In other situations, enter zero.
- 3) Column L applies when (1) Column J is under-projected AND (2) actual monthly and projected monthly activity are either both increases or decreases. Enter the amount from Column J. In other situations, enter zero.
- 4) Column M applies when (1) projected monthly activity is an increase while actual monthly activity is a decrease OR (2) projected monthly activity is a decrease while actual monthly activity is an increase. Enter actual monthly activity (Col I). In other situations, enter zero.
- 5) Column N is computed by adding the prorated monthly activity, if any, from Column K to 50 percent of the portion of monthly activity, if any, from Column L or M to the balance at the end of the prior month. The activity in columns L and M is multiplied by 50 percent to reflect averaging of rate base to the extent that the proration requirement has not been applied to a portion of the monthly activity.
- 6) The methodology to remove double averaging from the true-up ADIT Proration calculation is effective June 27, 2018.

MARKED TARIFF

Public Service Company of Colorado

Transmission Formula Rate Settlement Template

Twelve Months Ended December 31, 20XX

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Xcel Energy Operating Companies
FERC FPA Electric Tariff
Third Revised Volume No. 1

Att O-PSCo Formula Rate,
Table 1, Table of Contents
Version ~~0.2.0~~ 0.3.0
Proposed Effective Date: ~~4/16/2016~~ 1/1/2018
Page 2 of 2

**Public Service Company of Colorado
Transmission Formula Rate Settlement Template
Twelve Months Ended December 31, 20XX
Summary of Estimated Rates**

**Table 2
Est. Rates**

Line No.	Description	Reference	Transmission Amount	
	Col. (1)	Col. (2)	Col. (3)	
1	Revenue Requirement	ATRR Est. Line ~~130~~ 138	\$ -	
2				
3	Prior Period Correction True up Adjustment	WP_A-2 Line 136	-	
4	Interest on Prior Period Correction True Up Adjustment	WP_A-2 Line 137	-	
5				
6	Estimated Revenue Requirement with True Up	Sum Lines 1 through 4	<u>\$ -</u>	
7				
8	Divisor			
9	Transmission Network Load	WP_I-1 Line 15, Col. (g)	0	
10				
11	Rates			
12	Annual Cost (\$/kW-Yr)	Line 6 / Line 9	\$ -	/kW-year
13				
14	Network & Point-to-Point Rate (\$/kW-Mo)	Line 12 / 12	\$ -	/kW-month
15				
16	Weekly P-To-P Rate	Line 12 / 52	\$ -	/kW-week
17	Daily P-To-P Rate (Capped at weekly rate)	Line 16 / 6	\$ -	/kW-day
18	On Peak Hourly P-To-P Rate (Capped at weekly & daily rate)	(Line 17 / 16) X 1,000	\$ -	/MWh
19	Off Peak Hourly P-To-P Rate	((Line 16 / 7) / 24) X 1,000	\$ -	/MWh
20				
21	FERC Annual Charge	(Note 1)		/MWh
22				
23				
24	Ancillary Service Rates (2)			
25				
26	Schedule 1- Scheduling, System Control and Dispatch			
27	Monthly Point-to-Point Delivery	Schedule 1 Line 18	\$ -	/kW-month
28	Weekly Point-to-Point	Schedule 1	\$ -	/kW-week

	Delivery		Line 19					
	Daily	Point-to-Point	Schedule 1					
29	Delivery		Line 20	\$	-	/kW-day		
	Hourly	Point-to-Point	Schedule 1					
30	Delivery		Line 21	\$	-	/MWh		
	Network	Integration	Schedule 1					
31	Delivery		Line 18	\$	-	/kW-month		
			Schedule 1					
32	Ancillary Service Delivery		Line 18	\$	-	/kW-month		
33								
34	Schedule 2- Reactive Supply and Voltage Control From Generation Sources Service							
	Monthly	Point-to-Point	Schedule 2					
35	Delivery		Line 24	\$	-	/kW-month		
	Weekly	Point-to-Point	Schedule 2					
36	Delivery		Line 25	\$	-	/kW-week		
	Daily	Point-to-Point	Schedule 2					
37	Delivery		Line 26	\$	-	/kW-day		
	Daily	Point-to-Point	Schedule 2					
38	Delivery off Peak		Line 27	\$	-	/kW-day		
	Hourly	Point-to-Point	Schedule 2					
39	Delivery		Line 28	\$	-	/MWh		
	Hourly	Point-to-Point	Schedule 2					
40	Delivery off Peak		Line 29	\$	-	/MWh		
	Network	Integration	Schedule 2					
41	Delivery		Line 24	\$	-	/kW-month		
			Schedule 2					
42	Ancillary Service Delivery		Line 24	\$	-	/kW-month		
43								
44	Schedule 3 and 3A- Regulation and Frequency Response Service				Load	Non-VER	VER	
	Reserved Capacity							
	Factor applicable to network load or reserved capacity							
45			Note 3		1.27%	0.24%	2.07%	
				\$	-	\$	-	\$
	Monthly	Point-to-Point	Schedule 3					
46	Delivery		Line 34	\$	-	\$	-	\$
	Weekly	Point-to-Point	Schedule 3 line					
47	Delivery		35	\$	-	\$	-	\$
	Daily	Point-to-Point	Schedule 3					
48	Delivery on Peak		Line 36	\$	-	\$	-	\$
	Daily	Point-to-Point	Schedule 3					
49	Delivery off Peak		Line 37	\$	-	\$	-	\$
	Hourly	Point-to-Point	Schedule 3					
50	Delivery on Peak		Line 38	\$	-	\$	-	\$
	Hourly	Point-to-Point	Schedule 3					
51	Delivery off Peak		Line 39	\$	-	\$	-	\$
	Network	Integration	Schedule 3					
52	Delivery		Line 34	\$	-	\$	-	\$
			Schedule 3					
53	Ancillary Service Delivery		Line 34	\$	-	\$	-	\$
54								

55							
56	Schedule 5- Operating Reserve- Spinning Reserve Service						
	Reserved Factor to network capacity	Capacity applicable load or reserved capacity					
57			Note 3	3.50%		x	monthly Load
58	Monthly Delivery	Point-to-Point	Schedule 5 Line 22	\$	-	/kW-month	
59	Weekly Delivery	Point-to-Point	Schedule 5 Line 23	\$	-	/kW-week	
60	Daily Delivery	Point-to-Point	Schedule 5 Line 24	\$	-	/kW-day	
61	Daily Delivery off Peak	Point-to-Point	Schedule 5 Line 25	\$	-	/kW-day	
62	Hourly Delivery on Peak	Point-to-Point	Schedule 5 Line 26	\$	-	/MWh	
63	Hourly Delivery off Peak	Point-to-Point	Schedule 5 Line 27	\$	-	/MWh	
64	Network Delivery	Integration	Schedule 5 Line 22	\$	-	/kW-month	
65	Ancillary Service Delivery		Schedule 5 Line 22	\$	-	/kW-month	
66							
67	Schedule 6 - Operating Reserve - Supplemental Reserve Service						
	Reserved Factor to network capacity	Capacity applicable load or reserved capacity					
68			Note 3	3.50%		x	monthly Load
69	Monthly Delivery	Point-to-Point	Schedule 6 Line 22	\$	-	/kW-month	
70	Weekly Delivery	Point-to-Point	Schedule 6 Line 23	\$	-	/kW-week	
71	Daily Delivery	Point-to-Point	Schedule 6 Line 24	\$	-	/kW-day	
72	Daily Delivery off Peak	Point-to-Point	Schedule 6 Line 25	\$	-	/kW-day	
73	Hourly Delivery on Peak	Point-to-Point	Schedule 6 Line 26	\$	-	/MWh	
74	Hourly Delivery off Peak	Point-to-Point	Schedule 6 Line 27	\$	-	/MWh	
75	Network Delivery	Integration	Schedule 6 Line 22	\$	-	/kW-month	
76	Ancillary Service Delivery		Schedule 6 Line 22	\$	-	/kW-month	
77							
78	Schedule 16 - Flex Reserve						
	Reserved Factor to network capacity	Capacity applicable load or reserved capacity					
79			Note 3	0%		x	monthly Load
80	Monthly	Point-to-Point	Schedule 16	\$	-	/kW-month	

	Delivery		Line 34			
	Weekly	Point-to-Point	Schedule 16			
81	Delivery		line 35	\$	-	/kW-week
	Daily	Point-to-Point	Schedule 16			
82	Delivery		Line 36	\$	-	/kW-day
	Daily	Point-to-Point	Schedule 16			
83	Delivery off Peak		Line 37	\$	-	/kW-day
	Hourly	Point-to-Point	Schedule 16			
84	Delivery on Peak		Line 38	\$	-	/MWh
	Hourly	Point-to-Point	Schedule 16			
85	Delivery off Peak		Line 39	\$	-	/MWh
	Network	Integration	Schedule 16			
86	Delivery		Line 34	\$	-	/kW-month
			Schedule 16			
87	Ancillary Service Delivery		Line 34	\$	-	/kW-month

Note 1. The FERC's annual charge per MWh is established by the Commission annually, and is assessed to the Transmission Owner, and is passed through to the Transmission Customers.

Note 2. Ancillary Service Schedules 2, 3, 3A, 5, 6, 16 will be based on actual data from the latest FERC Form No. 1. These schedules will be updated annually with the Annual Update but will not be subject to the True-up provision. Ancillary Service Schedule 1 will be updated annually, will be based on forecast data and will be subject to the True-up provision.

Note 3. Amount identified on Table 35, line 29.

Public Service Company of Colorado
Transmission Formula Rate Settlement Template
Twelve Months Ended December 31, 20XX
Actual Rates and True-up

Table 3
Actual Rates

Line No.	Description	Reference	Actual Rates	Estimated Rates	Difference (True-up) (Note 1)
	Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5) = (3) - (4)
1	Revenue Requirement	ATRR Act & Est. Line ~~130~~ <u>138</u>	\$ -	\$ -	\$ -
2					
3	Divisor				
4	Transmission Network Load	WP_I-1 Line 15	-	-	-
5					
6	Rates				
7	Annual Cost (\$/kW-Yr)	Line 1 / Line 4	\$ -	\$ -	\$ - /kW-year
8					
9	Network & Point-to-Point Rate (\$/kW-Mo)	Line 7 / 12	\$ -	\$ -	\$ - /kW-month
10					
11	Weekly P-To-P Rate	Line 7 / 52	\$ -	\$ -	\$ - /kW-week
12	Daily P-To-P Rate (Capped at weekly rate)	Line 11 / 6	\$ -	\$ -	\$ - /kW-day
13	On Peak Hourly P-To-P Rate (Capped at weekly & daily rate)	(Line 12 / 16) X 1,000 ((Line 11 / 7) / 24) X	\$ -	\$ -	\$ - /MWh
14	Off Peak Hourly P-To-P Rate	1,000	\$ -	\$ -	\$ - /MWh
15					
16					
17	Ancillary Service Rates (Note 2)				
18					
19	Schedule 1- Scheduling, System Control and Dispatch				
20	Monthly Point-to-Point Delivery	Schedule 1 Line 40 & 17	\$ -	\$ -	\$ - /kW-month
21	Weekly Point-to-Point Delivery	Schedule 1 Line 41 & 18	\$ -	\$ -	\$ - /kW-week
22	Daily Point-to-Point Delivery	Schedule 1 Line 42 & 19	\$ -	\$ -	\$ - /kW-day
23	Hourly Point-to-Point Delivery	Schedule 1 Line 43 & 20	\$ -	\$ -	\$ - /MWh
24	Network Integration Delivery	Schedule 1 Line 40 & 17	\$ -	\$ -	\$ - /kW-month
25	Ancillary Service Delivery	Schedule 1 Line 40 & 17	\$ -	\$ -	\$ - /kW-month

Note 1. The True-up calculations will include interest pursuant to Section 35.19a of the FERC's regulations. Interest will be calculated from the beginning of the Rate year to the date the refunds or surcharges are billed.

Note 2. Ancillary Service Schedule 1 is the only Ancillary Services rate that is subject to true up.

Public Service Company of Colorado
Transmission Formula Rate Settlement Template
Twelve Months Ended December 31, 20XX
Annual Transmission Revenue Requirements- Estimated

Table 4
ATRR Est.

Line No.	RATE BASE & RETURN CALCULATION	Reference/Notes	Total Col. (3)	Allocator (Note O) Col. (4)	Transmission Col. (5)
1	GROSS PLANT IN SERVICE	(Note A)			
2	Production	WP_B-1 Col. (d), Line 2	-	NA 0.00%	-
3	Transmission	WP_B-1 Col. (d), Line 3	-	DA 100%	0
4	Distribution	WP_B-1 Col. (d), Line 4	-	NA 0.00%	-
5	General Plant	WP_B-1 Col. (d), Line 5	-	W/S 0.00%	0
6	Intangible Plant	WP_B-1 Col. (d), Line 6	-	W/S 0.00%	0
7	Common Intangible	WP_B-1 Col. (d), Line 7	-	CE 0.00%	0
8	Common General	WP_B-1 Col. (d), Line 8	-	CE 0.00%	0
9	TOTAL GROSS PLANT	Sum Lines 2 through 8	-		-
10		Line 9, Col (5) divided by Col (3)		GP = 0.00%	
11					
12	ACCUMULATED DEPRECIATION	(Note A)			
13	Production	WP_B-1 Col. (d), Line 12	-	NA 0.00%	-
14	Transmission	WP_B-1 Col. (d), Line 13	-	DA 100%	-
15	Distribution	WP_B-1 Col. (d), Line 14	-	NA 0.00%	-
16	General Plant	WP_B-1 Col. (d), Line 15	-	W/S 0.00%	-
17	Intangible Plant	WP_B-1 Col. (d), Line 16	-	W/S 0.00%	-
18	Common Intangible	WP_B-1 Col. (d), Line 17	-	CE 0.00%	-
19	Common General	WP_B-1 Col. (d), Line 18	-	CE 0.00%	-
20	TOTAL ACCUMULATED DEPRECIATION	Sum Lines 13 through 19	-		-
21					
22	NET ACQUISITION ADJUSTMENT	(Note B)			
23	Production	WP_B-4 Col.(i) Line 15	-	NA 0.00%	-
24	Transmission Serving Production	WP_B-4 Col.(j) Line 15	-	NA 0.00%	-
25	Transmission Serving Transmission	WP_B-4 Col.(k) Line 15	-	DA 100%	-
26	TOTAL NET ACQUISITION ADJUSTMENT	Sum Lines 23 through 25	-		-
27					
28	NET PLANT IN SERVICE	(Note A)			

29	Production	Line 2 minus 13 plus 23 plus 24	-	-	-	-
30	Transmission	Line 3 minus 14 plus 25	-	-	-	-
31	Distribution	Line 4 minus 15	-	-	-	-
32	General Plant	Line 5 minus 16	-	-	-	-
33	Intangible Plant	Line 6 minus 17	-	-	-	-
34	Common Intangible	Line 7 minus 18	-	-	-	-
35	Common General	Line 8 minus 19	-	-	-	-
36	TOTAL NET PLANT IN SERVICE	Sum Lines 29 through 35	-	-	-	-
37		Line 36, Col (5) divided by Col (3)		NP=	0.00%	-
38						
39	OTHER RATE BASE ITEMS	(Note C)				
40	Account No. 281	WP_B-2 Col (c) & (e), Line 3	-	DA	0.00%	-
41	Account No. 282	WP_B-2 Col (c) & (e), Line 30	-	DA		-
42	Account No. 283	WP_B-2 Col (c) & (e), Line 44	-	DA		-
43	Account No. 190	WP_B-3 Col (c) & (e), Line 81	-	DA		-
<u>44</u>	<u>Account 182.3-Deficient ADIT</u>	<u>WP_B-3-Deficient ADIT</u>		<u>DA</u>		
<u>45</u>	<u>Account 254-Excess ADIT</u>	<u>WP_B-2-Excess ADIT</u>		<u>DA</u>		
<u>4644</u>	Regulatory Liabilities- FERC Account No. 254 (Note C)	WP_B-7 Col (e), Line 14	-	W/S	0.00%	-
<u>4745</u>	Account No. 255	267.8.h	-	DA	100%	-
<u>4846</u>	Account No. 107 (CWIP) (Note E)	WP_B-8 Col (a), Line 16	-	DA	100%	-
<u>4947</u>	Net Pre-Funded AFUDC on CWIP included (Note E)	WP_B-8 Col (d), Line 16	-	DA	100%	-
<u>5048</u>	Unamortized Balance of Abandoned Incentive Plant (Note E)	WP_B-Inputs Est. Line 143	-	DA	100%	-
<u>5149</u>	Unamortized Balance of Extraordinary Property Loss (Note E)	WP_B-Inputs Est. Line 143	-	DA	100%	-
<u>5250</u>	TOTAL OTHER RATE BASE ITEMS	Sum Lines 40 through <u>4951</u>	-			-
<u>5351</u>						
<u>5452</u>	LAND HELD FOR FUTURE USE (Note F)	WP_B-Inputs Est. Line 143	-	TP	0.00%	-
<u>5553</u>						
<u>5654</u>	WORKING CAPITAL					
<u>5755</u>	Cash Working Capital	(Note G)	-			-
<u>5856</u>	Materials & Supplies - Transmission	WP_B-6 Line 29	-	TP	0.00%	-
<u>5957</u>	Materials & Supplies - Other	WP_B-6 Line 31	-	NP	0.00%	-
<u>6058</u>	Prepayments (Account 165) Plant Related	WP_B-5 Line 8	-	NP	0.00%	-
<u>6159</u>	Prepayments (Account 165) Labor Related	WP_B-5 Line 16	-	W/S	0.00%	-
<u>6260</u>	Prepayments (Account 165) Transmission Related	WP_B-5 Line 20	-	TP	0.00%	-

<u>6361</u>	Prepayments (Account 165) Other Not Allocated	WP_B-5 Line 44	-	NA	0.00%	-
<u>6462</u>	TOTAL WORKING CAPITAL	Sum Lines <u>5557</u> through <u>6163</u>	-			-
<u>6563</u>		Line 36 plus <u>5052</u> plus <u>5254</u> plus <u>6264</u>	-			-
<u>6664</u>	RATE BASE		-			-
<u>6765</u>						
<u>6866</u>	Rate of Return	Line <u>158166</u>	0.00%			0.00%
<u>6967</u>						
<u>7068</u>	RETURN (Rate Base * Rate of Return)	Line <u>6466</u> times Line <u>6668</u>	-			-

Line No.	EXPENSE, TAXES & REVENUE		Reference/Notes	Total	Allocator (Note O)	Total Transmission
	REQUIREMENTS	CALCULATION				
		Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5)
<u>7169</u>	OPERATION & MAINTENANCE EXPENSE					
<u>7270</u>	Transmission		WP_C-1 Line 31	-		
<u>7371</u>	Less Total Account 561		WP_C-1 Line 36	-		
<u>7472</u>	Add Back Account 561.4		WP_C-1 Line 5	-		
<u>7573</u>	Add Back Account 561.5		WP_C-1 Line 6	-		
<u>7674</u>	Add Back Account 561.6		WP_C-1 Line 7	-		
<u>7775</u>	Add Back Account 561.7		WP_C-1 Line 8	-		
<u>7876</u>	Add Back Account 561.8		WP_C-1 Line 9	-		
<u>7977</u>	Less Total Account 565 (Note H)		WP_C-1 Line 13	-		
<u>8078</u>	Add Back Account 565.25- System Integration Costs		WP_C-1 Line 34	-		
<u>8179</u>	Transmission Subtotal		Sum Lines <u>7072</u> through <u>7880</u>	-	TP 0.00%	-
<u>8280</u>						
<u>8381</u>	Administrative and General (Note I)		WP_C-2 Line 15	-		
<u>8482</u>	Less: Acc. 924, Property Insurance		WP_C-2 Line 5	-		
<u>8583</u>	Balance of A & G		Sum Lines <u>8183</u> through <u>8284</u>	-	W/S 0.00%	-
<u>8684</u>	Plus: Account 924, Property Insurance		Line <u>8284</u>	-	NP 0.00%	-
<u>8785</u>	Account 928 - Transmission Specific		WP_C-4 Line 6	-	DA 100%	-
<u>8886</u>	A & G Subtotal		Sum Lines <u>8185</u> through <u>8587</u>	-		-
<u>8987</u>						
<u>9088</u>	TOTAL O & M EXPENSE		Line <u>7981</u> plus Line <u>8688</u>	-		-
<u>9189</u>						
<u>9290</u>						

<u>9391</u>	DEPRECIATION AND AMORTIZATION EXPENSE	WP_B-1 Line 24				
<u>9492</u>	Transmission	Col. (d)	-	DA	100%	-
<u>9593</u>	Plus: Pre-Funded AFUDC Amortization (Note E)	WP_B-8 Col (f), Line 18	-	DA	100%	-
<u>9694</u>	Plus: Recovery of Abandoned Incentive Plant (Note E)	WP_B-Inputs Est. Line 143	-	DA	100%	-
<u>9795</u>	Plus: Recovery of Extraordinary Property Loss (Note E)	WP_B-Inputs Est. Line 143	-	DA	100%	-
<u>9896</u>	General	WP_B-1 Line 26 Col. (d)	-	W/S	0.00%	-
<u>9997</u>	Intangible	WP_B-1 Line 27 Col. (d)	-	W/S	0.00%	-
<u>10098</u>	Common Intangible	WP_B-1 Line 28 Col. (d)	-	CE	0.00%	-
<u>10199</u>	Common General	WP_B-1 Line 29 Col. (d)	-	CE	0.00%	-
<u>10210</u>	Acquisition Adjustment Amortization (Note F)	WP_B-4 Line 15 Col. Col. (o)	-	DA	100%	-
<u>10310</u>		Sum Lines <u>9294</u> through <u>100102</u>	-			-
<u>10410</u>	TOTAL DEPRECIATION AND AMORTIZATION					
<u>10510</u>	TAXES OTHER THAN INCOME	(Note J)				
<u>10610</u>	Labor Related	WP_D-1 Line 5	-	W/S	0.00%	-
<u>10710</u>	Plant Related	WP_D-1 Line 9	-	NP	0.00%	-
<u>10810</u>	Miscellaneous	WP_D-1 Line 12 Sum Lines <u>104</u> <u>106</u> through <u>106108</u>	-	NA	0.00%	-
<u>10910</u>	TOTAL OTHER TAXES					
<u>11010</u>	INCOME TAXES	(Note K)				
<u>11211</u>	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		0.00%			
<u>11311</u>	$CIT=(T/1-T) * (1-(WCLTD/R)) =$		0.00%			
<u>11411</u>	where WCLTD=(line 153) and R= (line 156)					
<u>11511</u>	and FIT, SIT & p are as given in Note K.					
<u>11611</u>	$1 / (1 - T) =$ (from ln 110)		-			
<u>11711</u>	Amortized Investment Tax Credit (enter negative)	Company Records				
<u>11811</u>						
<u>119</u>	Excess ADIT Amortization (Credit) (Note Q)	WP_B-2-Excess ADIT				
<u>120</u>	Deficient ADIT Amortization (Debit) (Note Q)	WP_B-3- Deficient ADIT				
<u>121</u>	Income Tax Calculation	Line <u>6870</u> times Line <u>111113</u>	-			-
<u>12311</u>	ITC adjustment	Line <u>114116</u> times Line <u>115117</u> Line <u>116</u> times line <u>119</u> Line <u>116</u> times line <u>120</u>	-	NP	0.00%	-
<u>124</u>	Excess ADIT Amortization (Credit)					
<u>125</u>	Deficient ADIT Amortization (Debit)					

~~126~~ <u>11</u>		Sum Lines ~~117~~ <u>122</u>				
~~9~~	TOTAL INCOME TAXES	through ~~118~~ <u>125</u>	-			-
~~127~~ <u>12</u>						
~~0~~						
~~128~~ <u>12</u>						
~~1~~						
~~129~~ <u>12</u>						
~~2~~	REVENUE CREDITS	(Note L)				
~~130~~ <u>12</u>						
~~3~~	Account No. 454 (Rent from Transmission Facilities)	WP_E-1 Line 4	-	DA	100%	-
~~131~~ <u>12</u>	Account No. 421.1 (Gain From Disposition of Utility Plant)	WP_E-1 Line 14	-	WS	0.00%	-
~~4~~						
~~132~~ <u>12</u>						
~~5~~	Account No. 456.0 (Revenue from Schedule 18)	WP_E-1 Line 9	-	DA	100%	-
~~133~~ <u>12</u>	Account No. 456.1 (Revenue from Trans. of Elect. of Others)	WP_F-1 Line 8	-	DA	100%	-
~~6~~		Col. (b)	-	DA	100%	-
~~134~~ <u>12</u>	Account No. 456.1 (Revenue from Trans. of Elect. of Others)	WP_F-1 Line 8	-	DA	100%	-
~~7~~		Col. (c)	-	DA	100%	-
~~135~~ <u>12</u>						
~~8~~	Settlement Credit	Note P	726,905	DA	100%	-
~~136~~ <u>12</u>			726,905			-
~~9~~	Total Revenue Credits					-
~~137~~ <u>13</u>						
~~0~~						
~~138~~ <u>13</u>						
~~1~~	REVENUE REQUIREMENT					-

Line No.	SUPPORTING CALCULATIONS	Reference/Notes	Total Col. (3)	Allocator (Note O) Col. (4)	Total Transmission Col. (5)
	Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5)
~~139~~ <u>13</u>					
~~2~~	TRANSMISSION PLANT INCLUDED IN THE ATRR	(Note M)			
~~140~~ <u>13</u>		WP_B-1 Col. (a),			
~~3~~	Transmission plant	Line 3			-
~~141~~ <u>13</u>		WP_B-4 Col. (c),			
~~4~~	Transmission related Acquisition Adjustment	Line 15			-
~~142~~ <u>13</u>		Sum Lines ~~131~~ <u>140</u>			
~~5~~	Total Transmission Plant	through ~~132~~ <u>141</u>			-
~~143~~ <u>13</u>		WP_B-Inputs Est.			
~~6~~	Eliminate Generator Step-up facilities	Line 118			-
~~144~~ <u>13</u>		Sum Lines ~~133~~ <u>142</u>			
~~7~~	Transmission plant included in OATT Trans Rate	through ~~134~~ <u>143</u>			-
~~145~~ <u>13</u>		Line ~~136~~ <u>144</u>			
~~8~~	Percent of Transmission Plant in the ATRR	divided by Line ~~134~~ <u>142</u>		TP=	0.00%
~~146~~ <u>13</u>					
~~9~~					
~~147~~ <u>14</u>					
~~0~~	WAGES & SALARY ALLOCATOR (W/S)				
~~148~~ <u>14</u>					
~~1~~	Production	Company Records		NA	0.00% -
~~149~~ <u>14</u>		WP_C-1 Line 31			
~~2~~	Transmission	Col. (b)	-	TP	0.00% -
~~150~~ <u>14</u>					
~~3~~	Regional Market	Company Records		NA	0.00% -
~~151~~ <u>14</u>	Distribution	Company Records		NA	0.00%

<u>152</u> ~~14~~ <u>5</u>	Other	Company Records		NA	0.00%	-
<u>153</u> ~~14~~ <u>6</u>	Total	Sum Lines <u>140</u> ~~48~~ through <u>144</u> ~~152~~	-			-
<u>154</u> ~~14~~ <u>7</u>						
<u>155</u> ~~14~~ <u>8</u>	W/S Allocator	Line 145, Col. Col. (5) divided by Col. Col. (3)		W/S=		0.00%
<u>156</u> ~~14~~ <u>9</u>						
<u>157</u> ~~15~~ <u>0</u>	Common to Electric Transmission Allocator	Common Plant to Electric (Common Plant Study) W/S Allocator,				
<u>158</u> ~~15~~ <u>1</u>		Line <u>147</u> ~~155~~				0.00%
<u>159</u> ~~15~~ <u>2</u>		Line <u>149</u> ~~157~~ times				
<u>160</u> ~~15~~ <u>3</u>		Line <u>150</u> ~~158~~		CE=		0.00%
<u>161</u> ~~15~~ <u>4</u>						
<u>162</u> ~~15~~ <u>5</u>	RETURN	(Note N)	\$	%	Cost	Weighted
<u>163</u> ~~15~~ <u>6</u>	Long Term Debt	WP_G-1 Col (n), Line 6	-	0.00 %	0.00%	0.0000
<u>164</u> ~~15~~ <u>7</u>	Preferred Stock	WP_G-1 Col (n), Line 8	-	0.00 %	0.00%	0.0000
<u>165</u> ~~15~~ <u>8</u>	Common Stock	WP_G-1 Col (n), Line 14	-	0.00 %	9.72%	0.0000
<u>166</u> ~~15~~ <u>9</u>	Total	Sum Lines <u>155</u> ~~163~~ through <u>157</u> ~~165~~	-		ROR=	0.0000
<u>167</u> ~~16~~ <u>0</u>						
<u>168</u> ~~16~~ <u>1</u>						
<u>169</u> ~~16~~ <u>2</u>	PREPAYMENTS					
<u>170</u> ~~16~~ <u>3</u>	ELECTRIC					
<u>171</u> ~~16~~ <u>4</u>	Total Electric Plant in Service	207, Ln.100, Col. (g)				
<u>172</u> ~~16~~ <u>5</u>	Common PIS Allocated to Electric	356				
<u>173</u> ~~16~~ <u>6</u>	Electric Plant Held for Future Use	214, Ln. 47, Col. (d)				
<u>174</u> ~~16~~ <u>7</u>	Electric Construction Work in Progress	216, Ln. 43, Col. (b)				
<u>175</u> ~~16~~ <u>8</u>	Common CWIP Allocated to Electric	356				
<u>176</u> ~~16~~ <u>9</u>	Total Electric Plant	Sum Lines 163 through 167	-			
<u>177</u> ~~17~~ <u>0</u>	Total Utility Plant	110, Ln. 4, Col. (c)				
<u>178</u> ~~17~~ <u>1</u>						
<u>179</u> ~~17~~ <u>2</u>	Electric Plant to Total Plant Allocation Factor	Line <u>168</u> ~~176~~ divided by Line <u>169</u> ~~177~~			0.00%	

General Notes: a) References to data from FERC Form No. 1
are indicated as: page#.line#.col.#

Notes:

- A Gross Plant, Accumulated Depreciation Reserves will be the average of thirteen monthly balances.
- B Transmission serving transmission related amounts associated with the Calpine Acquisition are included.
 Future Acquisition Adjustment amounts will not be included in the formula except as directed by the Commission pursuant to a Section 205 filing.
- The Net Acquisition Adjustment will be the average of thirteen monthly balances.
- C Reflects the BOY/EOY average of the transmission related portion of balances in Accounts 281, 282, 283, 190 and 255 as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106, 109, 133, 158 or FASB Interpretation No. 48. Balance of Account 255 is reduced by prior flow throughs and completely excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note k. The calculation of ADIT for both the true-up and the annual projection will be performed in accordance with IRS regulation Section 1.167(l)-1(h)(6). The Annual True-Up for a given year will use the same methodology that was used to project that year's rates. The annual true-up calculation will use the beginning-of-year and end-of-year balances as set forth in Table 8, Workpaper B-2, Estimated and Table 9, Workpaper B-3, Estimated; and the calculation of ADIT in the annual projection will be performed as set forth in Table 8, Workpaper B-2, Actual and Table 9, Workpaper B-3, Actual.
- D The Regulatory Liability associated with the sale of the Technical Service Building (TSB) will be included in Rate Base. Future Regulatory Liabilities will not be included in the formula except as directed by the Commission pursuant to a Section 205 filing.
- E Includes any incentive Construction Work in Progress (CWIP), any related Pre-funded Allowance for Funds Used During Construction (AFUDC), any unamortized balances related to the recovery of abandoned incentive plant costs, any extraordinary property losses and any related depreciation and amortization expense amounts.
 Formula amounts for all of the foregoing items will remain at \$0 until approved by FERC pursuant to a Section 205 filing under a separate docket.
- F Includes only transmission related or functionally booked as transmission land held for future use.
- G Cash Working Capital will be set at and remain \$0 until such time as PSCo files and receives FERC approval.
- H Account 565 Transmission by Others is included only to the extent used to integrate the PSCo Transmission system.
- I Post-Employment Benefits Other than Pensions (FAS 106) shall remain as a stated, fixed amount and shall not be changed except as directed by the Commission following a filing seeking such change pursuant to section 205 or 206 of the FPA. The adjustment is shown on WP_C-3 PBOP.
 Regulatory Commission expenses (FERC Account 928) will be directly assigned or allocated to Transmission.
 General Advertising Expenses (FERC Account 930.1) will be excluded.
 All industry association dues recorded in FERC Account 930.2 will be excluded. The adjustment is shown on WP_C-2, Note 4.
- J Includes only FICA, unemployment, property, and other assessments charged in the current year.
 Taxes related to income are excluded. Franchise taxes are not included in transmission revenue requirement in the Rate Formula Template.
- K The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and $p =$
 "the percentage of federal income tax deductible for state income taxes".
 PSCo has elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) less adjustments multiplied by $(1/1-T)$ (page 3, line 30).

Inputs Required:

FIT =

SIT=

p =

(State Income Tax Rate or Composite SIT)

(percent of FIT deductible for

state purposes)

If a change in an income tax rate is known sufficiently in advance to be reflected in the estimated rates that will become effective January 1 for the upcoming formula rate year, PSCo will reflect the new tax rate(s) in the estimated rate calculations for the months in which the new tax rate will be in effect for the formula rate year. Otherwise, such tax change will be captured and reflected in the annual formula true-up by weighting the tax rates in effect during the year by the number of days each such tax rate was in effect.

- L Includes income related to transmission facilities, such as pole attachments, rentals and special use for the Transmission facilities included herein.
FERC 421.1 Gain on the Disposition of Utility Property will be assigned or allocated to the transmission function based on the specific property sold.
Revenue from coincident peak loads included in the DIVISOR are also not included as revenue credits unless this revenue is offset by a corresponding expense
- M Removes the dollars of plant booked to transmission plant that is excluded from the Tariff because it does not meet the Tariff's definition of Transmission Facilities, or is booked to transmission (e.g. step-up transformers) that is included in the development of OATT ancillary service rates,
or is otherwise not eligible to be recovered under this Tariff.
- N Return on Equity will be set at 9.72%. Thereafter, any change will require a filing with the Commission pursuant to FPA Section 205 or a Commission order pursuant to FPA Section 206.
If and when the Company issues preferred stock, footnote will indicate the authorizing regulatory agency, the docket/case number, and the date of the authorizing order.
- O The calculation of the **GP** Allocator is found on Line 10.
The calculation of the **NP** Allocator is found on Line 37.
The calculation of the **WIS** Allocator is found on Line ~~147~~155.
The calculation of the **CE** Allocator is found on Line ~~151~~159.
The calculation of the **TP** Allocator is found on Line ~~137~~145.
- P The Company agreed in Docket No. ER12-1589-000 to include a total company credit in the Transmission Formula Template equal to \$726,905. This amount is fixed and cannot be changed without a Section 205 or 206 filing.
- Q Includes the amortization of any excess/deficient deferred income taxes resulting from changes to income tax laws, income tax rates (including changes in apportionment) and other actions taken by a taxing authority. Excess and deficient deferred income taxes will reduce or increase tax expense by the amount of the excess or deficiency multiplied by (1/(1-T)). Amortizations of excess/deficient deferred income taxes resulting from the enactment of the Tax Cuts and Jobs Act will be included beginning January 1, 2018 (with the 2018 True-Up).

Public Service Company of Colorado
Transmission Formula Rate Settlement Template
Twelve Months Ended December 31, 20XX
Annual Transmission Revenue Requirements- Estimated

Table 4
ATRR Est.

Line No.	RATE BASE & RETURN CALCULATION	Reference/Notes	Total Col. (3)	Allocator (Note O) Col. (4)	Transmission Col. (5)
	Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5)
1	GROSS PLANT IN SERVICE	(Note A)			
2	Production	WP_B-1 Col. (d), Line 2	-	NA 0.00%	-
3	Transmission	WP_B-1 Col. (d), Line 3	-	DA 100%	0
4	Distribution	WP_B-1 Col. (d), Line 4	-	NA 0.00%	-
5	General Plant	WP_B-1 Col. (d), Line 5	-	W/S 0.00%	0
6	Intangible Plant	WP_B-1 Col. (d), Line 6	-	W/S 0.00%	0
7	Common Intangible	WP_B-1 Col. (d), Line 7	-	CE 0.00%	0
8	Common General	WP_B-1 Col. (d), Line 8	-	CE 0.00%	0
9	TOTAL GROSS PLANT	Sum Lines 2 through 8	-	GP	-
10		Line 9, Col (5) divided by Col (3)		= 0.00%	
11					
12	ACCUMULATED DEPRECIATION	(Note A)			
13	Production	WP_B-1 Col. (d), Line 12	-	NA 0.00%	-
14	Transmission	WP_B-1 Col. (d), Line 13	-	DA 100%	-
15	Distribution	WP_B-1 Col. (d), Line 14	-	NA 0.00%	-
16	General Plant	WP_B-1 Col. (d), Line 15	-	W/S 0.00%	-
17	Intangible Plant	WP_B-1 Col. (d), Line 16	-	W/S 0.00%	-
18	Common Intangible	WP_B-1 Col. (d), Line 17	-	CE 0.00%	-
19	Common General	WP_B-1 Col. (d), Line 18	-	CE 0.00%	-
20	TOTAL ACCUMULATED DEPRECIATION	Sum Lines 13 through 19	-		-
21					
22	NET ACQUISITION ADJUSTMENT	(Note B)			
23	Production	WP_B-4 Col.(i) Line 15	-	NA 0.00%	-
24	Transmission Serving Production	WP_B-4 Col.(j) Line 15	-	NA 0.00%	-
25	Transmission Serving Transmission	WP_B-4 Col.(k) Line 15	-	DA 100%	-
26	TOTAL NET ACQUISITION ADJUSTMENT	Sum Lines 23 through 25	-		-
27					
28	NET PLANT IN SERVICE	(Note A)			

29	Production	Line 2 minus 13 plus 23 plus 24	-	-	-	-
30	Transmission	Line 3 minus 14 plus 25	-	-	-	-
31	Distribution	Line 4 minus 15	-	-	-	-
32	General Plant	Line 5 minus 16	-	-	-	-
33	Intangible Plant	Line 6 minus 17	-	-	-	-
34	Common Intangible	Line 7 minus 18	-	-	-	-
35	Common General	Line 8 minus 19	-	-	-	-
36	TOTAL NET PLANT IN SERVICE	Sum Lines 29 through 35	-	-	-	-
37		Line 36, Col (5) divided by Col (3)		NP=	0.00%	-
38						
39	OTHER RATE BASE ITEMS	(Note C)				
40	Account No. 281	WP_B-2 Col (c) & (e), Line 3	-	DA	0.00%	-
41	Account No. 282	WP_B-2 Col (c) & (e), Line 30	-	DA		-
42	Account No. 283	WP_B-2 Col (c) & (e), Line 44	-	DA		-
43	Account No. 190	WP_B-3 Col (c) & (e), Line 81	-	DA		-
44	Account 182.3- Deficient ADIT (Non Plant)	WP_B-3- Deficient ADIT		DA		
45	Account 254- Excess ADIT (Non Plant)	WP_B-2- Excess ADIT		DA		
4644	Regulatory Liabilities- FERC Account No. 254 (Note C)	WP_B-7 Col (e), Line 14	-	W/S	0.00%	-
4745	Account No. 255	267.8.h	-	DA	100%	-
4846	Account No. 107 (CWIP) (Note E)	WP_B-8 Col (a), Line 16	-	DA	100%	-
4947	Net Pre-Funded AFUDC on CWIP included (Note E)	WP_B-8 Col (d), Line 16	-	DA	100%	-
5048	Unamortized Balance of Abandoned Incentive Plant (Note E)	WP_B-Inputs Est. Line 143	-	DA	100%	-
5149	Unamortized Balance of Extraordinary Property Loss (Note E)	WP_B-Inputs Est. Line 143	-	DA	100%	-
5250	TOTAL OTHER RATE BASE ITEMS	Sum Lines 40 through 4951	-			-
5351						
5452	LAND HELD FOR FUTURE USE (Note F)	WP_B-Inputs Est. Line 143	-	TP	0.00%	-
5553						
5654	WORKING CAPITAL					
5755	Cash Working Capital	(Note G)	-			-
5856	Materials & Supplies - Transmission	WP_B-6 Line 29	-	TP	0.00%	-
5957	Materials & Supplies - Other	WP_B-6 Line 31	-	NP	0.00%	-
6058	Prepayments (Account 165) Plant Related	WP_B-5 Line 8	-	NP	0.00%	-
6159	Prepayments (Account 165) Labor Related	WP_B-5 Line 16	-	W/S	0.00%	-
6260	Prepayments (Account 165) Transmission Related	WP_B-5 Line 20	-	TP	0.00%	-

<u>6361</u>	Prepayments (Account 165) Other Not Allocated	WP_B-5 Line 44	-	NA	0.00%	-
<u>6462</u>	TOTAL WORKING CAPITAL	Sum Lines <u>5557</u> through <u>6163</u>	-			-
<u>6563</u>		Line 36 plus <u>5052</u> plus <u>5254</u> plus <u>6264</u>	-			-
<u>6664</u>	RATE BASE		-			-
<u>6765</u>						
<u>6866</u>	Rate of Return	Line <u>158166</u>	0.00%			0.00%
<u>6967</u>						
<u>7068</u>	RETURN (Rate Base * Rate of Return)	Line <u>6466</u> times Line <u>6668</u>	-			-

Line No.	EXPENSE, TAXES & REVENUE		Reference/Notes	Total	Allocator (Note O)	Total Transmission
	REQUIREMENTS	CALCULATION				
		Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5)
<u>7169</u>	OPERATION & MAINTENANCE EXPENSE					
<u>7270</u>	Transmission		WP_C-1 Line 31	-		
<u>7371</u>	Less Total Account 561		WP_C-1 Line 36	-		
<u>7472</u>	Add Back Account 561.4		WP_C-1 Line 5	-		
<u>7573</u>	Add Back Account 561.5		WP_C-1 Line 6	-		
<u>7674</u>	Add Back Account 561.6		WP_C-1 Line 7	-		
<u>7775</u>	Add Back Account 561.7		WP_C-1 Line 8	-		
<u>7876</u>	Add Back Account 561.8		WP_C-1 Line 9	-		
<u>7977</u>	Less Total Account 565 (Note H)		WP_C-1 Line 13	-		
<u>8078</u>	Add Back Account 565.25- System Integration Costs		WP_C-1 Line 34	-		
<u>8179</u>	Transmission Subtotal		Sum Lines <u>7072</u> through <u>7880</u>	-	TP 0.00%	-
<u>8280</u>						
<u>8381</u>	Administrative and General (Note I)		WP_C-2 Line 15	-		
<u>8482</u>	Less: Acc. 924, Property Insurance		WP_C-2 Line 5	-		
<u>8583</u>	Balance of A & G		Sum Lines <u>8183</u> through <u>8284</u>	-	W/S 0.00%	-
<u>8684</u>	Plus: Account 924, Property Insurance		Line <u>8284</u>	-	NP 0.00%	-
<u>8785</u>	Account 928 - Transmission Specific		WP_C-4 Line 6	-	DA 100%	-
<u>8886</u>	A & G Subtotal		Sum Lines <u>8185</u> through <u>8587</u>	-		-
<u>8987</u>						
<u>9088</u>	TOTAL O & M EXPENSE		Line <u>7981</u> plus Line <u>8688</u>	-		-
<u>9189</u>						
<u>9290</u>						

~~9391~~	DEPRECIATION AND AMORTIZATION EXPENSE	WP_B-1 Line 24				
~~9492~~	Transmission	Col. (d)	-	DA	100%	-
~~9593~~	Plus: Pre-Funded AFUDC Amortization (Note E)	WP_B-8 Col (f), Line 18	-	DA	100%	-
~~9694~~	Plus: Recovery of Abandoned Incentive Plant (Note E)	WP_B-Inputs Est. Line 143	-	DA	100%	-
~~9795~~	Plus: Recovery of Extraordinary Property Loss (Note E)	WP_B-Inputs Est. Line 143	-	DA	100%	-
~~9896~~	General	WP_B-1 Line 26 Col. (d)	-	W/S	0.00%	-
~~9997~~	Intangible	WP_B-1 Line 27 Col. (d)	-	W/S	0.00%	-
~~10098~~	Common Intangible	WP_B-1 Line 28 Col. (d)	-	CE	0.00%	-
~~10199~~	Common General	WP_B-1 Line 29 Col. (d)	-	CE	0.00%	-
~~10210~~	Acquisition Adjustment Amortization (Note F)	WP_B-4 Line 15 Col. Col. (o)	-	DA	100%	-
~~10310~~		Sum Lines ~~9294~~				
~~10410~~	TOTAL DEPRECIATION AND AMORTIZATION	through ~~100102~~	-			-
~~10510~~						
~~10610~~	TAXES OTHER THAN INCOME	(Note J)				
~~10710~~	Labor Related	WP_D-1 Line 5	-	W/S	0.00%	-
~~10810~~	Plant Related	WP_D-1 Line 9	-	NP	0.00%	-
~~10910~~	Miscellaneous	WP_D-1 Line 12	-	NA	0.00%	-
~~11010~~		Sum Lines ~~104106~~				
~~11110~~	TOTAL OTHER TAXES	through ~~106108~~	-			-
~~11211~~						
~~11311~~	INCOME TAXES	(Note K)				
~~11411~~	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		0.00%			
~~11511~~	$CIT=(T/1-T) * (1-(WCLTD/R)) =$		0.00%			
~~11611~~	where WCLTD=(line 153) and R= (line 156)					
~~11711~~	and FIT, SIT & p are as given in Note K.					
~~11811~~	$1 / (1 - T) =$ (from ln 110)		-			
~~11911~~	Amortized Investment Tax Credit (enter negative)	Company Records				
~~12011~~						
~~12111~~	Excess ADIT Amortization (Credit) (Note Q)	WP_B-2-Excess ADIT				
~~12211~~	Deficient ADIT Amortization (Debit) (Note Q)	WP_B-3-Deficient ADIT				
~~12311~~						
~~12411~~	Income Tax Calculation	Line ~~6870~~ times Line ~~111113~~	-			-
~~12511~~	ITC adjustment	Line ~~114116~~ times Line ~~115117~~	-	NP	0.00%	-
~~12611~~		Line ~~116~~ times Line ~~119~~ Line ~~116~~ times Line ~~120~~				
~~12711~~		Sum Lines ~~117122~~				

~~127~~ ~~12~~ ~~0~~ ~~128~~ ~~1~~ ~~29~~ ~~2~~	9	through ~~118~~ <u>125</u>	-	-	-
~~130~~ ~~3~~ ~~131~~ ~~4~~ ~~132~~ ~~5~~ ~~133~~ ~~6~~ ~~134~~ ~~7~~	REVENUE CREDITS	(Note L)			
	Account No. 454 (Rent from Transmission Facilities)	WP_E-1 Line 4	-	DA	100% -
	Account No. 421.1 (Gain From Disposition of Utility Plant)	WP_E-1 Line 14	-	WS	0.00% -
	Account No. 456.0 (Revenue from Schedule 18)	WP_E-1 Line 9	-	DA	100% -
	Account No. 456.1 (Revenue from Trans. of Elect. of Others)	WP_F-1 Line 8 Col. (b)	-	DA	100% -
	Account No. 456.1 (Revenue from Trans. of Elect. of Others)	WP_F-1 Line 8 Col. (c)	-	DA	100% -
~~135~~ ~~8~~	Settlement Credit	Note P	726,905	DA	100% -
~~136~~ ~~9~~ ~~137~~ ~~0~~	Total Revenue Credits		726,905		-
~~138~~ ~~1~~	REVENUE REQUIREMENT		(726,905)		-

Line No.	SUPPORTING CALCULATIONS	Reference/Notes	Total Col. (3)	Allocator (Note O) Col. (4)	Total Transmission Col. (5)
~~139~~ ~~2~~ ~~140~~ ~~3~~ ~~141~~ ~~4~~ ~~142~~ ~~5~~ ~~143~~ ~~6~~ ~~144~~ ~~7~~ ~~145~~ ~~8~~ ~~146~~ ~~9~~ ~~147~~ ~~0~~ ~~148~~ ~~1~~ ~~149~~ ~~2~~ ~~150~~ ~~3~~	TRANSMISSION PLANT INCLUDED IN THE ATRR	(Note M)			
	Transmission plant	WP_B-1 Col. (a), Line 3			-
	Transmission related Acquisition Adjustment	WP_B-4 Col. (c), Line 15			-
	Total Transmission Plant	Sum Lines ~~131~~ <u>140</u> through ~~132~~ <u>141</u>			-
	Eliminate Generator Step-up facilities	WP_B-Inputs Est. Line 118			-
	Transmission plant included in OATT Trans Rate	Sum Lines ~~133~~ <u>142</u> through ~~134~~ <u>143</u> Line ~~136~~ <u>144</u> divided by Line ~~134~~ <u>142</u>			-
	Percent of Transmission Plant in the ATRR			TP=	0.00%
	WAGES & SALARY ALLOCATOR (W/S)				
	Production	Company Records		NA	0.00% -
	Transmission	WP_C-1 Line 31 Col. (b)	-	TP	0.00% -
	Regional Market	Company Records		NA	0.00% -

<u>15114</u> 4	Distribution	Company Records		NA	0.00%	-
<u>15214</u> 5	Other	Company Records		NA	0.00%	-
<u>15314</u> 6	Total	Sum Lines ~~140-148~~ through ~~144152~~	-			-
<u>15414</u> 7						
<u>15514</u> 8	W/S Allocator	Line ~~145153~~ , Col. Col. (5) divided by Col. Col. (3)			W/S=	0.00%
<u>15614</u> 9						
<u>15715</u> 0	Common to Electric Transmission Allocator	Common Plant to Electric (Common Plant Study)				
<u>15815</u> 1		W/S Allocator, Line ~~147155~~				0.00%
<u>15915</u> 2		Line ~~149157~~ times Line ~~150158~~			CE=	0.00%
<u>16015</u> 3						
<u>16115</u> 4						
<u>16215</u> 5	RETURN	(Note N)	\$	%	Cost	Weighted
<u>16315</u> 6	Long Term Debt	WP_G-1 Col (n), Line 6	-	0.00%	0.00%	0.0000
<u>16415</u> 7	Preferred Stock	WP_G-1 Col (n), Line 8	-	0.00%	0.00%	0.0000
<u>16515</u> 8	Common Stock	WP_G-1 Col (n), Line 14	-	0.00%	9.72%	0.0000
<u>16615</u> 9	Total	Sum Lines ~~155163~~ through ~~157165~~	-		ROR=	0.0000
<u>16716</u> 0						
<u>16816</u> 1						
<u>16916</u> 2	PREPAYMENTS ALLOCATION FACTOR TO ELECTRIC					
<u>17016</u> 3						
<u>17116</u> 4	Total Electric Plant in Service	207, Ln.100, Col. (g)				
<u>17216</u> 5	Common PIS Allocated to Electric	356				
<u>17316</u> 6	Electric Plant Held for Future Use	214, Ln. 47, Col. (d)				
<u>17416</u> 7	Electric Construction Work in Progress	216, Ln. 43, Col. (b)				
<u>17516</u> 8	Common CWIP Allocated to Electric	356				
<u>17616</u> 9	Total Electric Plant	Sum Lines 163 through 167	-			
<u>17717</u> 0	Total Utility Plant	110, Ln. 4, Col. (c)				
<u>17817</u> 1						
<u>17917</u> 2	Electric Plant to Total Plant Allocation Factor	Line ~~168176~~ divided by Line ~~169177~~				0.00%

General Notes: a) References to data from FERC Form No.

1 are indicated as: page#.line#.col.#

Notes:

- A Gross Plant, Accumulated Depreciation Reserves will be the average of thirteen monthly balances.
- B Transmission serving transmission related amounts associated with the Calpine Acquisition are included.
- Future Acquisition Adjustment amounts will not be included in the formula except as directed by the Commission pursuant to a Section 205 filing.
- The Net Acquisition Adjustment will be the average of thirteen monthly balances.
- C Reflects the BOY/EOY average of the transmission related portion of balances in Accounts 281, 282, 283, 190 and 255 as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106, 109, 133, 158 or FASB Interpretation No. 48. Balance of Account 255 is reduced by prior flow throughs and completely excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note k. The calculation of ADIT for both the true-up and the annual projection will be performed in accordance with IRS regulation Section 1.167(l)-1(h)(6). The Annual True-Up for a given year will use the same methodology that was used to project that year's rates. (Except for ADIT proration, which is described in Table 39, WP_ADIT Prorate.) The annual true-up calculation will use the beginning-of-year and end-of-year balances as set forth in Table 8, Workpaper B-2, Estimated and Table 9, Workpaper B-3, Estimated; and the calculation of ADIT in the annual projection will be performed as set forth in Table 8, Workpaper B-2, Actual and Table 9, Workpaper B-3, Actual.
- D The Regulatory Liability associated with the sale of the Technical Service Building (TSB) will be included in Rate Base. Future Regulatory Liabilities will not be included in the formula except as directed by the Commission pursuant to a Section 205 filing.
- E Includes any incentive Construction Work in Progress (CWIP), any related Pre-funded Allowance for Funds Used During Construction (AFUDC), any unamortized balances related to the recovery of abandoned incentive plant costs, any extraordinary property losses and any related depreciation and amortization expense amounts. Formula amounts for all of the foregoing items will remain at \$0 until approved by FERC pursuant to a Section 205 filing under a separate docket.
- F Includes only transmission related or functionally booked as transmission land held for future use.
- G Cash Working Capital will be set at and remain \$0 until such time as PSCo files and receives FERC approval.
- H Account 565 Transmission by Others is included only to the extent used to integrate the PSCo Transmission system.
- I Post-Employment Benefits Other than Pensions (FAS 106) shall remain as a stated, fixed amount and shall not be changed except as directed by the Commission following a filing seeking such change pursuant to section 205 or 206 of the FPA. The adjustment is shown on WP_C-3 PBOP. Regulatory Commission expenses (FERC Account 928) will be directly assigned or allocated to Transmission. General Advertising Expenses (FERC Account 930.1) will be excluded. All industry association dues recorded in FERC Account 930.2 will be excluded. The adjustment is shown on WP_C-2, Note 4.
- J Includes only FICA, unemployment, property, and other assessments charged in the current year. Taxes related to income are excluded. Franchise taxes are not included in transmission revenue requirement in the Rate Formula Template.
- K The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and $p =$ "the percentage of federal income tax deductible for state income taxes". PSCo has elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) less adjustments multiplied by $(1/1-T)$ (page 3, line 30).

Inputs Required:

FIT =

SIT=

p =

(State Income Tax Rate or Composite SIT)

(percent of FIT deductible for

state purposes)

If a change in an income tax rate is known sufficiently in advance to be reflected in the estimated rates that will become effective January 1 for the upcoming formula rate year, PSCo will reflect the new tax rate(s) in the estimated rate calculations for the months in which the new tax rate will be in effect for the formula rate year. Otherwise, such tax change will be captured and reflected in the annual formula true-up by weighting the tax rates in effect during the year by the number of days each such tax rate was in effect.

- L Includes income related to transmission facilities, such as pole attachments, rentals and special use for the Transmission facilities included herein.
FERC 421.1 Gain on the Disposition of Utility Property will be assigned or allocated to the transmission function based on the specific property sold.
Revenue from coincident peak loads included in the DIVISOR are also not included as revenue credits unless this revenue is offset by a corresponding expense
- M Removes the dollars of plant booked to transmission plant that is excluded from the Tariff because it does not meet the Tariff's definition of Transmission Facilities, or is booked to transmission (e.g. step-up transformers) that is included in the development of OATT ancillary service rates,
or is otherwise not eligible to be recovered under this Tariff.
- N Return on Equity will be set at 9.72%. Thereafter, any change will require a filing with the Commission pursuant to FPA Section 205 or a Commission order pursuant to FPA Section 206.
If and when the Company issues preferred stock, footnote will indicate the authorizing regulatory agency, the docket/case number, and the date of the authorizing order.
- O The calculation of the **GP** Allocator is found on Line 10.
The calculation of the **NP** Allocator is found on Line 37.
The calculation of the **WIS** Allocator is found on Line ~~147~~155.
The calculation of the **CE** Allocator is found on Line ~~151~~159.
The calculation of the **TP** Allocator is found on Line ~~137~~145.
- P The Company agreed in Docket No. ER12-1589-000 to include a total company credit in the Transmission Formula Template equal to \$726,905. This amount is fixed and cannot be changed without a Section 205 or 206 filing.
- Q Includes the amortization of any excess/deficient deferred income taxes resulting from changes to income tax laws, income tax rates (including changes in apportionment) and other actions taken by a taxing authority. Excess and deficient deferred income taxes will reduce or increase tax expense by the amount of the excess or deficiency multiplied by (1/(1-T)). Amortizations of excess/deficient deferred income taxes resulting from the enactment of the Tax Cuts and Jobs Act will be included beginning January 1, 2018 (with the 2018 True-Up)

Xcel Energy Operating Companies
FERC FPA Electric Tariff
Third Revised Volume No. 1

Att O-PSCo Formula Rate,
Table 4, ATRR Est
Version ~~0.4.0~~ 0.4.5
Proposed Effective Date: ~~1/1/2019~~ 1/1/2019
Page 1 of 1

Public Service Company of Colorado
Transmission Formula Rate Settlement Template
Twelve Months Ended December 31, 20XX
Annual Transmission Revenue Requirements- Actual

Table 5
ATRR Act

Line No.	RATE BASE & RETURN CALCULATION	Reference/Notes	Total	Allocator (Note O)	Transmission
	Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5)
1	GROSS PLANT IN SERVICE	(Note A)			
2	Production	WP_B-1 Col. (d), Line 2	-	NA 0.00%	-
3	Transmission	WP_B-1 Col. (d), Line 3	-	DA 100%	-
4	Distribution	WP_B-1 Col. (d), Line 4	-	NA 0.00%	-
5	General Plant	WP_B-1 Col. (d), Line 5	-	W/S 0.00%	-
6	Intangible Plant	WP_B-1 Col. (d), Line 6	-	W/S 0.00%	-
7	Common Intangible	WP_B-1 Col. (d), Line 7	-	CE 0.00%	-
8	Common General	WP_B-1 Col. (d), Line 8	-	CE 0.00%	-
9	TOTAL GROSS PLANT	Sum Lines 2 through 8 Line 9, Col. (5) divided by Col. (3)	-	GP= 0.00%	-
12	ACCUMULATED DEPRECIATION	(Note A)			
13	Production	WP_B-1 Col. (d), Line 12	-	NA 0.00%	-
14	Transmission	WP_B-1 Col. (d), Line 13	-	DA 100%	-
15	Distribution	WP_B-1 Col. (d), Line 14	-	NA 0.00%	-
16	General Plant	WP_B-1 Col. (d), Line 15	-	W/S 0.00%	-
17	Intangible Plant	WP_B-1 Col. (d), Line 16	-	W/S 0.00%	-
18	Common Intangible	WP_B-1 Col. (d), Line 17	-	CE 0.00%	-
19	Common General	WP_B-1 Col. (d), Line 18	-	CE 0.00%	-
20	TOTAL ACCUMULATED DEPRECIATION	Sum Lines 13 through 19	-		-
22	NET ACQUISITION ADJUSTMENT	(Note B)			
23	Production	WP_B-4 Col.(i) Line 15	-	NA 0.00%	-
24	Transmission Serving Production	WP_B-4 Col.(j) Line 15	-	NA 0.00%	-
25	Transmission Serving Transmission	WP_B-4 Col.(k) Line 15	-	DA 100%	-
26	TOTAL NET ACQUISITION ADJUSTMENT	Sum Lines 23 through 25	-		-
28	NET PLANT IN SERVICE	(Note A)			
29	Production	Line 2 minus 13			

		plus 23 plus 24	-		-
30	Transmission	Line 3 minus 14 plus 25	-		-
31	Distribution	Line 4 minus 15	-		-
32	General Plant	Line 5 minus 16	-		-
33	Intangible Plant	Line 6 minus 17	-		-
34	Common Intangible	Line 7 minus 18	-		-
35	Common General	Line 8 minus 19	-		-
36	TOTAL NET PLANT IN SERVICE	Sum Lines 29 through 35	-		-
37		Line 36, Col (5) divided by Col (3)		NP=	0.00%
38					
39	OTHER RATE BASE ITEMS	(Note C)			
40	Account No. 281	WP_B-2 Col. (c) & (e), Line 3	-	DA	0.00% -
41	Account No. 282	WP_B-2 Col. (c) & (e), Line 30	-	DA	-
42	Account No. 283	WP_B-2 Col. (c) & (e), Line 83	-	DA	-
43	Account No. 190	WP_B-3 Col. (c) & (e), Line 84	-	DA	-
<u>44</u>	<u>Account 182.3-Deficient ADIT</u>	<u>WP_B-3-Deficient ADIT</u>		<u>DA</u>	
<u>45</u>	<u>Account 254-Excess ADIT</u>	<u>WP_B-2-Excess ADIT</u>		<u>DA</u>	
<u>4644</u>	Regulatory Liabilities- FERC Account No. 254 (Note C)	WP_B-7 Line 14	-	W/S	0.00% -
<u>4745</u>	Account No. 255	267.8.h	-	DA	100% -
<u>4846</u>	Account No. 107 (CWIP) (Note E)	WP_B-8 Col. (a), Line 16	-	DA	100% -
<u>4947</u>	Net Pre-Funded AFUDC on CWIP included (Note E)	WP_B-8 Col. (d), Line 16	-	DA	100% -
<u>5048</u>	Unamortized Balance of Abandoned Incentive Plant (Note E)	WP_B-Inputs Act. Line 142	-	DA	100% -
<u>5149</u>	Unamortized Balance of Extraordinary Property Loss (Note E)	WP_B-Inputs Act. Line 142	-	DA	100% -
<u>5250</u>	TOTAL OTHER RATE BASE ITEMS	Sum Lines 40 through <u>4951</u>	-		-
<u>5351</u>					
<u>5452</u>	LAND HELD FOR FUTURE USE (Note F)	WP_B-Inputs Act. Line 142	-	TP	0.00% -
<u>5553</u>					
<u>5654</u>	WORKING CAPITAL				
<u>5755</u>	Cash Working Capital	(Note G)	-		-
<u>5856</u>	Materials & Supplies - Transmission	WP_B-6 Line 29	-	TP	0.00% -
<u>5957</u>	Materials & Supplies - Other	WP_B-6 Line 31	-	NP	0.00% -
<u>6058</u>	Prepayments (Account 165) Plant Related	WP_B-5 Line 8	-	NP	0.00% -
<u>6159</u>	Prepayments (Account 165) Labor Related	WP_B-5 Line 16	-	W/S	0.00% -
<u>6260</u>	Prepayments (Account 165) Transmission Related	WP_B-5 Line 20	-	TP	0.00% -
<u>6361</u>	Prepayments (Account 165) Other Not Allocated	WP_B-5 Line 44	-	NA	0.00% -

		Sum Lines ~~5557~~	-	-
~~6462~~	TOTAL WORKING CAPITAL	through ~~6163~~	-	-
~~6563~~				
~~6664~~	RATE BASE	Line 36 plus ~~5052~~ plus ~~5254~~ plus ~~6462~~	-	-
~~6765~~				
~~6866~~	Rate of Return	Line ~~158166~~	0.00%	0.00%
~~6967~~				
~~7068~~	RETURN (Rate Base * Rate of Return)	Line ~~6466~~ times Line ~~6668~~	-	-

Line No.	EXPENSE, TAXES & REVENUE		Reference/Notes	Total	Allocator (Note O)	Total Transmission
	REQUIREMENTS	CALCULATION				
		Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5)
~~7169~~	OPERATION & MAINTENANCE EXPENSE					
~~7270~~	Transmission		WP_C-1 Line 31	-		
~~7371~~	Less Total Account 561		WP_C-1 Line 36	-		
~~7472~~	Add Back Account 561.4		WP_C-1 Line 5	-		
~~7573~~	Add Back Account 561.5		WP_C-1 Line 6	-		
~~7674~~	Add Back Account 561.6		WP_C-1 Line 7	-		
~~7775~~	Add Back Account 561.7		WP_C-1 Line 8	-		
~~7876~~	Add Back Account 561.8		WP_C-1 Line 9	-		
~~7977~~	Less Total Account 565 (Note H)		WP_C-1 Line 13	-		
~~8078~~	Add Back Account 565.25- System Integration Costs		WP_C-1 Line 34	-		
~~8179~~	Transmission Subtotal		Sum Lines ~~7072~~ through ~~7880~~	-	TP 0.00%	-
~~8280~~						
~~8381~~	Administrative and General (Note I)		WP_C-2 Line 15	-		
~~8482~~	Less: Acc. 924, Property Insurance		WP_C-2 Line 5	-		
~~8583~~	Balance of A & G		Sum Lines ~~8183~~ through ~~8284~~	-	W/S 0.00%	-
~~8684~~	Plus: Account 924, Property Insurance		Line ~~8284~~	-	NP 0.00%	-
~~8785~~	Account 928 - Transmission Specific		WP_C-4 Line 7	-	DA 100%	-
~~8886~~	A & G Subtotal		Sum Lines ~~8385~~ through ~~8587~~	-		-
~~8987~~						
~~9088~~	TOTAL O & M EXPENSE		Line ~~7981~~ plus Line ~~8688~~	-		-
~~9189~~						
~~9290~~						
~~9391~~	DEPRECIATION AND AMORTIZATION EXPENSE					

<u>9492</u>	Transmission	WP_B-1 Line 24 Col. (d)	-	DA	100%	-
<u>9593</u>	Plus: Pre-Funded AFUDC Amortization (Note E)	WP_B-8 Col (f), Line 18	-	DA	100%	-
<u>9694</u>	Plus: Recovery of Abandoned Incentive Plant (Note E)	WP_B-Inputs Act. Line 142	-	DA	100%	-
<u>9795</u>	Plus: Recovery of Extraordinary Property Loss (Note E)	WP_B-Inputs Act. Line 142	-	DA	100%	-
<u>9896</u>	General	WP_B-1 Line 26 Col. (d)	-	W/S	0.00%	-
<u>9997</u>	Intangible	WP_B-1 Line 27 Col. (d)	-	W/S	0.00%	-
<u>10098</u>	Common Intangible	WP_B-1 Line 28 Col. (d)	-	CE	0.00%	-
<u>10199</u>	Common General	WP_B-1 Line 29 Col. (d)	-	CE	0.00%	-
<u>102100</u>	Acquisition Adjustment Amortization (Note F)	WP_B-4 Line 15 Col. Col. (o)	-	DA	100%	-
<u>103101</u>	TOTAL DEPRECIATION AND AMORTIZATION	Sum Lines <u>9294</u> through <u>100102</u>	-			-
<u>104102</u>						
<u>105103</u>	TAXES OTHER THAN INCOME	(Note J)				
<u>106104</u>	Labor Related	WP_D-1 Line 5	-	W/S	0.00%	-
<u>107105</u>	Plant Related	WP_D-1 Line 9	-	NP	0.00%	-
<u>108106</u>	Miscellaneous	WP_D-1 Line 12	-	NA	0.00%	-
<u>109107</u>	TOTAL OTHER TAXES	Sum Lines <u>104106</u> through <u>106108</u>	-			-
<u>110108</u>						
<u>111109</u>	INCOME TAXES	(Note K)				
<u>112110</u>	$T = 1 - \{[(1 - \text{SIT}) * (1 - \text{FIT})] / (1 - \text{SIT} * \text{FIT} * p)\} =$		0.00%			
<u>113111</u>	$\text{CIT} = (T / 1 - T) * (1 - (\text{WCLTD} / \text{R})) =$		0.00%			
<u>114112</u>	where WCLTD=(line 153) and R= (line 156)					
<u>115113</u>	and FIT, SIT & p are as given in Note K.					
<u>116114</u>	$1 / (1 - T) = (\text{from ln 110})$		-			
<u>117115</u>	Amortized Investment Tax Credit (enter negative)	FF1 266.8.f				
<u>118116</u>						
<u>119</u>	<u>Excess ADIT Amortization (Credit) (Note Q)</u>	<u>WP_B-2-Excess</u> <u>ADIT</u>				
<u>120</u>	<u>Deficient ADIT Amortization (Debit) (Note Q)</u>	<u>WP_B-3-Excess</u> <u>ADIT</u>				
<u>121</u>						
<u>122117</u>	Income Tax Calculation	Line <u>6870</u> times Line <u>111113</u>	-			-
<u>123118</u>	ITC adjustment	Line <u>114 116</u> times Line <u>115117</u>	-	NP	0.00%	-
<u>124</u>	<u>Excess ADIT Amortization (Credit)</u>	<u>Line 116 times</u> <u>Lines 119</u>				
<u>125</u>	<u>Deficient ADIT Amortization (Debit)</u>	<u>Line 116 times Line</u> <u>120</u>				
<u>126119</u>	TOTAL INCOME TAXES	Sum Lines <u>117122</u> through <u>118125</u>	-			-
<u>127120</u>						
<u>128121</u>						
<u>129122</u>	REVENUE CREDITS	(Note L)				
<u>130123</u>	Account No. 454 (Rent from Transmission Facilities)	WP_E-1 Line 4	-	DA	100%	-

~~131124~~	Account No. 421.1 (Gain From Disposition of Utility Plant)	WP_E-1 Line 14	-	WS	0.00%	-
~~132125~~	Account No. 456.0 (Revenue from Schedule 18)	WP_E-1 Line 9	-	DA	100%	-
~~133126~~	Account No. 456.1 (Revenue from Trans. of Elect. of Others)	WP_F-1 Line 8 Col. (b)	-	DA	100%	-
~~134127~~	Account No. 456.1 (Revenue from Trans. of Elect. of Others)	WP_F-1 Line 8 Col. (c)	-	DA	100%	-
~~135128~~	Settlement Credit	Note P	726,905	DA	100%	-
~~136129~~	Total Revenue Credits		-			-
~~137130~~						
~~138131~~	REVENUE REQUIREMENT		-			-

Line No.	SUPPORTING CALCULATIONS	Reference/Notes	Total	Allocator (Note O)	Total Transmission
	Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5)
~~139132~~	TRANSMISSION PLANT INCLUDED IN THE ATRR	(Note M)			
~~140133~~	Transmission plant	WP_B-1 Col. (a), Line 3			-
~~141134~~	Transmission related Acquisition Adjustment	WP_B-4 Col. (c), Line 15			-
~~142135~~	Total Transmission Plant	Sum Lines ~~133140~~ through ~~132141~~			-
~~143136~~	Eliminate Generator Step-up facilities	WP_B-Inputs Act. Line 117			-
~~144137~~	Transmission plant included in OATT Trans Rate	Sum Lines ~~133142~~ through ~~134143~~ Line ~~136144~~ divided by Line ~~134142~~			-
~~145138~~	Percent of Transmission Plant in the ATRR			TP=	0.00%
~~146139~~					
~~147140~~	WAGES & SALARY ALLOCATOR (W/S)				
~~148141~~	Production	FF1. 354.20.b		NA	0.00%
~~149142~~	Transmission	WP_C-1 Line 31 Col. (b)	-	TP	0.00%
~~150143~~	Regional Market	FF1. 354.22.b		NA	0.00%
~~151144~~	Distribution	FF1. 354.23.b		NA	0.00%
~~152145~~	Other	FF1. 354.24.b		NA	0.00%
~~153146~~	Total	Sum Lines ~~140148~~ through ~~144152~~	-		-
~~154147~~					
~~155148~~	W/S Allocator	Line ~~145153~~ , Col. (5) divided by Col. (3)		W/S=	0.00%
~~156149~~					
~~157150~~	Common to Electric Transmission Allocator	FF1.356			
~~158151~~		W/S Allocator, Line ~~147155~~			0.00%
~~159152~~		Line ~~149157~~ times Line ~~150158~~		CE=	0.00%

20XX
FERC
Form
No. 1

Notes:

- A Gross Plant, Accumulated Depreciation Reserves will be the average of thirteen monthly balances.
- B Transmission serving transmission related amounts associated with the Calpine Acquisition are included. Future Acquisition Adjustment amounts will not be included in the formula except as directed by the Commission pursuant to a Section 205 filing. The Net Acquisition Adjustment will be the average of thirteen monthly balances.
- C Reflects the BOY/EOY average of the transmission related portion of balances in Accounts 281, 282, 283, 190 and 255 as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106, 109, 133, 158 or FASB Interpretation No. 48. Balance of Account 255 is reduced by prior flow throughs and completely excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note k. The calculation of ADIT for both the true-up and the annual projection will be performed in accordance with IRS regulation Section 1.167(l)-1(h)(6). The Annual True-Up for a given year will use the same methodology that was used to project that year's rates. The annual true-up calculation will use the beginning-of-year and end-of-year balances as set forth in Table 8, Workpaper B-2, Estimated and Table 9, Workpaper B-3, Estimated; and the calculation of ADIT in the annual projection will be performed as set forth in Table 8, Workpaper B-2, Actual and Table 9, Workpaper B-3, Actual.

- D The Regulatory Liability associated with the sale of the Technical Service Building (TSB) will be included in Rate Base. Future Regulatory Liabilities will not be included in the formula except as directed by the Commission pursuant to a Section 205 filing.
- E Includes any incentive Construction Work in Progress (CWIP), any related Pre-funded Allowance for Funds Used During Construction (AFUDC), any unamortized balances related to the recovery of abandoned incentive plant costs, any extraordinary property losses and any related depreciation and amortization expense amounts.
 Formula amounts for all of the foregoing items will remain at \$0 until approved by FERC pursuant to a Section 205 filing under a separate docket.
- F Includes only transmission related or functionally booked as transmission land held for future use.
- G Cash Working Capital will be set at and remain \$0 until such time as PSCo files and receives FERC approval.
- H Account 565 Transmission by Others is included only to the extent used to integrate the PSCo Transmission system.
- I Post-Employment Benefits Other than Pensions (FAS 106) shall remain as a stated, fixed amount and shall not be changed except as directed by the Commission following a filing seeking such change pursuant to section 205 or 206 of the FPA. The adjustment is shown on WP_C-3 PBOP.
 Regulatory Commission expenses (FERC Account 928) will be directly assigned or allocated to Transmission.
 General Advertising Expenses (FERC Account 930.1) will be excluded.
 All industry association dues recorded in FERC Account 930.2 will be excluded. The adjustment is shown on WP_C-2, Note 4.
- J Includes only FICA, unemployment, property, and other assessments charged in the current year.
 Taxes related to income are excluded. Franchise taxes are not included in transmission revenue requirement in the Rate Formula Template,
- K The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p =
 "the percentage of federal income tax deductible for state income taxes".
 PSCo has elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) less adjustments multiplied by (1/1-T) (page 3, line 30).
- Inputs Required:
- | | | |
|-------|--|--|
| FIT = | | |
| SIT= | | (State Income Tax Rate or Composite SIT) |
| p = | | (percent of FIT deductible for state purposes) |
- If a change in an income tax rate is known sufficiently in advance to be reflected in the estimated rates that will become effective January 1 for the upcoming formula rate year, PSCo will reflect the new tax rate(s) in the estimated rate calculations for the months in which the new tax rate will be in effect for the formula rate year. Otherwise, such tax change will be captured and reflected in the annual formula true-up by weighting the tax rates in effect during the year by the number of days each such tax rate was in effect.
- L Includes income related to transmission facilities, such as pole attachments, rentals and special use for the Transmission facilities included herein.
 FERC 421.1 Gain on the Disposition of Utility Property will be assigned or allocated to the transmission function based on the specific property sold.
 Revenue from coincident peak loads included in the DIVISOR are also not included as revenue credits unless this revenue is offset by a corresponding expense
- M Removes the dollars of plant booked to transmission plant that is excluded from the Tariff because it does not meet the Tariff's definition of Transmission Facilities, or is booked to transmission (e.g. step-up transformers) that is included in the development of OATT ancillary service rates,
 or is otherwise not eligible to be recovered under this Tariff.
- N Return on Equity will be set at 9.72%. Thereafter, any change will require a filing with the Commission pursuant to FPA Section 205 or a Commission order pursuant to FPA 206.
 If and when the Company issues preferred stock, footnote will

indicate the authorizing regulatory agency, the docket/case number, and the date of the authorizing order.

O The calculation of the **GP** Allocator is found on Line 10.

The calculation of the **NP** Allocator is found on Line 37.

The calculation of the **WIS** Allocator is found on Line ~~147~~155.

The calculation of the **CE** Allocator is found on Line ~~151~~159.

The calculation of the **TP** Allocator is found on Line ~~137~~145.

P The Company agreed in Docket No. ER12-1589-000 to include a total company credit in the Transmission Formula Template equal to \$726,905. This amount is fixed and cannot be

changed without a Section 205 or 206 filing.

Q Includes the amortization of any excess/deficient deferred income taxes resulting from changes to income tax laws, income tax rates (including changes in apportionment) and other actions taken by a taxing authority. Excess and deficient deferred income taxes will reduce or increase tax expense by the amount of the excess or deficiency multiplied by (1/(1-T)). Amortizations of excess/deficient deferred income taxes resulting from the enactment of the Tax Cuts and Jobs Act will be included beginning January 1, 2018 (with the 2018 True-Up).

Public Service Company of Colorado
Transmission Formula Rate Settlement Template
Twelve Months Ended December 31, 20XX
Annual Transmission Revenue Requirements- Actual

Table 5
ATRR Act

Line No.	RATE BASE & RETURN CALCULATION	Reference/Notes	Total	Allocator (Note O)	Transmission
	Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5)
1	GROSS PLANT IN SERVICE	(Note A)			
2	Production	WP_B-1 Col. (d), Line 2	-	NA 0.00%	-
3	Transmission	WP_B-1 Col. (d), Line 3	-	DA 100%	-
4	Distribution	WP_B-1 Col. (d), Line 4	-	NA 0.00%	-
5	General Plant	WP_B-1 Col. (d), Line 5	-	W/S 0.00%	-
6	Intangible Plant	WP_B-1 Col. (d), Line 6	-	W/S 0.00%	-
7	Common Intangible	WP_B-1 Col. (d), Line 7	-	CE 0.00%	-
8	Common General	WP_B-1 Col. (d), Line 8	-	CE 0.00%	-
9	TOTAL GROSS PLANT	Sum Lines 2 through 8	-		-
10		Line 9, Col. (5) divided by Col. (3)		GP= 0.00%	
11					
12	ACCUMULATED DEPRECIATION	(Note A)			
13	Production	WP_B-1 Col. (d), Line 12	-	NA 0.00%	-
14	Transmission	WP_B-1 Col. (d), Line 13	-	DA 100%	-
15	Distribution	WP_B-1 Col. (d), Line 14	-	NA 0.00%	-
16	General Plant	WP_B-1 Col. (d), Line 15	-	W/S 0.00%	-
17	Intangible Plant	WP_B-1 Col. (d), Line 16	-	W/S 0.00%	-
18	Common Intangible	WP_B-1 Col. (d), Line 17	-	CE 0.00%	-
19	Common General	WP_B-1 Col. (d), Line 18	-	CE 0.00%	-
20	TOTAL ACCUMULATED DEPRECIATION	Sum Lines 13 through 19	-		-
21					
22	NET ACQUISITION ADJUSTMENT	(Note B)			
23	Production	WP_B-4 Col.(i) Line 15	-	NA 0.00%	-
24	Transmission Serving Production	WP_B-4 Col.(j) Line 15	-	NA 0.00%	-
25	Transmission Serving Transmission	WP_B-4 Col.(k) Line 15	-	DA 100%	-
26	TOTAL NET ACQUISITION ADJUSTMENT	Sum Lines 23 through 25	-		-
27					
28	NET PLANT IN SERVICE	(Note A)			
29	Production	Line 2 minus 13			

		plus 23 plus 24	-		-
		Line 3 minus 14			
		plus 25	-		-
30	Transmission				
31	Distribution	Line 4 minus 15	-		-
32	General Plant	Line 5 minus 16	-		-
33	Intangible Plant	Line 6 minus 17	-		-
34	Common Intangible	Line 7 minus 18	-		-
35	Common General	Line 8 minus 19	-		-
36	TOTAL NET PLANT IN SERVICE	Sum Lines 29 through 35	-		-
37		Line 36, Col (5) divided by Col (3)		NP=	0.00%
38					
39	OTHER RATE BASE ITEMS	(Note C)			
40	Account No. 281	WP_B-2 Col. (c) & (e), Line 3	-	DA	0.00%
41	Account No. 282	WP_B-2 Col. (c) & (e), Line 30	-	DA	-
42	Account No. 283	WP_B-2 Col. (c) & (e), Line 83	-	DA	-
43	Account No. 190	WP_B-3 Col. (c) & (e), Line 84	-	DA	-
<u>44</u>	<u>Account 182.3-Deficient ADIT</u>	<u>WP_B-3-Deficient ADIT</u>		<u>DA</u>	
<u>45</u>	<u>Account 254-Excess ADIT</u>	<u>WP_B-2-Excess ADIT</u>		<u>DA</u>	
<u>4644</u>	Regulatory Liabilities- FERC Account No. 254 (Note C)	WP_B-7 Line 14	-	W/S	0.00%
<u>4745</u>	Account No. 255	267.8.h	-	DA	100%
<u>4846</u>	Account No. 107 (CWIP) (Note E)	WP_B-8 Col. (a), Line 16	-	DA	100%
<u>4947</u>	Net Pre-Funded AFUDC on CWIP included (Note E)	WP_B-8 Col. (d), Line 16	-	DA	100%
<u>5048</u>	Unamortized Balance of Abandoned Incentive Plant (Note E)	WP_B-Inputs Act. Line 142	-	DA	100%
<u>5149</u>	Unamortized Balance of Extraordinary Property Loss (Note E)	WP_B-Inputs Act. Line 142	-	DA	100%
<u>5250</u>	TOTAL OTHER RATE BASE ITEMS	Sum Lines 40 through <u>4951</u>	-		-
<u>5351</u>					
<u>5452</u>	LAND HELD FOR FUTURE USE (Note F)	WP_B-Inputs Act. Line 142	-	TP	0.00%
<u>5553</u>					
<u>5654</u>	WORKING CAPITAL				
<u>5755</u>	Cash Working Capital	(Note G)	-		-
<u>5856</u>	Materials & Supplies - Transmission	WP_B-6 Line 29	-	TP	0.00%
<u>5957</u>	Materials & Supplies - Other	WP_B-6 Line 31	-	NP	0.00%
<u>6058</u>	Prepayments (Account 165) Plant Related	WP_B-5 Line 8	-	NP	0.00%
<u>6159</u>	Prepayments (Account 165) Labor Related	WP_B-5 Line 16	-	W/S	0.00%
<u>6260</u>	Prepayments (Account 165) Transmission Related	WP_B-5 Line 20	-	TP	0.00%
<u>6361</u>	Prepayments (Account 165) Other Not Allocated	WP_B-5 Line 44	-	NA	0.00%

		Sum Lines ~~5557~~	-	-
~~6462~~	TOTAL WORKING CAPITAL	through ~~6163~~	-	-
~~6563~~				
~~6664~~	RATE BASE	Line 36 plus ~~5052~~ plus ~~5254~~ plus ~~6264~~	-	-
~~6765~~				
~~6866~~	Rate of Return	Line ~~158166~~	0.00%	0.00%
~~6967~~				
~~7068~~	RETURN (Rate Base * Rate of Return)	Line ~~6466~~ times Line ~~6668~~	-	-

Line No.	EXPENSE, TAXES & REVENUE			Total	
	REQUIREMENTS	CALCULATION	Reference/Notes	Allocator (Note O)	Transmission
	Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5)
~~7169~~	OPERATION & MAINTENANCE EXPENSE				
~~7270~~	Transmission	WP_C-1 Line 31	-		
~~7371~~	Less Total Account 561	WP_C-1 Line 36	-		
~~7472~~	Add Back Account 561.4	WP_C-1 Line 5	-		
~~7573~~	Add Back Account 561.5	WP_C-1 Line 6	-		
~~7674~~	Add Back Account 561.6	WP_C-1 Line 7	-		
~~7775~~	Add Back Account 561.7	WP_C-1 Line 8	-		
~~7876~~	Add Back Account 561.8	WP_C-1 Line 9	-		
~~7977~~	Less Total Account 565 (Note H)	WP_C-1 Line 13	-		
	Add Back Account 565.25- System Integration				
~~8078~~	Costs	WP_C-1 Line 34	-		
	Transmission Subtotal	Sum Lines ~~7072~~ through ~~7880~~	-	TP 0.00%	-
~~8179~~					
~~8280~~					
~~8381~~	Administrative and General (Note I)	WP_C-2 Line 15	-		
~~8482~~	Less: Acc. 924, Property Insurance	WP_C-2 Line 5	-		
~~8583~~	Balance of A & G	Sum Lines ~~8183~~ through ~~8284~~	-	W/S 0.00%	-
~~8684~~	Plus: Account 924, Property Insurance	Line ~~8284~~	-	NP 0.00%	-
~~8785~~	Account 928 - Transmission Specific	WP_C-4 Line ~~721~~ Sum Lines ~~8385~~ through ~~8587~~	-	DA 100%	-
~~8886~~	A & G Subtotal		-		-
~~8987~~					
~~9088~~	TOTAL O & M EXPENSE	Line ~~7981~~ plus Line ~~8688~~	-		-
~~9189~~					
~~9290~~					
~~9391~~	DEPRECIATION AND AMORTIZATION EXPENSE				

<u>9492</u>	Transmission	WP_B-1 Line 24 Col. (d)	-	DA	100%	-
<u>9593</u>	Plus: Pre-Funded AFUDC Amortization (Note E)	WP_B-8 Col (f), Line 18	-	DA	100%	-
<u>9694</u>	Plus: Recovery of Abandoned Incentive Plant (Note E)	WP_B-Inputs Act. Line <u>142144</u>	-	DA	100%	-
<u>9795</u>	Plus: Recovery of Extraordinary Property Loss (Note E)	WP_B-Inputs Act. Line <u>142144</u>	-	DA	100%	-
<u>9896</u>	General	WP_B-1 Line 26 Col. (d)	-	W/S	0.00%	-
<u>9997</u>	Intangible	WP_B-1 Line 27 Col. (d)	-	W/S	0.00%	-
<u>10098</u>	Common Intangible	WP_B-1 Line 28 Col. (d)	-	CE	0.00%	-
<u>10199</u>	Common General	WP_B-1 Line 29 Col. (d)	-	CE	0.00%	-
<u>102100</u>	Acquisition Adjustment Amortization (Note F)	WP_B-4 Line 15 Col. Col. (o)	-	DA	100%	-
<u>103101</u>	TOTAL DEPRECIATION AND AMORTIZATION	Sum Lines <u>9294</u> through <u>100102</u>	-			-
<u>104102</u>						
<u>105103</u>	TAXES OTHER THAN INCOME	(Note J)				
<u>106104</u>	Labor Related	WP_D-1 Line 5	-	W/S	0.00%	-
<u>107105</u>	Plant Related	WP_D-1 Line 9	-	NP	0.00%	-
<u>108106</u>	Miscellaneous	WP_D-1 Line 12	-	NA	0.00%	-
<u>109107</u>	TOTAL OTHER TAXES	Sum Lines <u>104</u> <u>106</u> through <u>106108</u>	-			-
<u>110108</u>						
<u>111109</u>	INCOME TAXES	(Note K)				
<u>112110</u>	$T = 1 - \{[(1 - \text{SIT}) * (1 - \text{FIT})] / (1 - \text{SIT} * \text{FIT} * p)\} =$		0.00%			
<u>113111</u>	$\text{CIT} = (T / 1 - T) * (1 - (\text{WCLTD} / \text{R})) =$		0.00%			
<u>114112</u>	where WCLTD=(line 153) and R= (line 156)					
<u>115113</u>	and FIT, SIT & p are as given in Note K.					
<u>116114</u>	$1 / (1 - T) = (\text{from ln 110})$		-			
<u>117115</u>	Amortized Investment Tax Credit (enter negative)	FF1 266.8.f				
<u>118116</u>						
<u>119</u>	<u>Excess ADIT Amortization (Credit) (Note Q)</u>	<u>WP_B-2-Excess</u> <u>ADIT</u>				
<u>120</u>	<u>Deficient ADIT Amortization (Debit) (Note Q)</u>	<u>WP_B-3-Excess</u> <u>ADIT</u>				
<u>121</u>						
<u>122117</u>	Income Tax Calculation	Line <u>6870</u> times Line <u>111113</u>	-			-
<u>123118</u>	ITC adjustment	Line <u>114116</u> times Line <u>115117</u>	-	NP	0.00%	-
<u>124</u>	<u>Excess ADIT Amortization (Credit)</u>	Line <u>116</u> times Line <u>119</u>				
<u>125</u>	<u>Deficient ADIT Amortization (Debit)</u>	Line <u>116</u> times Line <u>120</u>				
<u>126119</u>	TOTAL INCOME TAXES	Sum Lines <u>117122</u> through <u>118125</u>	-			-
<u>127120</u>						
<u>128121</u>						
<u>129122</u>	REVENUE CREDITS	(Note L)				
<u>130123</u>	Account No. 454 (Rent from Transmission Facilities)	WP_E-1 Line 4	-	DA	100%	-

~~131124~~	Account No. 421.1 (Gain From Disposition of Utility Plant)	WP_E-1 Line 14	-	WS	0.00%	-
~~132125~~	Account No. 456.0 (Revenue from Schedule 18)	WP_E-1 Line 9	-	DA	100%	-
~~133126~~	Account No. 456.1 (Revenue from Trans. of Elect. of Others)	WP_F-1 Line 8 Col. (b)	-	DA	100%	-
~~134127~~	Account No. 456.1 (Revenue from Trans. of Elect. of Others)	WP_F-1 Line 8 Col. (c)	-	DA	100%	-
~~135128~~	Settlement Credit	Note P	726,905	DA	100%	-
~~136129~~	Total Revenue Credits		-			-
~~137130~~						
~~138131~~	REVENUE REQUIREMENT		-			-

Line No.	SUPPORTING CALCULATIONS	Reference/Notes	Total	Allocator (Note O)	Total Transmission
	Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5)
~~139132~~	TRANSMISSION PLANT INCLUDED IN THE ATRR	(Note M)			
~~140133~~	Transmission plant	WP_B-1 Col. (a), Line 3			-
~~141134~~	Transmission related Acquisition Adjustment	WP_B-4 Col. (c), Line 15			-
~~142135~~	Total Transmission Plant	Sum Lines ~~131140~~ through ~~132141~~			-
~~143136~~	Eliminate Generator Step-up facilities	WP_B-Inputs Act. Line 117			-
~~144137~~	Transmission plant included in OATT Trans Rate	Sum Lines ~~133142~~ through ~~134143~~ Line ~~136144~~ divided by Line ~~134142~~			-
~~145138~~	Percent of Transmission Plant in the ATRR			TP=	0.00%
~~146139~~					
~~147140~~	WAGES & SALARY ALLOCATOR (W/S)				
~~148141~~	Production	FF1. 354.20.b		NA	0.00%
~~149142~~	Transmission	WP_C-1 Line 31 Col. (b)	-	TP	0.00%
~~150143~~	Regional Market	FF1. 354.22.b		NA	0.00%
~~151144~~	Distribution	FF1. 354.23.b		NA	0.00%
~~152145~~	Other	FF1. 354.24.b		NA	0.00%
~~153146~~	Total	Sum Lines ~~140148~~ through ~~144152~~	-		-
~~154147~~					
~~155148~~	W/S Allocator	Line ~~145153~~ , Col. (5) divided by Col. (3)		W/S=	0.00%
~~156149~~					
~~157150~~	Common to Electric Transmission Allocator	FF1.356			
~~158151~~		W/S Allocator, Line ~~147155~~			0.00%
~~159152~~		Line ~~149157~~ times Line ~~150158~~		CE=	0.00%

<u>160153</u>					
<u>161154</u>					
<u>162155</u>	RETURN	(Note N)	\$	%	Cost Weighted
				0.00	
<u>163156</u>	Long Term Debt	WP_G-1 Line 6	-	%	0.00% 0.0000
				0.00	
<u>164157</u>	Preferred Stock	WP_G-1 Line 8	-	%	0.00% 0.0000
				0.00	
<u>165158</u>	Common Stock	WP_G-1 Line 14	-	%	9.72% 0.0000
		Sum Lines <u>155163</u>			
<u>166159</u>	Total	through <u>157165</u>	-		ROR= 0.0000
<u>167160</u>					
<u>168161</u>					
	PREPAYMENTS ALLOCATION FACTOR TO				
<u>169162</u>	ELECTRIC				
<u>170163</u>					
		207, Ln.100, Col.			
<u>171164</u>	Total Electric Plant in Service	(g)			
<u>172165</u>	Common PIS Allocated to Electric	356			
		214, Ln. 47, Col.			
<u>173166</u>	Electric Plant Held for Future Use	(d)			
		216, Ln. 43, Col.			
<u>174167</u>	Electric Construction Work in Progress	(b)			
<u>175168</u>	Common CWIP Allocated to Electric	356			
		Sum Lines <u>163171</u>			
<u>176169</u>	Total Electric Plant	through <u>167175</u>	-		
		110, Ln. 4, Col. (c),			
<u>177170</u>	Total Utility Plant	plus Ln. 16, Col. (c)			
<u>178171</u>					
		Line <u>168176</u>			
		divided by Line			
<u>179172</u>	Electric Plant to Total Plant Allocation Factor	<u>169177</u>			0.00%

20XX
FERC
Form
No. 1

General Notes: a) References to data from FERC Form No. 1 are indicated as: page#.line#.col.#

Notes:

- A Gross Plant, Accumulated Depreciation Reserves will be the average of thirteen monthly balances.
- B Transmission serving transmission related amounts associated with the Calpine Acquisition are included.
Future Acquisition Adjustment amounts will not be included in the formula except as directed by the Commission pursuant to a Section 205 filing.
The Net Acquisition Adjustment will be the average of thirteen monthly balances.
- C Reflects the BOY/EOY average of the transmission related portion of balances in Accounts 281, 282, 283, 190 and 255 as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106, 109, 133, 158 or FASB Interpretation No. 48. Balance of Account 255 is reduced by prior flow throughs and completely excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note k. The calculation of ADIT for both the true-up and the annual projection will be performed in accordance with IRS regulation Section 1.167(l)-1(h)(6). The Annual True-Up for a given year will use the same methodology that was used to project that year's rates. (Except for ADIT proration, which is described in Table 39, WP_ADIT Prorate.) The annual true-up calculation will use the beginning-of-year and end-of-year balances as set forth in Table 8, Workpaper B-2, Estimated and Table 9, Workpaper B-3, Estimated; and the calculation of ADIT in the annual projection will be performed as set forth in Table 8, Workpaper B-2, Actual and Table 9, Workpaper B-3, Actual.

- D The Regulatory Liability associated with the sale of the Technical Service Building (TSB) will be included in Rate Base. Future Regulatory Liabilities will not be included in the formula except as directed by the Commission pursuant to a Section 205 filing.
- E Includes any incentive Construction Work in Progress (CWIP), any related Pre-funded Allowance for Funds Used During Construction (AFUDC), any unamortized balances related to the recovery of abandoned incentive plant costs, any extraordinary property losses and any related depreciation and amortization expense amounts.
 Formula amounts for all of the foregoing items will remain at \$0 until approved by FERC pursuant to a Section 205 filing under a separate docket.
- F Includes only transmission related or functionally booked as transmission land held for future use.
- G Cash Working Capital will be set at and remain \$0 until such time as PSCo files and receives FERC approval.
- H Account 565 Transmission by Others is included only to the extent used to integrate the PSCo Transmission system.
- I Post-Employment Benefits Other than Pensions (FAS 106) shall remain as a stated, fixed amount and shall not be changed except as directed by the Commission following a filing seeking such change pursuant to section 205 or 206 of the FPA. The adjustment is shown on WP_C-3 PBOP.
 Regulatory Commission expenses (FERC Account 928) will be directly assigned or allocated to Transmission.
 General Advertising Expenses (FERC Account 930.1) will be excluded.
 All industry association dues recorded in FERC Account 930.2 will be excluded. The adjustment is shown on WP_C-2, Note 4.
- J Includes only FICA, unemployment, property, and other assessments charged in the current year.
 Taxes related to income are excluded. Franchise taxes are not included in transmission revenue requirement in the Rate Formula Template,
- K The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p =
 "the percentage of federal income tax deductible for state income taxes".
 PSCo has elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) less adjustments multiplied by (1/1-T) (page 3, line 30).
 Inputs Required:
- | | | |
|-------|--|--|
| FIT = | | |
| SIT= | | (State Income Tax Rate or Composite SIT) |
| p = | | (percent of FIT deductible for state purposes) |
- If a change in an income tax rate is known sufficiently in advance to be reflected in the estimated rates that will become effective January 1 for the upcoming formula rate year, PSCo will reflect the new tax rate(s) in the estimated rate calculations for the months in which the new tax rate will be in effect for the formula rate year. Otherwise, such tax change will be captured and reflected in the annual formula true-up by weighting the tax rates in effect during the year by the number of days each such tax rate was in effect.
- L Includes income related to transmission facilities, such as pole attachments, rentals and special use for the Transmission facilities included herein.
 FERC 421.1 Gain on the Disposition of Utility Property will be assigned or allocated to the transmission function based on the specific property sold.
 Revenue from coincident peak loads included in the DIVISOR are also not included as revenue credits unless this revenue is offset by a corresponding expense
- M Removes the dollars of plant booked to transmission plant that is excluded from the Tariff because it does not meet the Tariff's definition of Transmission Facilities, or is booked to transmission (e.g. step-up transformers) that is included in the development of OATT ancillary service rates,
 or is otherwise not eligible to be recovered under this Tariff.
- N Return on Equity will be set at 9.72%. Thereafter, any change will require a filing with the Commission pursuant to FPA Section 205 or a Commission order pursuant to FPA 206.
 If and when the Company issues preferred stock, footnote will

indicate the authorizing regulatory agency, the docket/case number, and the date of the authorizing order.

- O The calculation of the **GP** Allocator is found on Line 10.
The calculation of the **NP** Allocator is found on Line 37.
- | The calculation of the **WIS** Allocator is found on Line ~~147~~155.
- | The calculation of the **CE** Allocator is found on Line ~~151~~159.
- | The calculation of the **TP** Allocator is found on Line ~~137~~145.
- P The Company agreed in Docket No. ER12-1589-000 to include a total company credit in the Transmission Formula Template equal to \$726,905. This amount is fixed and cannot be

changed without a Section 205 or 206 filing.

- Q Includes the amortization of any excess/deficient deferred income taxes resulting from changes to income tax laws, income tax rates (including changes in apportionment) and other actions taken by a taxing authority. Excess and deficient deferred income taxes will reduce or increase tax expense by the amount of the excess or deficiency multiplied by (1/(1-T)). Amortizations of excess/deficient deferred income taxes resulting from the enactment of the Tax Cuts and Jobs Act will be included beginning January 1, 2018 (with the 2018 True-Up).

Public Service Company of Colorado

Transmission Formula Rate Template

Twelve Months Ended December 31, 20XX

Excess Accumulated Deferred Income Taxes (Credits)

Table

8.1

WP

B-2 -

Exce

SS

ADIT

Estimated Line No.	Account Number	(Excess)/Deficient Non-Plant ADIT Balances					(Excess)/Deficient ADIT Amortization (3)			Remaining Years to Amor tize
		Balance at		Average Balance	Adjust ments	Average Balance	ADI I Am orti zati on	Ad jus tm ent s	Adj uste d Am ortiz atio n	
		Col. (a)	Col. (b)							
1	Account 282 - Other Property (1)	-				-	-	-		
2	Plant Related- Direct Assigned to Transmission	-				-	-	-		
3		-				-	-	-		
4		-				-	-	-		
5		-				-	-	-		
6		-				-	-	-		
7		-				-	-	-		
8		-				-	-	-		
9	Total	-				-	-	-		
10		-				-	-	-		
11	Plant Related- Allocated to Transmission	-				-	-	-		
12		-				-	-	-		
13		-				-	-	-		
14		-				-	-	-		
15		-				-	-	-		
16	Total	-				-	-	-		
17	Labor Allocation Factors, ATRR Act. Line 147	-				-	-	0.00 %		
18	Total Plant Related Allocated to Transmission	-				-	-	-		
19		-				-	-	-		
20	Total Account 282 Excess ADIT Amortization	-				-	-	-		
21		-				-	-	-		

2	Account 254 - Regulatory Liabilities (2)	-	-	-	-	-	-	-
2								
2	Plant Related- Direct Assigned to Production	-	-	-	-	-	-	-
3		-	-	-	-	-	-	-
2		-	-	-	-	-	-	-
4		-	-	-	-	-	-	-
2		-	-	-	-	-	-	-
5		-	-	-	-	-	-	-
2	Total	-	-	-	-	-	-	-
6		-	-	-	-	-	-	-
7		-	-	-	-	-	-	-
2	Plant Related- Direct Assigned to Transmission	-	-	-	-	-	-	-
8		-	-	-	-	-	-	-
2		-	-	-	-	-	-	-
10		-	-	-	-	-	-	-
13	Total	-	-	-	-	-	-	-
10		-	-	-	-	-	-	-
13		-	-	-	-	-	-	-
14		-	-	-	-	-	-	-
2	Labor Related	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-
13		-	-	-	-	-	-	-
14		-	-	-	-	-	-	-
13		-	-	-	-	-	-	-
15		-	-	-	-	-	-	-
16		-	-	-	-	-	-	-
13	Sub-total labor Related	-	-	-	-	-	-	-
17		-	-	-	-	-	-	-
13	Labor Allocation Factors, ATRR Act. Line 147	-	-	-	-	-	-	-
18		-	-	-	-	-	-	-
13	Total Plant Related Allocated to Transmission	-	-	-	-	-	-	-
19		-	-	-	-	-	-	-
14		-	-	-	-	-	-	-
10		-	-	-	-	-	-	-
4	Related to All Plant	-	-	-	-	-	-	-
11		-	-	-	-	-	-	-
4		-	-	-	-	-	-	-
2		-	-	-	-	-	-	-
4		-	-	-	-	-	-	-
4	Sub-total Production Related	-	-	-	-	-	-	-
4	Net Plant Allocation Factor, ATRR Act. Line 36	-	-	-	-	-	-	-
5		-	-	-	-	-	-	-
4		-	-	-	-	-	-	-
4	Total Related to All Plant	-	-	-	-	-	-	-
6		-	-	-	-	-	-	-
4		-	-	-	-	-	-	-
7		-	-	-	-	-	-	-
4		-	-	-	-	-	-	-
8	Retail Related	-	-	-	-	-	-	-
14		-	-	-	-	-	-	-
19		-	-	-	-	-	-	-
10		-	-	-	-	-	-	-
15		-	-	-	-	-	-	-
11		-	-	-	-	-	-	-
15		-	-	-	-	-	-	-
13		-	-	-	-	-	-	-
15	Sub-total Retail Related	-	-	-	-	-	-	-
15		-	-	-	-	-	-	-

1. Plant-related excess ADIT balances are embedded in the plant balances recorded in FERC Account 282, presented on WP B-2, and are therefore not presented on this page.

2. Excess ADIT Balances recorded in FERC Account 254 are Unprotected.

3. Amortizations of excess/deficient deferred income taxes resulting from the enactment of the Tax Reform and Jobs Act will be included beginning January 1, 2018 (with the 2018 True-Up)

Table
8.1
WP
B-2 -
Exce
SS
ADIT

<u>A</u> <u>c</u> <u>t</u> <u>a</u> <u>s</u>	<u>L</u> <u>i</u> <u>n</u> <u>e</u> <u>N</u> <u>o.</u>	<u>Account Number</u>	<u>(Excess)/Deficient Non-Plant ADIT Balances</u>					<u>(Excess)/Deficient t ADIT Amortization (3)</u>			<u>Rema</u> <u>ining</u> <u>Years</u> <u>to</u> <u>Amor</u> <u>tize</u>	
			<u>Balance at</u>		<u>Aver</u> <u>age</u> <u>Bala</u> <u>nce</u>	<u>Adj</u> <u>ust</u> <u>me</u> <u>nts</u>	<u>Ave</u> <u>rage</u> <u>Bala</u> <u>nce</u>	<u>Adi</u> <u>uste</u> <u>d</u>	<u>ADI</u> <u>T</u>	<u>Ad</u> <u>jus</u> <u>tm</u> <u>ent</u> <u>s</u>		<u>Am</u> <u>ortiz</u> <u>atio</u> <u>n</u>
			<u>Col.</u> <u>(a)</u>	<u>Col.</u> <u>(b)</u>								
	<u>1</u>	<u>Account 282 - Other Property (1)</u>	-				-	-	-	-		
	<u>2</u>	<u>Plant Related- Direct Assigned to Transmission</u>	-				-	-	-	-		
	<u>3</u>		-				-	-	-	-		
	<u>4</u>		-				-	-	-	-		

1. Plant-related excess ADIT balances are embedded in the plant balances recorded in FERC Account 282, presented on WP B-2, and are therefore not presented on this page.

2. Excess ADIT Balances recorded in FERC Account 254 are Unprotected.

3. Amortizations of excess/deficient deferred income taxes resulting from the enactment of the Tax Cuts and Jobs Act will be included beginning January 1, 2018 (with the 2018 True-Up)

Public Service Company of Colorado

Table
9.1
WP_B
-3 -
Defici
ent
ADIT

Transmission Formula Rate Template

Twelve Months Ended December 31, 2016

Deficient Accumulated Deferred Income Taxes
(Debits)

<u>Estimated</u>		<u>(Excess)/Deficient Non-Plant ADIT Balances</u>					<u>(Excess)/Deficient ADIT Amortization (4)</u>			<u>Remain ing Years to Amort ize</u>
<u>Li n e N o.</u>	<u>Account No.</u>	<u>Balanc e at</u>		<u>Aver age Bala nce</u>	<u>Adj ust me nts</u>	<u>Adj ust ed Ave rag e Bal anc e</u>	<u>ADI T</u>	<u>Adj ust me nts</u>	<u>Amo rtizat ion</u>	
		<u>Col. (a) 1</u>	<u>Col. (b) 1</u>							
	<u>Account 190- Accumulated Deferred Income Taxes (1)</u>	-				-	-	-		
1	<u>Plant Related- Direct Assigned to Transmission</u>	-				-	-	-		
2		-				-	-	-		
3		-				-	-	-		
4		-				-	-	-		
5		-				-	-	-		
6		-				-	-	-		
7		-				-	-	-		
8		-				-	-	-		
9	<u>Total Plant Related- Direct Assigned to Transmission</u>	-				-	-	-		
10		-				-	-	-		
11	<u>Plant Related- Allocated to Transmission</u>	-				-	-	-		
12		-				-	-	-		
13		-				-	-	-		
14		-				-	-	-		
15		-				-	-	-		
16	<u>Total Plant Related- Allocated to Transmission</u>	-				-	-	-		
17	<u>Labor Allocation Factors, ATRR Act. Line 147</u>	-				-	-	-	0.00	
18	<u>Total Plant Related Allocated to Transmission</u>	-				-	-	-	%	
19		-				-	-	-		

2	<u>Total Account 190 Deficient ADIT Amortization</u>	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
2		-	-	-	-	-	-	-	-
1		-	-	-	-	-	-	-	-
2	<u>Account 182.3 - Regulatory Assets (2)</u>	-	-	-	-	-	-	-	-
2		-	-	-	-	-	-	-	-
3	<u>Production Related - Demand</u>	-	-	-	-	-	-	-	-
2		-	-	-	-	-	-	-	-
4		-	-	-	-	-	-	-	-
2	<u>Total Production - Demand Related</u>	-	-	-	-	-	-	-	-
15		-	-	-	-	-	-	-	-
2		-	-	-	-	-	-	-	-
7	<u>Production Related - Energy</u>	-	-	-	-	-	-	-	-
2		-	-	-	-	-	-	-	-
8		-	-	-	-	-	-	-	-
2		-	-	-	-	-	-	-	-
10	<u>Total Production - Energy Related</u>	-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-
1	<u>Plant Related- Direct Assigned to Transmission</u>	-	-	-	-	-	-	-	-
2		-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-
4		-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-
15	<u>Proration Adjustment (3)</u>	-	-	-	-	-	-	-	-
16		-	-	-	-	-	-	-	-
13	<u>Total Plant Related- Direct Assigned to Transmission</u>	-	-	-	-	-	-	-	-
7		-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-
9	<u>Plant Related- Allocated to Transmission</u>	-	-	-	-	-	-	-	-
4		-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
4		-	-	-	-	-	-	-	-
4		-	-	-	-	-	-	-	-
2	<u>Proration Adjustment (3)</u>	-	-	-	-	-	-	-	-
4		-	-	-	-	-	-	-	-
4	<u>Total Plant Related- Allocated to Transmission</u>	-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-
4	<u>Labor Allocation Factors, ATRR Act. Line 147</u>	-	-	-	-	0.0	-	0.00	-
4		-	-	-	-	0%	-	%	-
4	<u>Total Plant Related Allocated to Transmission</u>	-	-	-	-	-	-	-	-
15		-	-	-	-	-	-	-	-
4		-	-	-	-	-	-	-	-
16		-	-	-	-	-	-	-	-
4	<u>Related to All Plant</u>	-	-	-	-	-	-	-	-
7		-	-	-	-	-	-	-	-
4		-	-	-	-	-	-	-	-
8		-	-	-	-	-	-	-	-
4		-	-	-	-	-	-	-	-
19		-	-	-	-	-	-	-	-
10		-	-	-	-	-	-	-	-
15		-	-	-	-	-	-	-	-
14		-	-	-	-	-	-	-	-
15		-	-	-	-	-	-	-	-

[illegible]

1. Plant-related deficient ADIT balances are embedded in the plant balances recorded in FERC Account 190, presented on WP B-3, and are therefore not presented on this page.

2. With the exception of the NOL Carryforward balances, Excess ADIT Balances recorded in FERC Account 182.3 are Unprotected.

3. Reference WP ADIT Prorate

4. Amortizations of excess/deficient deferred income taxes resulting from the enactment of the Tax Reform and Jobs Act will be included beginning January 1, 2018 (with the 2018 True-Up)

Table
9.1
WP_B
-3-
Defici
ent
ADIT

Line No.	Account No.	<u>(Excess)/Deficient Non-Plant ADIT Balances</u>					<u>(Excess)/Deficient ADIT Amortization</u>			<u>Remaining Years to Amortize</u>
		<u>Balance at</u>		<u>Average Balance</u>	<u>Adjustments</u>	<u>Adjusted Balance</u>	<u>ADIT</u>	<u>Adjusted Amortization</u>		
		<u>Col. (c)</u>	<u>Col. (e)</u>							
		<u>Col. (c)</u>	<u>Col. (e)</u>							

	(a)	(b)	(d)		
	1	1			
<u>Account 190- Accumulated Deferred Income Taxes (1)</u>	-	-	-	-	-
<u>Plant Related- Direct Assigned to Transmission</u>	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
<u>Total Plant Related- Direct Assigned to Transmission</u>	-	-	-	-	-
	-	-	-	-	-
<u>Plant Related- Allocated to Transmission</u>	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
<u>Total Plant Related- Allocated to Transmission</u>	-	-	-	-	-
	-	-	-	-	-
<u>Labor Allocation Factors, ATRR Act. Line 147</u>	-	-	-	-	0.00%
<u>Total Plant Related Allocated to Transmission</u>	-	-	-	-	-
	-	-	-	-	-
<u>Total Account 190 Deficient ADIT Amortization (FF1 Page 234, Footnote)</u>	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
<u>Account 182.3 - Regulatory Assets (2)</u>	-	-	-	-	-
<u>Production Related - Demand</u>	-	-	-	-	-
	-	-	-	-	-
<u>Total Production - Demand Related</u>	-	-	-	-	-
	-	-	-	-	-
<u>Production Related - Energy</u>	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
<u>Total Production - Energy Related</u>	-	-	-	-	-
	-	-	-	-	-
<u>Plant Related- Direct Assigned to Transmission</u>	-	-	-	-	-

13		-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-
14		-	-	-	-	-	-	-	-
15		-	-	-	-	-	-	-	-
16	<u>Proration Adjustment (3)</u>	-	-	-	-	-	-	-	-
17	<u>Total Plant Related- Direct Assigned to Transmission</u>	-	-	-	-	-	-	-	-
18		-	-	-	-	-	-	-	-
19	<u>Plant Related- Allocated to Transmission</u>	-	-	-	-	-	-	-	-
20		-	-	-	-	-	-	-	-
21		-	-	-	-	-	-	-	-
22	<u>Proration Adjustment (3)</u>	-	-	-	-	-	-	-	-
23	<u>Total Plant Related- Allocated to Transmission</u>	-	-	-	-	-	-	-	-
24	<u>Labor Allocation Factors, ATRR Act. Line 147</u>	-	-	-	-	<u>0.0</u>	<u>0.00</u>	<u>0.00</u>	<u>%</u>
25	<u>Total Plant Related Allocated to Transmission</u>	-	-	-	-	-	-	-	-
26		-	-	-	-	-	-	-	-
27	<u>Related to All Plant</u>	-	-	-	-	-	-	-	-
28		-	-	-	-	-	-	-	-
29		-	-	-	-	-	-	-	-
30		-	-	-	-	-	-	-	-
31		-	-	-	-	-	-	-	-
32		-	-	-	-	-	-	-	-
33		-	-	-	-	-	-	-	-
34	<u>Total Related to All Plant</u>	-	-	-	-	<u>0.0</u>	<u>0.00</u>	<u>0.00</u>	<u>%</u>
35	<u>Net Plant Allocation Factor, ATRR Act. Line 36</u>	-	-	-	-	<u>0%</u>	-	-	-
36	<u>Allocated Total Related to All Plant</u>	-	-	-	-	-	-	-	-
37		-	-	-	-	-	-	-	-
38	<u>Labor Related</u>	-	-	-	-	-	-	-	-
39		-	-	-	-	-	-	-	-
40		-	-	-	-	-	-	-	-
41		-	-	-	-	-	-	-	-
42		-	-	-	-	-	-	-	-
43		-	-	-	-	-	-	-	-
44		-	-	-	-	-	-	-	-

6		-	-	-	-	-	-	-	-
6		-	-	-	-	-	-	-	-
6		-	-	-	-	-	-	-	-
6		-	-	-	-	-	-	-	-
7		-	-	-	-	-	-	-	-
6		-	-	-	-	-	-	-	-
6		-	-	-	-	-	-	-	-
7		-	-	-	-	-	-	-	-
6		-	-	-	-	-	-	-	-
10	<u>Total Labor Related</u>	-	-	-	-	-	-	-	-
7						0.0		0.00	-
7	<u>Labor Allocation Factors, ATRR Act. Line 147</u>	-				0%		%	
2	<u>Allocated Total Labor Related</u>	-				-		-	
3		-				-		-	
7	<u>Retail Related</u>	-				-		-	
4		-				-		-	
7		-				-		-	
5		-				-		-	
7		-				-		-	
6		-				-		-	
7		-				-		-	
7		-				-		-	
8		-				-		-	
10		-				-		-	
8		-				-		-	
10		-				-		-	
8		-				-		-	
11		-				-		-	
12		-				-		-	
13		-				-		-	
14		-				-		-	
15	<u>Total Retail Related</u>	-	-	-	-	-	-	-	-
16		-				-		-	
17	<u>Other Non-Transmission Related</u>	-				-		-	
18		-				-		-	
19		-				-		-	
20	<u>Total Other Related</u>	-	-	-	-	-	-	-	-
21		-				-		-	
22	<u>Total Account 182.3 Deficient ADIT Balances and Amortization</u>	-				-		-	
23		-				-		-	
24	<u>Total (Excess)/Deficient Non-Plant ADIT Regulatory Assets & Amortization</u>	-				-		-	

1. Plant-related deficient ADIT balances are embedded in the plant balances recorded in FERC Account 190, presented on WP_B-3, and are therefore not presented on this page.

N
ot
e: 2. With the exception of the NOL Carryforward balances, Excess ADIT Balances
recorded in FERC Account 182.3 are Unprotected.

N
ot
e: 3. Reference WP_ADIT Prorate

N
ot
e: 4. Amortizations of excess/deficient deferred
income taxes resulting from the enactment of the
Tax Cuts and Jobs Act will be included beginning
January 1, 2018 (with the 2018 True-Up)

Public Service Company of Colorado
Transmission Formula Rate Settlement Template
Twelve Months Ended December 31, 20XX
Depreciation and Amortization Rates
Utility Plant, Regulatory Assets, & Regulatory Liabilities

Table 25
WP_H-1

FERC Account	Name	Depreciation/ Amortization Rate (%)
Regulatory Asset Amortization		
	San Luis-Calumet-Comanche Transmission Line: The total O&M incurred associated with the project prior to the decision not to proceed, was \$2,625,528. The Wholesale share of 50% of this amount will be recovered in the formula rates over a 3 year period beginning with the effective date of the Formula Rate. The Wholesale share of the other 50% will be booked to Account No. 426.5 and absorbed by the Company.	36 Months
	Mountain Pine Beetle: Amounts deferred from 2010 through 2012 will be amortized over a 3 year period beginning January 1, 2013. The total amount to be amortized is \$5,926,097.	36 Months
Regulatory Liability Amortization		
	Technical Services Building: The gain on the sale of TSB will be amortized over a 24 month period beginning with the effective date of the Formula Rate.	24 Months
Electric Plant Acquisition Adjustment- Calpine Acquisition		
114	Transmission Serving Transmission	
	Rocky Mountain Energy Center- Amortization of 55 years ending in 2065.	1. <u>828182</u>
Electric Intangible		
302	Franchises and Consents	N/A ¹
303	Electric Intangible Software 5 Yr	20.00
303	Electric Intangible Software 10 Yr	10.00
Steam Production		
302	Franchises and Consents	3.33
302/303	Licenses	N/A ⁵
310.2	Steam Production Land Rights	2.00
310.3	Steam Production Water Rights	2.00
311	Structures and Improvements	
	Arapahoe 3	2.28
	Arapahoe 4	4.89

	Arapahoe Unit C	6.47
	Cameo 1	1.93
	Cameo 2	1.96
	Cameo C	3.56
	Cherokee 1	21.33
	Cherokee 2	36.85
	Cherokee 3	7.07
	Cherokee 4	2.06
	Cherokee C	2.55
	Comanche 1	1.83
	Comanche 2	1.54
	Comanche 3	2.01
	Comanche C	1.68
	Craig 1	1.55
	Craig 2	1.53
	Craig C	1.58
	Hayden 1	1.87
	Hayden 2	1.53
	Hayden C	2.51
	Pawnee 1	1.57
	Pawnee C	2.86
	Valmont 5	6.74
	Valmont C	6.93
	Zuni 1	2.84
	Zuni 2	0.00
	Zuni C	3.31
312	Boiler Plant Equipment	
	Arapahoe 3	4.36
	Arapahoe 3 AQIR	15.84
	Arapahoe 4	6.39
	Arapahoe C	15.17
	Cameo 1	3.61
	Cameo 2	3.29
	Cameo C	2.87
	Cherokee 1	28.37
	Cherokee 2	45.08
	Cherokee 2 AQIR	59.98
	Cherokee 3	8.37
	Cherokee 3 AQIR	11.41
	Cherokee 4	1.91
	Cherokee 4 AQIR	6.67
	Cherokee C	3.06
	Cherokee C AQIR	6.67
	Comanche 1	2.17
	Comanche 2	2.01
	Comanche 3	2.01
	Comanche C	1.82
	Craig 1	1.66

	Craig 2	1.65
	Craig C	2.41
	Hayden 1	3.30
	Hayden 2	1.97
	Hayden C	2.85
	Pawnee 1	1.78
	Pawnee C	3.05
	Valmont 5	6.88
	Valmont 5 AQIR	8.95
	Valmont C	8.72
	Zuni 1	2.98
	Zuni 2	2.71
	Zuni C	3.43
312.2	Coal Cars	3.17
314	Turbogenerator Units	
	Arapahoe 3	2.58
	Arapahoe 4	7.66
	Arapahoe C	22.57
	Cameo 1	2.17
	Cameo 2	2.18
	Cameo C	4.49
	Cherokee 1	31.36
	Cherokee 2	39.51
	Cherokee 3	7.22
	Cherokee 4	1.94
	Cherokee C	5.07
	Comanche 1	1.90
	Comanche 2	1.83
	Comanche C	2.57
	Comanche 3	2.01
	Craig 1	2.82
	Craig 2	1.62
	Craig C	1.66
	Hayden 1	2.30
	Hayden 2	1.69
	Hayden C	3.04
	Pawnee 1	1.70
	Pawnee C	2.42
	Valmont 5	7.66
	Valmont C	9.97
	Zuni 1	2.99
	Zuni 2	16.65
	Zuni C	2.09
315	Accessory Electric Equipment	
	Arapahoe 3	4.66
	Arapahoe 4	4.27
	Arapahoe C	9.77
	Cameo 1	2.05

	Cameo 2	2.37
	Cameo C	3.24
	Cherokee 1	29.23
	Cherokee 2	45.26
	Cherokee 3	8.68
	Cherokee 4	1.78
	Cherokee C	2.16
	Comanche 1	1.71
	Comanche 2	1.81
	Comanche C	1.85
	Comanche 3	2.01
	Craig 1	1.62
	Craig 2	1.58
	Craig C	1.63
	Hayden 1	2.17
	Hayden 2	1.56
	Hayden C	2.77
	Pawnee 1	1.65
	Pawnee C	2.29
	Valmont 5	5.77
	Valmont C	7.52
	Zuni 1	2.76
	Zuni 2	2.96
	Zuni C	3.19
315.2	Boiler Controls	
	Arapahoe Unit 4	11.78
	Arapahoe C	5.53
	Cherokee 1	3.90
	Cherokee 2	3.67
	Cherokee 3	4.21
	Cherokee 4	4.72
	Cherokee C	3.47
	Comanche 1	4.02
	Comanche C	3.78
	Craig C	3.02
	Hayden 1	4.09
	Hayden 2	3.83
	Pawnee 1	3.09
	Pawnee C	2.78
	Valmont C	3.63
	Zuni C	7.66
316	Miscellaneous Power Plant Equipment	
	Arapahoe 4	8.71
	Arapahoe C	11.68
	Cameo 1	1.81
	Cameo 2	1.98
	Cameo C	2.84
	Cherokee 1	3.36

	Cherokee 2	67.52
	Cherokee 3	10.89
	Cherokee 4	1.60
	Cherokee C	2.34
	Comanche 1	1.51
	Comanche 2	1.49
	Comanche C	1.76
	Comanche 3	2.01
	Craig 1	1.58
	Craig 2	1.55
	Craig C	1.71
	Hayden 1	1.89
	Hayden 2	1.57
	Hayden C	2.56
	Pawnee 1	1.64
	Pawnee C	2.42
	Valmont 5	5.81
	Valmont C	5.96
	Zuni 1	5.20
	Zuni 2	0.00
	Zuni C	5.60
317	Asset Retirement Costs for Steam Production Plant	N/A ⁶

Hydraulic Production

330	Hydro Production Land Rights	N/A ⁷
331	Structures and Improvements	
	Ames	1.49
	Cabin Creek	1.06
	Georgetown	1.70
	Palisade	1.28
	Salida	1.84
	Shoshone	1.68
	Tacoma	1.41
332	Reservoirs, Dams and Waterways	
	Ames	1.56
	Cabin Creek	1.09
	Georgetown	2.31
	Salida	1.59
	Shoshone	0.86
	Tacoma	1.38
333	Water Wheels, Turbines and Generators	
	Ames	0.94
	Cabin Creek	1.23
	Georgetown	1.03
	Ouray	0.99
	Palisade	1.12
	Salida	0.71
	Shoshone	1.78

	Tacoma	1.85
334	Accessory Electric Equipment	
	Ames	2.47
	Cabin Creek	1.43
	Georgetown	1.61
	Palisade	1.70
	Salida	2.04
	Shoshone	2.31
	Tacoma	1.80
334.2	Computers	1.32
335	Miscellaneous Power Plant Equipment	
	Ames	1.83
	Cabin Creek	1.71
	Georgetown	2.88
	Salida	3.69
	Shoshone	2.83
	Tacoma	1.93
335.2	Recreation Facility	
	Ames	2.36
	Cabin Creek	1.55
	Georgetown	2.27
	Salida	3.33
	Tacoma	1.66
336	Road, RR, Bridge	
	Ames	2.40
	Cabin Creek	1.07
	Salida	2.67
	Shoshone	1.12
	Tacoma	1.33
Other Production		
340	Other Production Land Rights	2.00
341	Structures and Improvements	
	Alamosa	4.63
	Blue Spruce 1	2.69
	Blue Spruce 2	2.69
	Blue Spruce C	2.69
	Cherokee 5	2.57
	Cherokee 6	2.57
	Cherokee 7	2.57
	Fruita CT	0.89
	FSV GT 1	1.44
	FSV GT 2	2.34
	FSV GT 3	2.34
	FSV GT 4	2.49
	FSV GT 5	2.56
	FSV GT 6	2.56
	FSV GT C	1.72
	Ft Lupton CT	2.56

	Misc PP&E	2.34
	Rocky Mtn 1	2.85
	Rocky Mtn 2	2.85
	Rocky Mtn 3	2.85
	Rocky Mtn C	2.85
	Valmont CT	0.82
342	Fuel Holders, Products and Accessories	
	Alamosa	1.04
	Blue Spruce 1	2.69
	Blue Spruce 2	2.69
	Blue Spruce C	2.69
	Cherokee 5	2.57
	Cherokee 6	2.57
	Cherokee 7	2.57
	Fruita CT	1.04
	FSV GT 1	2.48
	FSV GT 2	2.85
	FSV GT 3	2.89
	FSV GT 4	2.53
	FSV GT 5	2.56
	FSV GT 6	2.56
	FSV GT C	1.70
	Ft Lupton CT	3.89
	Rocky Mtn 1	2.85
	Rocky Mtn 2	2.85
	Rocky Mtn 3	2.85
	Rocky Mtn C	2.85
	Valmont CT	1.35
343	Prime Movers	
	Blue Spruce 1	2.69
	Blue Spruce 2	2.69
	Blue Spruce C	2.69
	Cherokee 5	2.57
	Cherokee 6	2.57
	Cherokee 7	2.57
	FSV	2.07
	FSV GT 1	2.21
	FSV GT 2	2.32
	FSV GT 3	2.07
	FSV GT 4	2.07
	FSV GT 5	2.56
	FSV GT 6	2.56
	FSV GT C	2.73
	Rocky Mtn 1	2.85
	Rocky Mtn 2	2.85
	Rocky Mtn 3	2.85
	Rocky Mtn C	2.85
344	Generators	
	Alamosa	1.62
	Blue Spruce 1	2.69

	Blue Spruce 2	2.69
	Cherokee 5	2.57
	Cherokee 6	2.57
	Cherokee 7	2.57
	CO Wind Power	6.67
	Fruita CT	1.03
	FSV GT 1	1.42
	FSV GT 2	2.42
	FSV GT 3	2.73
	FSV GT 4	2.69
	FSV GT 5	2.56
	FSV GT 6	2.56
	FSV GT C	2.69
	Ft Lupton CT	4.03
	Rocky Mtn 1	2.85
	Rocky Mtn 2	2.85
	Rocky Mtn 3	2.85
	Valmont CT	1.90
345	Accessory Electric Equipment	
	Alamosa	3.75
	Blue Spruce 1	2.69
	Blue Spruce 2	2.69
	Blue Spruce C	2.69
	Cherokee 5	2.57
	Cherokee 6	2.57
	Cherokee 7	2.57
	Fruita CT	4.20
	FSV GT 1	1.44
	FSV GT 2	2.21
	FSV GT 3	2.21
	FSV GT 4	2.54
	FSV GT 5	2.56
	FSV GT 6	2.56
	FSV GT C	2.70
	Ft Lupton CT	1.37
	Rocky Mtn 1	2.85
	Rocky Mtn 2	2.85
	Rocky Mtn 3	2.85
	Rocky Mtn C	2.85
	Valmont CT	4.55
345.2	Computers	
	FSV GT 1	1.71
	FSV GT 2	2.21
	FSV GT 3	0.23
	FSV GT C	2.20
346	Miscellaneous Power Plant Equipment	
	Alamosa	0.98
	Blue Spruce 1	2.69
	Blue Spruce 2	2.69
	Blue Spruce C	2.69

	Cherokee 5	2.57
	Cherokee 6	2.57
	Cherokee 7	2.57
	Fruita CT	1.13
	FSV GT 1	1.49
	FSV GT 2	1.88
	FSV GT 3	1.88
	FSV GT 4	2.52
	FSV GT 5	2.56
	FSV GT 6	2.56
	FSV GT C	2.63
	Ft Lupton	1.46
	Rocky Mtn 1	2.85
	Rocky Mtn 2	2.85
	Rocky Mtn 3	2.85
	Rocky Mtn C	2.85
	Valmont CT	4.84
347	Asset Retirement Costs for Other Production Plant	N/A ⁶

Electric Transmission

350.2	Land Rights	1.03
352	Structures & Improvements	1.44
353	Station Equipment	1.78
354	Towers & Fixtures	1.18
355	Poles & Fixtures	1.64
356	OH Conductors & Devices	1.79
357	UG Conduit	1.94
358	UG Conductors & Devices	1.88
359	Roads & Trails	0.97

Electric Distribution

360.1	Land	
360.2	Land Rights	1.09
361	Structures & Improvements	1.71
361.1	Structures & Improvements-Production	1.71
362	Station Equipment	2.05
362.1	Station Equipment-Production	2.05
364	Poles, Towers & Fixtures	3.65
365	OH Conductors & Devices	3.31
366	UG Conduit	1.99
367	UG Conductors & Devices	2.05
368	Line Transformers	2.21
369	Services	2.33
369.1	Services-Overhead	2.33
369.2	Services-Underground	2.33
370	Meters	3.97
370.2	AMR Equipment	8.81
371	Installation on Customer Premises	1.00

373	Street Lighting & Signal Systems	2.95

Electric General

389	General Land Rights	N/A ²
390	Structures and Improvements	4.88
390.1	General Buildings	2.98
390.2	Partitions	7.69
391	Office, Furniture and Equipment	4.75
391.1	Leased Partitions	5.00
391.2	Computers	20.00
392	Transportation Equipment	9.00
393	Stores Equipment	3.17
394	Tools Shop Equipment	3.80
395	Laboratory Equipment	9.50
396	Power Operated Equipment	9.00
397	Communications Equipment	6.67
398	Miscellaneous Equipment	5.00

Common Intangible

~~302~~	~~Franchises and Consents — Non-Unitized~~	~~3.33~~
302	Franchises and Consents	N/A ^{3A1}
~~303~~	~~Electric Intangible Software 53 Yr~~	~~20.0033.3333~~
303	Electric Intangible Software 7 Yr	14.2857
~~303~~	~~Electric Intangible Software 10 Yr~~	~~10.000000~~
303	Electric Intangible Software 15 Yr	6.6667

Common General

389	General Land Rights	N/A ⁴ 1.6667
390	Structures and Improvements	2.734191
390	~~Structures and~~ 1800 Larimer Leasehold Improvements- ~~Owned Building~~	1.64N/A ¹
~~390~~	~~Structures and Improvements-TSB~~	6.06
~~390~~	~~Structures and Improvements- Non-Unitized~~	6.06
390	1800 Larimer Leasehold Improvements	6.67N/A ¹
~~390.2~~	~~Partitions~~	3.80
391	Office, Furniture and Equipment	4.759019
~~391~~	~~Leased Partitions~~	5.00
391.05	Computers 3 Year	33.3532.6080
391.04	Computers 5-Year	20.0016.3559
~~392.1~~	~~Transportation Equipment — Automobile~~	9.007.4233
~~392.2~~	~~Transportation Equipment — Light Trucks~~	7.3603
~~392.3~~	~~Transportation Equipment — Trailers~~	3.1677
~~392.4~~	~~Transportation Equipment — Heavy Trucks~~	6.1716
393	Stores Equipment	3.171640
394	Tools Shop Equipment	3.809186
395	Laboratory Equipment	9.509572
396	Power Operated Equipment	9.005.8982
397	Communications Equipment	6.675.4453
398	Miscellaneous Equipment	5.004.6394

Notes:

The Depreciation Rates were ~~approved~~accepted in Docket ER08-224-000, ~~and~~ Docket ER11-2853 ~~and/or Docket ER19-XXX~~ and will not change absent a section 205 or 206 FPA filing.

1 Electric Intangible Franchises and Leasehold Improvements are amortized over the life of the ~~Franchise~~ Agreement.

2 No Electric General Land Rights at December 31, 2010. To the extent PSCo acquires land rights, PSCo will make a section 205 FPA filing for approval of the depreciation rates.

3 The revised Common Utility Plant depreciation rates accepted in Docket ER19-XXX will be reflected effective January 1, 2018 (with the 2018 True-up).

~~3 Common Intangible Franchises are amortized over the life of the Franchise Agreement.~~

~~4 No Common General Land Rights at December 31, 2010. To the extent PSCo acquires land rights, PSCo will make a section 205 FPA filing for approval of the depreciation rates.~~

~~5 Licenses are amortized over the License term.~~

~~6 Asset Retirement Costs are not included in FERC-only Depreciation Rates.~~

~~7~~

~~There are no Hydro Land Rights as of December 31, 2010. To the extent PSCo acquires land rights, PSCo will make a section 205 FPA filing under the FPA for approval of the depreciation rates.~~

Public Service Company of Colorado
Transmission Formula Rate Settlement Template
Fixed Charge Rate Worksheet ("FCR")
12 Months Ended December 31, 2010

Table 32
WP_FCR

Line No.		Production	Reference
1	(1) O&M	0.00000	Line ~~56~~ <u>58</u>
2			
3	(2) Other Taxes	0.00000	Line ~~69~~ <u>71</u>
4			
5	(3) A&G	0.00000	Line ~~83~~ <u>85</u>
6			
7	(4) Return (1)	0.00000	Line ~~133~~ <u>134</u>
8			
9	(5) Depreciation (1)	0.00000	Line ~~148~~ <u>149</u>
10			
11	(6) Composite Income Tax	0.00000	Line ~~152~~ <u>153</u>
12			
13	(7) General & Intangible Plant	0.00000	Line ~~173~~ <u>174</u>
14			
15	(8) Cash Working Capital	0.00000	Line ~~179~~ <u>180</u>
16			
17	(9) ADIT Adjustment	0.00000	Line ~~200~~ <u>203</u>
18			
19	(10) Materials & Supplies	0.00000	Line ~~213~~ <u>216</u>
20			
21	<u>(11)PSCo ARAM and (Excess)/Deficient ADIT</u>		<u>Line 238</u>
22			
23			
24			
25	FIXED CHARGE RATE	0.00000	
26			
27	Note 1: Return on Equity and the Depreciation rates cannot change without a Section 205 or 206 filing.		
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~~323~~ 0	B. Purchased Power Expenses (Acct. 555)	Pg 321.76b	
~~333~~ 1			
~~343~~ 2			
~~353~~ 3	C. Energy Related O&M		
~~363~~ 4	Account 501	Pg 320, Ln 5b	
~~373~~ 5	Account 503	Pg 320, Ln 7b	
~~383~~ 6	Account 504	Pg 320, Ln 8b	
~~393~~ 7	Account 509	Pg 320, Ln 12b	
~~403~~ 8	Account 510	Pg 320, Ln 15b	
~~413~~ 9	Account 512	Pg 320, Ln 17b	
~~424~~ 0	Account 513	Pg 320, Ln 18b	
~~434~~ 1	Account 518	Pg 320, Ln 25b	
~~444~~ 2	Account 528	Pg 320, Ln 35b	
~~454~~ 3	Account 530	Pg 320, Ln 37b	
~~464~~ 4	Account 531	Pg 320, Ln 38b	
~~474~~ 5	Account 544	Pg 320, Ln 56b	
~~484~~ 6	Account 547	Pg 321, Ln 63b	
~~494~~ 7	Total C	Sum Line 34 - Line 46	-
~~504~~ 8			
~~514~~ 9	D. Total Production Plant Investment		
~~525~~ 0	Total Production Plant	Pg 205, Ln 46g	
~~535~~ 1	Less: Production ARO	Pg 205, -Ln 15g	
~~545~~ 2	Plus Generator Step Ups	Schedule 2 Line 7	0
~~555~~ 3			
~~565~~ 4	Total D	Sum Line 50 - Line 52	0
~~575~~ 5			
~~585~~ 6	Production O&M FCR	(A-B-C)/D =	0.00000
~~595~~ 7			
~~605~~ 8	(2) OTHER TAXES EXPENSE		
~~615~~ 9			
~~626~~ 0	A. Other Taxes (Electric Only)	Pg 115, Ln 14g	
~~636~~ 1			

646			
2	B. Total Electric Plant in Service	Pg 207, Ln 100g	
656	Electric Plant in Service	Pg 207, Ln 15, Ln 34	
3	Less ARO	Ln 44, Ln 57, Ln 74, Ln 83, Ln 98	
666			
4	Plus Common Electric Plant in Service	Pg 356	
676		WP_B-4	
5		Line 15	
686	Plus Total Acquisition Adjustment	,Col. (d)	0
696	Total Electric Plant in Service	Sum Line 63 - Line 66	0
706			
8			
716	Other Taxes FCR	A/B	0.00000
9			
727			
0			
737			
1	(3) A&G EXPENSE		
747			
2			
757	A. Production Wages Expense	Pg 354, Ln 20b	
3			
767			
4			
777	B. A&G Wages Expense	Pg 323, Ln 181b	
5			
787			
6			
797	C. Total Wages Expense	Pg 354, Ln 28b	
7			
807			
8			
817	D. Total A&G related O&M	Pg 323, Ln 197b	
9			
828			
0			
838	E. Total Production Plant Investment	Line 54	0
1			
848			
2			
858	A&G Expense FCR	(A/(C-B))*D/E	0.00000
3			
868			
4			
878			
6	(4) RATE OF RETURN WORKSHEET	Reference (2)	\$ Amount (2)
888			
7			
898			
8			
908	A. Common Equity Calculation		
9			
919			
0			
929	Proprietary Capital	Pg 112 Ln 16c	
1			
939			
2			
949	Less: Preferred Stock Issued	Pg 112 Ln 3c	
3			
959			

~~4~~			
~~969~~		Pg 112 Ln	
~~5~~	Less: Account No. 216.1	12c	
~~979~~			
~~6~~			
~~989~~	Less: Accum other comprehensive	Pg 112 Ln	
~~7~~	Income	15	
~~999~~			
~~8~~			
~~100~~			
~~99~~	Common Equity =	Line 91 - 93 - 95 - 97	0
~~101~~			
~~100~~			
~~102~~			
~~101~~	B. Rate of Return Calculation		
~~103~~			
~~102~~			
~~104~~		pg.112,	
~~103~~	Long Term Debt	sum of 18c	
~~105~~		thru 21c	
~~104~~			
~~106~~		(Pg.112 Ln	
~~105~~	Preferred Stock	3c)	
~~107~~			
~~106~~			
~~108~~			
~~107~~	Common Equity	Line 99	0
~~109~~			
~~108~~			
~~110~~			
~~109~~	Total Capital =	Line 103 + 105 + 107	0
~~111~~			
~~110~~			
~~112~~			
~~111~~	C. Cost of Debt		
~~113~~		Pg 117 Ln	
~~112~~	Interest on Long Term Debt	62c	
~~114~~	Interest on Debt to Assoc.	Pg 117 Ln	
~~113~~	Companies (LTD portion only)	67c	
~~115~~	Amortization of Debt Discount and	Pg 117 Ln	
~~114~~	Expense	63c	
~~116~~	Amortization of Loss on Reacquired	Pg 117 Ln	
~~115~~	Debt	64c	
~~117~~		Pg 117 Ln	
~~116~~	Less: Amort of Premium on Debt	65c	
~~118~~	Less: Amort of Gain on	Pg 117 Ln	
~~117~~	Reacquired Debt	66c	
~~119~~			
~~118~~	Total Interest Expense		0
~~120~~			
~~119~~			
~~121~~			
~~120~~	Average Cost of Debt (Line 118 / Line 103)		0.00%
~~122~~			
~~121~~			
~~123~~			
~~122~~	D. Cost of Preferred Stock		
~~124~~		Pg 118 Ln	
~~123~~	Preferred Stock Dividends	29c	
~~125~~			
~~124~~			
~~126~~	Average Cost of Preferred Stock (Line 123 /		
~~125~~	Line 105)		

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**CAPITAL
 STRUCTURE**

Weighted
 Cost

	Amount	%	%	Of Capital %
Long Term Debt	\$0	0.00%	0.00%	0.00%
Preferred Stock	\$0	0.00%	0.00%	0.00%
Common Equity (1)	\$0	0.00%	9.72%	0.00%
Total	\$0	0%	ROR=	0.00%

DEPRECIATION EXPENSE

Reference
 (2)

\$ Amount (2)

Production Depreciation Expense	Pg 336 Lns 2-6b	
Total Production Plant Investment	Line 54	0
SLDp =	Line 140 / 142	0.00000
n =	1 / Line 144	0.000
SFDp =	$R/(1+R)^n - 1$	0.00000

COMPOSITE INCOME TAX EXPENSE

Production CIT=
 Formula: $(35/65 + \text{State Tx}) / (1 - \text{State Tx}) * (\text{ROR} + \text{SFD} - \text{SLD}) * (1 - \text{Wtd.LTD} / \text{ROR})$

0.00000

State Tax Rate

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(7) General & Intangible Plant

Production Wages Expense	Line 73	-
Total Wage Expense Less A&G Wage expenses	Line 77 - Line 75	-
Production W/S Allocator	Line 165 / Line 166 Pg 205 and 207, Lns5G + 96 G	0.00%
General & Intangible plant		
General & Intangible plant allocated to Production	Line 167 * Line 168 Line 3 + 7 + 9 + 11 + 17 + 19	- 0.000%
Revenue Requirement FCR		
General & Intangible Plant Revenue Requirement	Line 169 * Line 170	-
Total Production Plant Investment	Line 50	-
General & Intangible Plant FCR	Line 171 / Line 172	-

(8) Cash Working Capital

Cash Working Capital will be set at and remain \$0 until such time as PSCo files and receives FERC approval.

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(9) ACCUMULATED DEFERRED INCOME TAX

Total Production plant	Line 54	0
Total Electric Plant	Line 67	0
Accumulated Deferred Income Tax		
Account 190	Pg 234 Ln 2c + 3c	
Account 281	Pg 273 Ln	

~~188~~		4k	
~~190~~		Pg 275 Ln	
~~189~~	Account 282	2k	
~~191~~		Pg 277 Ln	
~~190~~	Account 283	9k	
		<u>Pg 232</u>	
~~192~~	<u>Excess ADIT</u>	<u>Footnote</u>	
		<u>Pg 278</u>	
~~193~~	<u>Deficient ADIT</u>	<u>Footnote</u>	
~~194~~			
~~191~~	Total ADIT		0
~~195~~			
~~192~~			
		(Line 184 /	
~~196~~		185) * Line	
~~193~~	A. Production share of ADIT	191	-
~~197~~			
~~194~~			
~~198~~			
~~195~~			
~~199~~			
~~196~~	B. Return and Taxes	Line 7 + 11	0.000%
~~200~~			
~~197~~			
~~201~~			
~~198~~	C. Production Plant (plus step ups)		0
~~202~~			
~~199~~			
~~203~~			
~~200~~	(A x B) / C =		-
~~204~~			
~~201~~			
~~205~~			
~~202~~	(10) Materials & Supplies		
~~206~~			
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~~209~~			
~~206~~	A. Total Non-Fuel M&S	Pg 227 Ln 7	
~~210~~			
~~207~~	B. ROR	Line 133	0.00%
~~211~~		Line 206 *	
~~208~~	C. Return on M&S	207	0
~~212~~			
~~209~~	D. Total Prod Plnt	Line 50	0
~~213~~			
~~210~~			
~~214~~			
~~211~~	E. Total Plnt in Service	Line 63	0
~~215~~		Line 209 /	
~~212~~	F. % of Prod Plant	211	0.0000
		(Line 208 *	
~~216~~		212) / Line	
~~213~~	G. Prod M&S Factor	209	0.00000
~~217~~			
~~218~~			
	<u>(11) PSCo ARAM and (Excess)/Deficient ADIT</u>		
	-		
	-		
~~219~~	-		

<u>220</u>			
<u>221</u>	Plant	Reference	
<u>222</u>	Total Excess ADIT Amortization	Pg 234 Footnote	<u>0</u>
<u>223</u>	Total Deficient ADIT Amortization	Pg 273-277 Footnote	<u>0</u>
<u>224</u>			
<u>225</u>	Non-Plant		
<u>226</u>	Total Excess ADIT Amortization	Pg 232 Footnote	<u>0</u>
<u>227</u>	Total Deficient ADIT Amortization	Pg 278 Footnote	<u>0</u>
<u>228</u>			
	Total (Excess)/Deficient ADIT	Line 222 + Line 223 + Line 226 + Line 227	\$0
<u>229</u>			
<u>230</u>			
<u>231</u>	Gross-up Tax Calculation		
	Composite Income	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT)\}$	
<u>232</u>	Tax Rate	Line 153	<u>0.000</u>
<u>233</u>	Gross-up factor	$1/(1-T)$	<u>0.000</u>
<u>234</u>			
<u>235</u>	Total ARAM and (Excess)/Deficient ADIT Amortization	Line 229 x Line 233	\$0
<u>236</u>	Total Production Plant	Ln 52	<u>\$0</u>
<u>237</u>	Total Plant in Service	Ln 65	
<u>238</u>	% of Prod Plant	Line 236/237	
<u>239</u>			
		Line 235 x Line 238 / Line 235	
<u>240</u>	ADIT Amortization FCR Component		

Note 2: Fixed Charge Rate amounts are based on actuals from the most recently completed FERC Form No. 1 at the time of the estimate and are not trued up.

Table 39
WP_ADIT Prorate

Rate	
Year	
=	

3	Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
4	A	B	C	D	E	F	G	H	I	J	K	L	M	N
5	Month	Days in the Month	Number of Days Prorated	Total Days in Future Projection of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorated actual activity above Monthly projection	Partially prorated actual activity below Monthly projection but increases ADIT	Partially prorated actual activity below Monthly projection and is a reduction to ADIT	Partially prorated actual balance

6													
7	December 31st Balance - Prorated Items												
8	Jan uar y	31	33 6	3 6 6	91.80 %	-	-	-	-	-	-	-	-
9	Fe bru ary	29	30 7	3 6 6	83.88 %	-	-	-	-	-	-	-	-

10	March	31	276	366	75.41%	-	-	-	-	-	-	-	-
11	April	30	246	366	67.21%	-	-	-	-	-	-	-	-
12	May	31	215	366	58.74%	-	-	-	-	-	-	-	-
13	June	30	185	366	50.55%	-	-	-	-	-	-	-	-
14	July	31	154	366	42.08%	-	-	-	-	-	-	-	-
15	August	31	123	366	33.61%	-	-	-	-	-	-	-	-
16	September	30	93	366	25.41%	-	-	-	-	-	-	-	-
17	October	31	62	366	16.94%	-	-	-	-	-	-	-	-
18	November	30	32	366	8.74%	-	-	-	-	-	-	-	-
19	December	31	1	366	0.27%	-	-	-	-	-	-	-	-
20		Total	2,030	4,392		-	-						
21				537									
22	Proration Factor			8%									
23													
24													
25	Beginning Balance of Prorated items				(Line 7, Col H)			-		(Line 7, Col N)			-
26	Ending Balance of Prorated items				(Line 19, Col H)			-		(Line 19, Col N)			-
27	Average				(Average of Line 25 &					(Average of Line			

42	April	30	246	366	67.21%	-	-	-	-	-	-	-	-	-
43	May	31	215	366	58.74%	-	-	-	-	-	-	-	-	-
44	June	30	185	366	50.55%	-	-	-	-	-	-	-	-	-
45	July	31	154	366	42.08%	-	-	-	-	-	-	-	-	-
46	August	31	123	366	33.61%	-	-	-	-	-	-	-	-	-
47	September	30	93	366	25.41%	-	-	-	-	-	-	-	-	-
48	October	31	62	366	16.94%	-	-	-	-	-	-	-	-	-
49	November	30	32	366	8.74%	-	-	-	-	-	-	-	-	-
50	December	31	1	366	0.27%	-	-	-	-	-	-	-	-	-
51		Total	2,030	4,392		-	-		-	-	-	-	-	
52	Proportion Factor			53.78%										
53														
54														
55														
56	Beginning Balance of Prorated items			(Line 38, Col H)				-		(Line 38, Col N)				-
57	Ending Balance of Prorated items			(Line 50, Col H)				-		(Line 50, Col N)				-
58	Average Balance Prorated items			(Average of Line 56 & Line 57)				-		(Average of Line 56 & Line 57)				-

73	April	30	246	366	67.21%	-	-	-	-	-	-	-	-	-
74	May	31	215	366	58.74%	-	-	-	-	-	-	-	-	-
75	June	30	185	366	50.55%	-	-	-	-	-	-	-	-	-
76	July	31	154	366	42.08%	-	-	-	-	-	-	-	-	-
77	August	31	123	366	33.61%	-	-	-	-	-	-	-	-	-
78	September	30	93	366	25.41%	-	-	-	-	-	-	-	-	-
79	October	31	62	366	16.94%	-	-	-	-	-	-	-	-	-
80	November	30	32	366	8.74%	-	-	-	-	-	-	-	-	-
81	December	31	1	366	0.27%	-	-	-	-	-	-	-	-	-
82	Total					-	-	-	-	-	-	-	-	-
83	Pro ratio Factor					-	-	-	-	-	-	-	-	-
84						-	-	-	-	-	-	-	-	-
85						-	-	-	-	-	-	-	-	-
86						-	-	-	-	-	-	-	-	-
87	Beginning Balance of Prorated items					(Line 69, Col H)	-					(Line 69, Col N)	-	
88	Ending Balance of Prorated items					(Line 81, Col H)	-					(Line 81, Col N)	-	
89	Average of Prorated items					(Average of Line 87 & Line 88)	-					(Average of Line 87 & Line 88)	-	

9	Non-prorated		
0	Average	(WP_B-3, Average of Line 47,	(WP_B-3, Average of Line
9	Balance	Cols (a) and (b))	47, Cols (a) and
1	Proration	-	(b))
9	Adjustment	-	-

Account 281 - Accelerated amortization property

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Prorated	Total Days in Future Period of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorated actual activity above Monthly projection	Partially prorated actual activity below Monthly projection but increases ADIT	Partially prorated actual activity below Monthly projection and is a reduction to ADIT	Partially prorated actual balance

0	December 31st Balance - Prorated Items					-	-	-	-	-	-	-	-
1	January	31	336	366	91.80%	-	-	-	-	-	-	-	-
1	February	29	307	366	83.88%	-	-	-	-	-	-	-	-
1	March	31	276	366	75.41%	-	-	-	-	-	-	-	-

1	Apr	30	24	3	67.21
0	il		6	6	%
4					
1	Ma	31	21	3	58.74
0	y		5	6	%
5					
1	Jun	30	18	3	50.55
0	e		5	6	%
6					
1	Jul	31	15	3	42.08
0	y		4	6	%
7					
1	Au	31	12	3	33.61
0	gus		3	6	%
8	t				
1	Se	30	93	3	25.41
0	pte			6	%
9	mb				
	er				
1	Oct	31	62	3	16.94
1	ob			6	%
0	er				
1	No	30	32	3	8.74
1	ve			6	%
1	mb				
1	er				
1	De	31	1	3	0.27
1	ce			6	%
2	mb				
	er				

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1	Beginning	(Line
1	Balance of	100,
8	Prorated items	Col
		H)
1	Ending	(Line
1	Balance of	112,
9	Prorated items	Col
		H)
1	Average	(Average of Line 118

-

-

(Line
100,
Col
N)
(Line
112,
Col
N)
(Average of Line

-

-

2	Balance	& Line 119)	-	118 & Line 119)	-
0	Prorated items				
1	Non-prorated			(WP_B-2,	
2	Average	(WP_B-2, Average of Line 4,		Average of Line	
1	Balance	Cols (a) and (b))	-	4, Cols (a) and	
1	Proration			(b))	-
2	Adjustment		-		-
2					
1					
2					
3					
1					
2					
4					
1					
2					

Account 282 - Other Property

Plant Related- Direct Assigned to
 Transmission

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Prorated	Total Days in Future Projection of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorated actual activity above Monthly projection	Partially prorated actual activity below Monthly projection but increases ADIT	Partially prorated actual activity below Monthly projection and is a reduction to ADIT	Partially prorated actual balance

December 31st Balance - Prorated Items

1	Jan												
3	uar	31	33	3	91.80								
2	y		6	6	%								

[illegible]

1	Beginning	(Line 131,		(Line 131,	
4	Balance of	Col	-	Col	-
9	Prorated items	H)		N)	
1	Ending	(Line 143,		(Line 143,	
5	Balance of	Col	-	Col	-
0	Prorated items	H)		N)	
1	Average				
5	Balance	(Average of Line 149	-	(Average of Line	-
1	Prorated items	& Line 150)		149 & Line 150)	
1	Non-prorated			(WP_B-2,	
5	Average	(WP_B-2, Average of Line 35,		Average of Line	
2	Balance	Cols (a) and (b))	-	35, Cols (a) and	-
1	Proration			(b))	
5	Adjustment				
3			-		-

Account 282 - Other Property

Plant Related- Allocated to Transmission

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Prorated	Total Days in Future Projection of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorated actual activity above Monthly projection	Partially prorated actual activity below Monthly projection but increases ADIT	Partially prorated actual activity below Monthly projection and is a reduction to ADIT	Partially prorated actual balance

[illegible]

	Fair	7				
	cto	8				
	r	%				
1						
7						
8						
1						
7						
9						
	(Line			(Line		
1 Beginning	162,			162,		
8 Balance of	Col	-		Col	-	
0 Prorated items	H)			N)		
	(Line			(Line		
1 Ending	174,			174,		
8 Balance of	Col	-		Col	-	
1 Prorated items	H)			N)		
1 Average						
8 Balance	(Average of Line 180	-		(Average of Line	-	
2 Prorated items	& Line 181)			180 & Line 181)		
				(WP_B-2,		
1 Non-prorated				Average of Line		
8 Average	(WP_B-2, Average of Line 66,			66, Cols (a) and		
3 Balance	Cols (a) and (b))	-		(b))	-	
1 Proration						
8 Adjustme						
4 nt		-			-	

Account 283 - Other

Plant Related- Direct Assigned to Production

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Prorated	Total Days in Full Reporting Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorated actual activity above Monthly projection	Partially prorate actual activity below Monthly projection but increases ADIT	Partially prorate actual activity below Monthly projection and is a reduction to ADIT	Partially prorated actual balance

			f T e s t P e r i o d											
192193	December 31st Balance - Prorated Items					-							-	
194	January	31	3366	366	91.80%		-	-		-	-	-	-	-
195	February	29	3076	366	83.88%		-	-		-	-	-	-	-
196	March	31	2766	366	75.41%		-	-		-	-	-	-	-
197	April	30	2466	366	67.21%		-	-		-	-	-	-	-
198	May	31	2156	366	58.74%		-	-		-	-	-	-	-
199	June	30	1856	366	50.55%		-	-		-	-	-	-	-
200	July	31	1546	366	42.08%		-	-		-	-	-	-	-
201	August	31	1236	366	33.61%		-	-		-	-	-	-	-
202	September	30	9366	366	25.41%		-	-		-	-	-	-	-
203	October	31	6266	366	16.94%		-	-		-	-	-	-	-
204	November	30	3266	366	8.74%		-	-		-	-	-	-	-
205	December	31	166	366	0.27%		-	-		-	-	-	-	-
206	Total		2,030	4		-	-		-	-	-	-	-	

[illegible]

			u r e p o r t i o n o f T e s t P e r i o d							ADIT		
2												
2												
3												
2												
2	December 31st Balance - Prorated Items						-				-	
4												
2	Jan			3								
2	uar	31	33	6	91.80		-	-		-	-	-
5	y		6	6	%							
2	Fe			3								
2	bru	29	30	6	83.88		-	-		-	-	-
6	ary		7	6	%							
2	Ma			3								
2	rch	31	27	6	75.41		-	-		-	-	-
7			6	6	%							
2	Apr			3								
2	il	30	24	6	67.21		-	-		-	-	-
8			6	6	%							
2	Ma			3								
2	y	31	21	6	58.74		-	-		-	-	-
9			5	6	%							
2	Jun			3								
3	e	30	18	6	50.55		-	-		-	-	-
0			5	6	%							
2	Jul			3								
3	y	31	15	6	42.08		-	-		-	-	-
1			4	6	%							
2	Au			3								
3	gus	31	12	6	33.61		-	-		-	-	-
2	t		3	6	%							
2	Se			3								
3	pte	30	93	6	25.41		-	-		-	-	-
3	mb			6	%							
3	er											
2	Oct			3								
3	ob	31	62	6	16.94		-	-		-	-	-
4	er			6	%							
2	No				8.74							
3	ve	30	32	3	%		-	-		-	-	-

[illegible]

	Month	Days in the Month	Number of Days Prorated	Total Days in Future Projection of Test Period	Proration Amount (C / D)		Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)		Actual Monthly Activity	Difference between projected and actual activity	Partially prorated actual activity above Monthly projection	Partially prorated actual activity below Monthly projection but increases ADIT	Partially prorated actual activity below Monthly projection and is a reduction to ADIT	Partially prorated actual balance
2532542555	December 31st Balance - Prorated Items								-							-
256	January	31	336	366	91.80%		-	-			-	-	-	-	-	-
257	February	29	307	366	83.88%		-	-			-	-	-	-	-	-
258	March	31	276	366	75.41%		-	-			-	-	-	-	-	-
259	April	30	246	366	67.21%		-	-			-	-	-	-	-	-
260	May	31	215	366	58.74%		-	-			-	-	-	-	-	-
261	June	30	185	366	50.55%		-	-			-	-	-	-	-	-
262	July	31	154	366	42.08%		-	-			-	-	-	-	-	-
266	August	31	123	366	33.61%		-	-			-	-	-	-	-	-

[illegible]

Electric Intangible - FERC 302

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Prorated	Total Days in Future Projection of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorate actual activity above Monthly projection	Partially prorate actual activity below Monthly projection but increases ADIT	Partially prorate actual activity below Monthly projection and is a reduction to ADIT	Partially prorate actual balance

December 31st Balance -
Prorated Items

287	January	31	336	366	91.80%	-	-	-	-	-	-
288	February	29	307	366	83.88%	-	-	-	-	-	-
289	March	31	276	366	75.41%	-	-	-	-	-	-
290	April	30	246	366	67.21%	-	-	-	-	-	-
291	May	31	215	366	58.74%	-	-	-	-	-	-

2	Jun	30	18	3	50.55		-	-	-	-	-	-
9	e		5	6	%							
2				6								
2	Jul	31	15	3	42.08		-	-	-	-	-	-
9	y		4	6	%							
3				6								
2	Au	31	12	3	33.61		-	-	-	-	-	-
9	gus		3	6	%							
4	t			6								
2	Se	30	93	3	25.41		-	-	-	-	-	-
9	pte			6	%							
5	mb			6								
	er											
2	Oct	31	62	3	16.94		-	-	-	-	-	-
9	ob			6	%							
6	er			6								
2	No	30	32	3	8.74		-	-	-	-	-	-
9	ve			6	%							
7	mb			6								
	er											
2	De	31	1	3	0.27		-	-	-	-	-	-
9	ce			6	%							
8	mb			6								
	er											
			4									
2	To	2,0	,	3		-	-					
9	tal	30		9								
9				2								
3												
0												
0												
	Pro		5									
	ra		3									
	ti		.									
3	on		7									
0	Fa		8									
1	cto		%									
3	r											
0												
2												
3												
0												
3												
3	Beginning			(Line					(Line			
0	Balance of			286,					286,			
4	Prorated items			Col		-			Col		-	
				H)					N)			
3	Ending			(Line					(Line			
0	Balance of			298,					298,			
5	Prorated items			Col		-			Col		-	
				H)					N)			
3	Average											
0	Balance			(Average of Line 304					(Average of Line			
6	Prorated items			& Line 305)		-			304 & Line 305)		-	
									(WP_B-2,			
3	Non-prorated								Average of Line			
0	Average			(WP_B-2, Average of Line 85,					, Cols (a) and			
7	Balance			Cols (a) and (b))		-			(b))		-	
3	Proration											
0	Adjustme					-					-	

8 nt

3

0

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1

7

WP_B-Inputs - Adjustments to ADIT

Electric Intangible - Smart Grid
City

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Prorated	Total Days in Future Projection of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorate actual activity above Monthly projection	Partially prorate actual activity below Monthly projection but increases ADIT	Partially prorate actual activity below Monthly projection and is a reduction to ADIT	Partially prorate actual balance

December 31st Balance - Prorated Items

January	31	336	366	91.80%		-	-		-	-	-	-	-
February	29	307	366	83.88%		-	-		-	-	-	-	-
March	31	27	3	75.41%		-	-		-	-	-	-	-

[illegible]

		H)		N)	
3	Average				
3	Balance	(Average of Line 335		(Average of Line	
7	Prorated items	& Line 336)	-	335 & Line 336)	-
3	Non-prorated			(WP_B-2,	
3	Average	(WP_B-2, Average of Line ,		Average of Line	
8	Balance	Cols (a) and (b))	-	, Cols (a) and	-
3	Proration			(b))	
3	Adjustme				
9	nt		-		-

WP_B-Inputs - Adjustments to ADIT

Electric Intangible - AGIS

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Prorated	Total Days in Future Projection of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorated actual activity above Monthly projection	Partially prorated actual activity below Monthly projection but increases ADIT	Partially prorated actual activity below Monthly projection and is a reduction to ADIT	Partially prorated actual balance

December 31st Balance - Prorated Items

349	January	31	336	366	91.80%		-	-		-	-	-	-	-
350	February	29	307	366	83.88%		-	-		-	-	-	-	-
351	March	31	276	366	75.41%		-	-		-	-	-	-	-
352	April	30	246	366	67.21%		-	-		-	-	-	-	-
353	May	31	215	366	58.74%		-	-		-	-	-	-	-
354	June	30	185	366	50.55%		-	-		-	-	-	-	-
355	July	31	154	366	42.08%		-	-		-	-	-	-	-
356	August	31	123	366	33.61%		-	-		-	-	-	-	-
357	September	30	93	366	25.41%		-	-		-	-	-	-	-
358	October	31	62	366	16.94%		-	-		-	-	-	-	-
359	November	30	32	366	8.74%		-	-		-	-	-	-	-
360	December	31	1	366	0.27%		-	-		-	-	-	-	-
361				4										
362		Total	2,030	2,392			-	-		-	-	-	-	-
363														
364														
365														
366														
367														
368														
369														
370														
371														
372														
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397														
398														
399														
400														
401														
402														
403														
404														

7 WP_B-Inputs - Adjustments to
3 ADIT
3
7 *Distribution Plant - Smart Grid*
4 *City*

	Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Month	Days in the Month	Number of Days Prorated	Total Days in Future Projection of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorated actual activity above Monthly projection	Partially prorated actual activity below Monthly projection but increases ADIT	Partially prorated actual activity below Monthly projection and is a reduction to ADIT	Partially prorated actual balance

[illegible]

			ortion of Test Period											
4094110	December 31st Balance - Prorated Items						-						-	
4111	January	31	3366	366	91.80%		-	-		-	-	-	-	-
4112	February	29	3076	366	83.88%		-	-		-	-	-	-	-
4113	March	31	2766	366	75.41%		-	-		-	-	-	-	-
4114	April	30	2466	366	67.21%		-	-		-	-	-	-	-
4115	May	31	2156	366	58.74%		-	-		-	-	-	-	-
4116	June	30	1856	366	50.55%		-	-		-	-	-	-	-
4117	July	31	1546	366	42.08%		-	-		-	-	-	-	-
4118	August	31	1236	366	33.61%		-	-		-	-	-	-	-
4119	September	30	9366	366	25.41%		-	-		-	-	-	-	-
4200	October	31	6266	366	16.94%		-	-		-	-	-	-	-
4201	November	30	3266	366	8.74%		-	-		-	-	-	-	-
4202	December	31	1366	366	0.27%		-	-		-	-	-	-	-

2	mb	6		
	er	6		
		4		
4	To	2,0	-	-
2	tal	30		
3		9		
4		2	-	-
2				
4				
	Pro	5		
	ratio	3		
	on	.		
4	Fa	7		
2	cto	8		
5	r	%		
4				
2				
6				
4				
2				
7				
4	Beginning	(Line		(Line
2	Balance of	410,	-	410,
8	Prorated items	Col		Col
		H)		N)
4	Ending	(Line		(Line
2	Balance of	422,	-	422,
9	Prorated items	Col		Col
4	Average	H)		N)
3	Balance	(Average of Line 428	-	(Average of Line
0	Prorated items	& Line 429)		428 & Line 429)
4	Non-prorated			(WP_B-2,
3	Average	(WP_B-2, Average of Line ,		Average of Line
1	Balance	Cols (a) and (b))	-	, Cols (a) and
4	Proration			(b))
3	Adjustme			
2	nt		-	-

WP_B-Inputs - Adjustments to ADIT

General Plant - Smart Grid City

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Pr	Total Days	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity	Prorated Projected Balance (Cumul	Actual Monthly Activity	Difference between projected and	Partially prorated actual activity	Partially prorated actual activity below Monthly projectio	Partially prorated actual balance	Partially prorated actual balance

	on th	or ate d	s in F u t u r e P o r t i o n o f T e s t P e r i o d		y (E x F)	ative Sum of G)		actua l activi ty	above Month ly projec tion	y projecti on but increas es ADIT	n and is a reductio n to ADIT	
4												
4												
0												
4												
4	December 31st Balance - Prorated Items					-					-	
1												
4	Jan	31	33	3								
4	uar		6	6	91.80	-	-	-	-	-	-	-
2	y		6	6	%							
4	Fe	29	30	3								
4	bru		7	6	83.88	-	-	-	-	-	-	-
3	ary		6	6	%							
4	Ma	31	27	3								
4	rch		6	6	75.41	-	-	-	-	-	-	-
4			6	6	%							
4	Apr	30	24	3								
4	il		6	6	67.21	-	-	-	-	-	-	-
5			6	6	%							
4	Ma	31	21	3								
4	y		5	6	58.74	-	-	-	-	-	-	-
6			6	6	%							
4	Jun	30	18	3								
4	e		5	6	50.55	-	-	-	-	-	-	-
7			6	6	%							
4	Jul	31	15	3								
4	y		4	6	42.08	-	-	-	-	-	-	-
8			6	6	%							
4	Au	31	12	3								
4	gus		3	6	33.61	-	-	-	-	-	-	-
9	t		6	6	%							
4	Se	30	93	3								
5	pte		6	6	25.41	-	-	-	-	-	-	-
0	mb				%							
4	er											
4	Oct				16.94							

[illegible]

[illegible]

4
7
1
4
7
2

December 31st Balance - Prorated Items

473	January	31	336	366	91.80%		-	-		-	-	-	-
474	February	29	307	366	83.88%		-	-		-	-	-	-
475	March	31	276	366	75.41%		-	-		-	-	-	-
476	April	30	246	366	67.21%		-	-		-	-	-	-
477	May	31	215	366	58.74%		-	-		-	-	-	-
478	June	30	185	366	50.55%		-	-		-	-	-	-
479	July	31	154	366	42.08%		-	-		-	-	-	-

480	August	31	123	36	33.61%		-	-		-	-	-	-	-
481	September	30	93	36	25.41%		-	-		-	-	-	-	-
482	October	31	62	36	16.94%		-	-		-	-	-	-	-
483	November	30	32	36	8.74%		-	-		-	-	-	-	-
484	December	31	1	36	0.27%		-	-		-	-	-	-	-
485	Total		2,030	4392			-	-		-	-	-	-	-
486	Proportion Factor			538										
489	Beginning Balance of Prorated items			(Line 472, Col H)			-			(Line 472, Col N)			-	
491	Ending Balance of Prorated items			(Line 484, Col H)			-			(Line 484, Col N)			-	
492	Average Balance of Prorated items			(Average of Line 490 & Line 491)			-			(Average of Line 490 & Line 491)			-	
493	Non-prorated Average Balance			(WP_B-2, Average of Line , Cols (a) and (b))			-			(WP_B-2, Average of Line , Cols (a) and (b))			-	
494	Proration Adjustment						-						-	

WP_B-Inputs - Adjustments to ADIT

Common Intangible - FERC 302

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Prorated	Total Days in Future Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorated actual activity above Monthly projection	Partially prorated actual activity below Monthly projection but increases ADIT	Partially prorated actual activity below Monthly projection and is a reduction to ADIT	Partially prorated actual balance

December 31st Balance - Prorated Items

January	31	336	366	91.80%		-	-	-	-	-	-	-	-
February	29	307	366	83.88%		-	-	-	-	-	-	-	-
March	31	276	366	75.41%		-	-	-	-	-	-	-	-
April	30	246	366	67.21%		-	-	-	-	-	-	-	-

508	May	31	215	366	58.74%	-	-	-	-	-	-
509	June	30	185	366	50.55%	-	-	-	-	-	-
510	July	31	154	366	42.08%	-	-	-	-	-	-
511	August	31	123	366	33.61%	-	-	-	-	-	-
512	September	30	93	366	25.41%	-	-	-	-	-	-
513	October	31	62	366	16.94%	-	-	-	-	-	-
514	November	30	32	366	8.74%	-	-	-	-	-	-
515	December	31	1	366	0.27%	-	-	-	-	-	-
516	Total	2,030	4,392			-	-	-	-	-	-
517	Proportion			53							
518	Factor			78%							
519											
520											
521	Beginning Balance of Prorated items			(Line 503, Col H)		-		(Line 503, Col N)		-	
522	Ending Balance of Prorated items			(Line 515, Col H)		-		(Line 515, Col N)		-	
523	Average Balance of Prorated items			(Average of Line 521& Line 522)		-		(Average of Line 521& Line 522)		-	
524	Non-prorated Average			(WP_B-2, Average of Line , Cols (a) and (b))		-		(WP_B-2, Average of Line		-	

[illegible]

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5	Ending	(Line 546,		(Line 546,	
5	Balance of	Col	-	Col	-
3	Prorated items	H)		N)	
5	Average				
5	Balance	(Average of Line 552	-	(Average of Line 552 & Line 553)	-
4	Prorated items	& Line 553)		(WP_B-2, Average of Line , Cols (a) and (b))	
5	Non-prorated				
5	Average	(WP_B-2, Average of Line ,	-		-
5	Balance	Cols (a) and (b))			
5	Proration				
5	Adjustment		-		-
6					
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WP_B-Inputs - Adjustments to ADIT

Common Intangible - OMS

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Prorated	Total Days in Future Period of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorate actual activity above Monthly projection	Partially prorate actual activity below Monthly projection but increases ADIT	Partially prorate actual activity below Monthly projection and is a reduction to ADIT	Partially prorate actual balance

565	December 31st Balance - Prorated Items					-		-				
566	January	31	336	366	91.80%		-	-		-	-	-
567	February	29	307	366	83.88%		-	-		-	-	-
568	March	31	276	366	75.41%		-	-		-	-	-
569	April	30	246	366	67.21%		-	-		-	-	-
570	May	31	215	366	58.74%		-	-		-	-	-
571	June	30	185	366	50.55%		-	-		-	-	-
572	July	31	154	366	42.08%		-	-		-	-	-
573	August	31	123	366	33.61%		-	-		-	-	-
574	September	30	93	366	25.41%		-	-		-	-	-
575	October	31	62	366	16.94%		-	-		-	-	-
576	November	30	32	366	8.74%		-	-		-	-	-
577	December	31	1	366	0.27%		-	-		-	-	-
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5	Beginning	(Line		(Line	
8	Balance of	565,		565,	
3	Prorated items	Col	-	Col	-
		H)		N)	
5	Ending	(Line		(Line	
8	Balance of	577,		577,	
4	Prorated items	Col	-	Col	-
5	Average	H)		N)	
8	Balance				
5	Prorated items	(Average of Line 583	-	(Average of Line	-
		& Line 584)		583 & Line 584)	
5	Non-prorated			(WP_B-2,	
8	Average	(WP_B-2, Average of Line ,		Average of Line	
6	Balance	Cols (a) and (b))	-	, Cols (a) and	-
5	Proration			(b))	
8	Adjustme				
7	nt		-		-

WP_B-Inputs - Adjustments to ADIT

Common General - Smart Grid City

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Prorated	Total Days in Future Portion of Term	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorated actual activity above Monthly projection	Partially prorated actual activity below Monthly projection but increases ADIT	Partially prorated actual activity below Monthly projection and is a reduction to ADIT	Partially prorated actual balance

			st P e r i o d												
595596	December 31st Balance - Prorated Items				-										
597	January	31	3366	366	91.80%		-	-		-	-	-	-	-	-
598	February	29	3076	366	83.88%		-	-		-	-	-	-	-	-
599	March	31	2766	366	75.41%		-	-		-	-	-	-	-	-
600	April	30	2466	366	67.21%		-	-		-	-	-	-	-	-
601	May	31	2156	366	58.74%		-	-		-	-	-	-	-	-
602	June	30	1856	366	50.55%		-	-		-	-	-	-	-	-
603	July	31	1546	366	42.08%		-	-		-	-	-	-	-	-
604	August	31	1236	366	33.61%		-	-		-	-	-	-	-	-
605	September	30	9366	366	25.41%		-	-		-	-	-	-	-	-
606	October	31	6266	366	16.94%		-	-		-	-	-	-	-	-
607	November	30	3266	366	8.74%		-	-		-	-	-	-	-	-
608	December	31	166	366	0.27%		-	-		-	-	-	-	-	-
609	Total		2,030	, 392			-	-		-	-	-	-	-	-

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6	Beginning	(Line 596,		(Line 596,	
1	Balance of	Col	-	Col	-
4	Prorated items	H)		N)	
6	Ending	(Line 608,		(Line 608,	
1	Balance of	Col	-	Col	-
5	Prorated items	H)		N)	
6	Average				
1	Balance	(Average of Line 614	-	(Average of Line 614 & Line 615)	-
6	Prorated items	& Line 615)			
6	Non-prorated			(WP_B-2, Average of Line	
1	Average	(WP_B-2, Average of Line ,	-	, Cols (a) and	-
7	Balance	Cols (a) and (b))		(b))	
6	Proration				
1	Adjustme				
8	nt		-		-

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WP_B-Inputs - Adjustments to ADIT

Common General - AGIS

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N

Month	Days in the Month	Number of Days Prorated	Total Days in Future Period of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Partially prorated actual activity above Monthly projection	Partially prorated actual activity below Monthly projection but increases ADIT	Partially prorated actual activity below Monthly projection and is a reduction to ADIT	Partially prorated actual balance
December 31st Balance - Prorated Items													
January	31	336	366	91.80 %		-	-		-	-	-	-	-
February	29	307	366	83.88 %		-	-		-	-	-	-	-
March	31	276	366	75.41 %		-	-		-	-	-	-	-
April	30	246	366	67.21 %		-	-		-	-	-	-	-

6	May	31	215	366	58.74%	-	-	-	-	-	-
2											
6	June	30	185	366	50.55%	-	-	-	-	-	-
3											
0	July	31	154	366	42.08%	-	-	-	-	-	-
6											
3	August	31	123	366	33.61%	-	-	-	-	-	-
0											
6	September	30	93	366	25.41%	-	-	-	-	-	-
3											
4	October	31	62	366	16.94%	-	-	-	-	-	-
6											
3	November	30	32	366	8.74%	-	-	-	-	-	-
0											
6	December	31	1	366	0.27%	-	-	-	-	-	-
3											
7											
6											
4											
0	Total		2,030	4,392		-	-	-	-	-	-
6											
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0	r			%							

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	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>	<u>H</u>	<u>I</u>	<u>J</u>	<u>K</u>	<u>L</u>	<u>M</u>	<u>N</u>
	<u>Month</u>	<u>Days in the Month</u>	<u>Number of Days Prorated</u>	<u>Total Days in Future Projection Period of the Period</u>	<u>Proration Amount (C / D)</u>	<u>Projected Monthly Activity</u>	<u>Prorated Projected Monthly Activity (E x F)</u>	<u>Prorated Projected Balance (Cumulative Sum of G)</u>	<u>Actual Monthly Activity</u>	<u>Difference between projected and actual activity</u>	<u>Partially prorate actual activity above Monthly projection</u>	<u>Partially prorate actual activity below Monthly projection but increases ADIT</u>	<u>Partially prorate actual activity below Monthly projection and is a reduction to ADIT</u>	<u>Partially prorate actual balance</u>
	<u>December 31st Balance - Prorated Items</u>													
	<u>January</u>	<u>31</u>	<u>33</u> <u>6</u>	<u>3</u> <u>6</u> <u>6</u>	<u>91.80</u> <u>%</u>	-	=	=	-	=	=	=	=	=
	<u>February</u>	<u>29</u>	<u>30</u> <u>7</u>	<u>3</u> <u>6</u> <u>6</u>	<u>83.88</u> <u>%</u>	-	=	=	-	=	=	=	=	=
	<u>March</u>	<u>31</u>	<u>27</u> <u>6</u>	<u>3</u> <u>6</u> <u>6</u>	<u>75.41</u> <u>%</u>	-	=	=	-	=	=	=	=	=
	<u>April</u>	<u>30</u>	<u>24</u> <u>6</u>	<u>3</u> <u>6</u> <u>6</u>	<u>67.21</u> <u>%</u>	-	=	=	-	=	=	=	=	=
	<u>May</u>	<u>31</u>	<u>21</u> <u>5</u>	<u>3</u> <u>6</u> <u>6</u>	<u>58.74</u> <u>%</u>	-	=	=	-	=	=	=	=	=
	<u>June</u>	<u>30</u>	<u>18</u> <u>5</u>	<u>3</u> <u>6</u> <u>6</u>	<u>50.55</u> <u>%</u>	-	=	=	-	=	=	=	=	=
	<u>July</u>	<u>31</u>	<u>15</u> <u>4</u>	<u>3</u> <u>6</u> <u>6</u>	<u>42.08</u> <u>%</u>	-	=	=	-	=	=	=	=	=

6	Aug	31	123	366	33.61%	-	=	=	-	=	=	=	=	=
6	Sept	30	93	366	25.41%	-	=	=	-	=	=	=	=	=
6	Oct	31	62	366	16.94%	-	=	=	-	=	=	=	=	=
7	Nov	30	32	366	8.74%	-	=	=	-	=	=	=	=	=
7	Dec	31	1	366	0.27%	-	=	=	-	=	=	=	=	=
7	Total	2030	4392	-	=	=	-	=	=	=	=	=	=	=
7	Pro		53											
7	ratio		78											
7	on													
7	Fa													
7	cto													
7	r													
7	Beginning				(Line 689,							(Line 689,		
7	Balance of				Col	=						Col	=	
7	Prorated items				H)							N)		
7	Ending				(Line 701,							(Line 701,		
7	Balance of				Col	=						Col	=	
7	Prorated items				H)							N)		
7	Average													
7	Balance				(Average of Line 707							(Average of Line		
7	Prorated items				& Line 708)	=						707 & Line 708)	=	
7	Non-prorated													
7	Average													
7	Balance				(WP B-3 – Deficient ADIT)	=						(WP B-3 –		
7	Proration											Deficient ADIT)	=	
7	Adjustme													
7	nt					=							=	

Public Service Company of Colorado
Transmission Formula Rate Template
Twelve Months Ended December 31, 20XX
Accumulated Deferred Income Taxes Proration Adjustments

Table 39
WP_ADIT Prorate

Rate
Year
=

**Account 190- Accumulated Deferred
Income Taxes**
*Plant Related- Direct Assigned to
Transmission*

[illegible]

0	rch	31	27 6	3 6 6	%	-	-	-	-	-	-	-	-	-	-
1 1	Apr il	30	24 6	3 6 6	67.21 %	-	-	-	-	-	-	-	-	-	-
1 2	Ma y	31	21 5	3 6 6	58.74 %	-	-	-	-	-	-	-	-	-	-
1 3	Jun e	30	18 5	3 6 6	50.55 %	-	-	-	-	-	-	-	-	-	-
1 4	Jul y	31	15 4	3 6 6	42.08 %	-	-	-	-	-	-	-	-	-	-
1 5	Au gus t	31	12 3	3 6 6	33.61 %	-	-	-	-	-	-	-	-	-	-
1 6	Se pte mber	30	93	3 6 6	25.41 %	-	-	-	-	-	-	-	-	-	-
1 7	Oct ober	31	62	3 6 6	16.94 %	-	-	-	-	-	-	-	-	-	-
1 8	No ve mber	30	32	3 6 6	8.74 %	-	-	-	-	-	-	-	-	-	-
1 9	De ce mber	31	1	3 6 6	0.27 %	-	-	-	-	-	-	-	-	-	-
2 0				4											
2 1															
2 2															
2 3															
2 4															
2 5															
2 6	Ending Balance of Prorated items			(Line 19, Col H)				-			(Line 19, Col N)			-	
2 7															
2 8	Non-prorated Average Balance			(WP_B-3, Average of Line 26, Cols (a) and (b))				-			(WP_B-3, Average of Line 26, Cols (a) and (b))			-	

2	Proration	(Line	26		(Line	26
9	Adjustme	nt	minus		minus	
3			Line		Line	
0			28)	-	28)	-
3						
1						
3	Account 190- Accumulated					
2	Deferred Income Taxes					
2	Plant Related- Allocated to					
3	Transmission					
3	Days in Period					
4	A	B	C	D	E	
3	Month	Days in the Month	Number of Days Remaining in Year After Month's Accrual of Deferred Taxes	Total Days in Future Portion of Test Period	Proration Amount (C / D)	
5						

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[illegible]

[illegible]

Account 281 - Accelerated amortization property

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in Year After Month's Accrual of Deferred Taxes	Total Days in Future Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)

December 31st Balance - Prorated Items

					-			-					
101	January	31	336	91.80%		-	-		-	-	-	-	-
102	February	29	307	83.88%		-	-		-	-	-	-	-
103	March	31	276	75.41%		-	-		-	-	-	-	-
104	April	30	246	67.21%		-	-		-	-	-	-	-
105	May	31	215	58.74%		-	-		-	-	-	-	-
106	June	30	185	50.55%		-	-		-	-	-	-	-

107	July	31	154	366	42.08%		-	-		-	-	-	-	-
108	August	31	123	366	33.61%		-	-		-	-	-	-	-
109	September	30	93	366	25.41%		-	-		-	-	-	-	-
110	October	31	62	366	16.94%		-	-		-	-	-	-	-
111	November	30	32	366	8.74%		-	-		-	-	-	-	-
112	December	31	1	366	0.27%		-	-		-	-	-	-	-
113	Total		2,030	4,392			-	-		-	-	-	-	-
114					(Line 112, Col H)					(Line 112, Col N)				
115	Ending Balance of Prorated items						-						-	
116														
117														
118														
119	Non-prorated Average Balance				(WP_B-2, Average of Line 4, Cols (a) and (b))		-			(WP_B-2, Average of Line 4, Cols (a) and (b))			-	
120					(Line 119 minus Line 121)					(Line 119 minus Line 121)				
121	Proration Adjustment						-						-	

Account 282 - Other Property

Plant Related- Direct Assigned to Transmission

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in Year After Month's Accrued Tax	Total Days in Future Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)

December 31st Balance - Prorated
Items

1 3 2	Jan y	31	33 6	3 6 6	91.80 %		-	-		-	-	-	-	-
1 3 3	Fe bru ary	29	30 7	3 6 6	83.88 %		-	-		-	-	-	-	-
1 3 4	Ma rch	31	27 6	3 6 6	75.41 %		-	-		-	-	-	-	-
1 3 5	Apr il	30	24 6	3 6 6	67.21 %		-	-		-	-	-	-	-

1 3 6	Ma y	31	21 5	3 6 6	58.74 %	-	-	-	-	-	-
1 3 7	Jun e	30	18 5	3 6 6	50.55 %	-	-	-	-	-	-
1 3 8	Jul y	31	15 4	3 6 6	42.08 %	-	-	-	-	-	-
1 3 9	Au gus t	31	12 3	3 6 6	33.61 %	-	-	-	-	-	-
1 4 0	Se pte m ber	30	93	3 6 6	25.41 %	-	-	-	-	-	-
1 4 1	Oct obe r	31	62	3 6 6	16.94 %	-	-	-	-	-	-
1 4 2	No ve m ber	30	32	3 6 6	8.74 %	-	-	-	-	-	-
1 4 3	De ce m ber	31	1	3 6 6	0.27 %	-	-	-	-	-	-

1 4 4 1 4 5 1 4 6 1 4 7 1 4 8 1 4 9	To tal		2,0 30	4 , 3 9 2	-	-	-	-	-	-
1 5 0 1 5 1	Ending Balance of Prorated items	(Line 143, Col H)			-		(Line 143, Col N)		-	
1 5 2 1 5	Non-prorated Average Balance Proration Adjustme	(WP_B-2, Average of Line 35, Cols (a) and (b)) (Line 150			-		(WP_B-2, Average of Line 35, Cols (a) and (b)) (Line 150		-	

3 nt minus
 Line
 152) minus
 Line
 152)

1
 5
 4
 1
 5
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 1
 5
 6
 1
 5
 7
 1
 5
 8
 1
 5
 9

Account 282 - Other Property

Plant Related- Allocated to Transmission

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in Year After Month's Accrued of Deferred Taxes	Total Days in Future Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)

1
 6
 0
 1
 6
 1
 1
 6
 2
 1
 6
 3
 1
 6
 4

December 31st Balance - Prorated Items

January	31	336	366	91.80%		-	-		-	-	-	-	-
February	29	307	366	83.88%		-	-		-	-	-	-	-

1 6 5	Ma rch	31	27 6	3 6 6	75.41 %
1 6 6	Apr il	30	24 6	3 6 6	67.21 %
1 6 7	Ma y	31	21 5	3 6 6	58.74 %
1 6 8	Jun e	30	18 5	3 6 6	50.55 %
1 6 9	Jul y	31	15 4	3 6 6	42.08 %
1 7 0	Au gus t	31	12 3	3 6 6	33.61 %
1 7 1	Se pte mber	30	93	3 6 6	25.41 %
1 7 2	Oct obe r	31	62	3 6 6	16.94 %
1 7 3	No ve mber	30	32	3 6 6	8.74 %
1 7 4	De ce mber	31	1	3 6 6	0.27 %

1 7 5 1 7 6 1 7 7 1 7 8 1 7 9 1 8 0	To tal	2,0 30	4 , 3 9 2

1 8 1 1	Ending Balance of Prorated items	(Line 174, Col H)

-

(Line
174,
Col
N)

-

8									
2									
1	Non-prorated							(WP_B-2,	
8	Average	(WP_B-2, Average of Line 66,						Average of Line	
3	Balance	Cols (a) and (b))	-					66, Cols (a) and	
		(Line						(b))	
		181						(Line	
1	Proration	minus						181	
8	Adjustme	Line						minus	
4	nt	183)	-					Line	
1								183)	-

8
5
1
8
6
1
8
7
1
8
8
1
9
0

Account 283 - Other

Plant Related- Direct Assigned to Production

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in Year After Month's Accrual of Deferred Taxes	Total Days in Future Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)

1
9
1
1
9
2
1
9
3

December 31st Balance - Prorated Items

-

-

194	January	31	336	366	91.80%	-	-	-	-	-	-
195	February	29	307	366	83.88%	-	-	-	-	-	-
196	March	31	276	366	75.41%	-	-	-	-	-	-
197	April	30	246	366	67.21%	-	-	-	-	-	-
198	May	31	215	366	58.74%	-	-	-	-	-	-
199	June	30	185	366	50.55%	-	-	-	-	-	-
200	July	31	154	366	42.08%	-	-	-	-	-	-
201	August	31	123	366	33.61%	-	-	-	-	-	-
202	September	30	93	366	25.41%	-	-	-	-	-	-
203	October	31	62	366	16.94%	-	-	-	-	-	-
204	November	30	32	366	8.74%	-	-	-	-	-	-
205	December	31	1	366	0.27%	-	-	-	-	-	-
206	Total		2,030	4,392		-	-	-	-	-	-

		(Line		(Line	
2	Ending	205,		205,	
1	Balance of	Col	-	Col	-
1	Prorated items	H)	<u> </u>	N)	<u> </u>
2					
1					
3					
2	Non-prorated	(WP_B-2, Average of Line		(WP_B-2,	
1	Average	Public Service Company of		Average of Line	
4	Balance	Colorado, Cols (a) and (b))	-	, Cols (a) and	
		(Line	<u> </u>	(b))	-
		212		(Line	<u> </u>
2	Proration	minus		212	
1	Adjustme	Line		minus	
5	nt	214)	-	Line	
				214)	-
2					
1					
6					
2					

Account 283 - Other

Plant Related- Allocated to Transmission

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in Year After Month's Accrued Taxes	Total Days in Future Month's Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)

[illegible]

3
8
2
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9
2
4
0
2
4
1
2
4
2

2	Ending	(Line		(Line	
4	Balance of	236,		236,	
3	Prorated items	Col	-	Col	-
2		H)		N)	
4					
4					
2	Non-prorated			(WP_B-2,	
4	Average	(WP_B-2, Average of Line 23,		Average of Line	
5	Balance	Cols (a) and (b))	-	, Cols (a) and	
		(Line		(b))	
2	Proration	243		(Line	
4	Adjustment	minus		243	
6		Line	-	minus	
2		245)		Line	
4				245)	-

Account 283 - Other

Related to All Plant

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in Year After Month's	Total Days in Future Report	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or	Difference between projected and actual activity when actual and projected activity are either both increases	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity	Balance reflecting proration or averaging (See Note 5.)

		Ac crual of De fer red Taxe s	io n o f T e st P e ri od						decre ases. (See Note 2.)	es or decrea ses. (See Note 3.)	is a decreas e while actual activity is an increase . (See Note 4.)	
2 5 4 2 5 5	December 31st Balance - Prorated Items					-					-	
2 5 6	Jan uar y	31	33 6 6	3 6 6	91.80 %	-	-	-	-	-	-	-
2 5 7	Fe bru ary	29	30 7 6	3 6 6	83.88 %	-	-	-	-	-	-	-
2 5 8	Ma rch	31	27 6 6	3 6 6	75.41 %	-	-	-	-	-	-	-
2 5 9	Apr il	30	24 6 6	3 6 6	67.21 %	-	-	-	-	-	-	-
2 6 0	Ma y	31	21 5 6	3 6 6	58.74 %	-	-	-	-	-	-	-
2 6 1	Jun e	30	18 5 6	3 6 6	50.55 %	-	-	-	-	-	-	-
2 6 2	Jul y	31	15 4 6	3 6 6	42.08 %	-	-	-	-	-	-	-
2 6 3	Au gus t	31	12 3 6	3 6 6	33.61 %	-	-	-	-	-	-	-
2 6 4	Se pte mber	30	93 6 6	3 6 6	25.41 %	-	-	-	-	-	-	-
2 6 5	Oct obe r	31	62 6 6	3 6 6	16.94 %	-	-	-	-	-	-	-
2 6 6	No ve mber	30	32 6 6	3 6 6	8.74 %	-	-	-	-	-	-	-
2 6 7	De ce mber	31	1 6 6	3 6 6	0.27 %	-	-	-	-	-	-	-

Electric Intangible - FERC 302

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in	Total Days in Full	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Preserve proration when actual monthly and projected month	Difference between projected and actual activity when actual and	Actual activity (Col I) when projected activity is an increase while actual	Balance reflecting proration or averaging (See Note 5.)

		Year After Month's Accrual of Deferred Taxes	Portion of Test Period					(See Note 1.)	ly activity are either both increases or decreases. (See Note 2.)	project ed activity are either both increases or decreases. (See Note 3.)	activity is a decrease OR projected activity is a decrease while actual activity is an increase . (See Note 4.)	
285286	December 31st Balance - Prorated Items						-				-	
287	January	31	336	366	91.80%		-	-	-	-	-	
288	February	29	307	366	83.88%		-	-	-	-	-	
289	March	31	276	366	75.41%		-	-	-	-	-	
290	April	30	246	366	67.21%		-	-	-	-	-	
291	May	31	215	366	58.74%		-	-	-	-	-	
292	June	30	185	366	50.55%		-	-	-	-	-	
293	July	31	154	366	42.08%		-	-	-	-	-	
294	August	31	123	366	33.61%		-	-	-	-	-	
295	September	30	93	366	25.41%		-	-	-	-	-	
296	October	31	62	366	16.94%		-	-	-	-	-	
2	November				8.74%							

9	ve	30	32	3	%		-	-		-	-	-	-	-
7	mb			6										
	er			6										
2	ce			3										
9	mb	31	1	6	0.27		-	-		-	-	-	-	-
8	er			6	%									

			4											
2	To	2,0	,			-	-							
9	tal	30	3											
9			9											
3			2											

3	Ending		(Line						(Line					
0	Balance of		298,						298,					
5	Prorated items		Col						Col					
3			H)						N)					
0														
6														
3	Non-prorated								(WP_B-2,					
0	Average		(WP_B-2, Average of Line 85,						Average of Line					
7	Balance		Cols (a) and (b))						, Cols (a) and					
			(Line						(b))					
3	Proration		305						(Line					
0	Adjustme		minus						305					
8	nt		Line						minus					
3			307)						Line					
0									307)					
9														
3														
1														
0														
3														
1														

WP_B-Inputs - Adjustments to ADIT

Electric Intangible - Smart Grid
 City

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N

	Month	Days in the Month	Number of Days Remaining in Year After Month's Accrual of Deferred Taxes	Total Days in Future Portion of Test Period	Proration Amount (C / D)		Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)		Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)
315316317	December 31st Balance - Prorated Items							-								-
318	January	31	336	366	91.80%		-	-			-	-	-	-	-	-
319	February	29	307	366	83.88%		-	-			-	-	-	-	-	-
320	March	31	276	366	75.41%		-	-			-	-	-	-	-	-
321	April	30	246	366	67.21%		-	-			-	-	-	-	-	-
322	May	31	215	366	58.74%		-	-			-	-	-	-	-	-
323	June	30	185	366	50.55%		-	-			-	-	-	-	-	-
324	July	31	154	366	42.08%		-	-			-	-	-	-	-	-
325	August	31	123	366	33.61%		-	-			-	-	-	-	-	-

[illegible]

3
3
4
4
3
4
5

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in Year After Month's Accrual of Deferred Taxes	Total Days in Future Period of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)

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4
6
3
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8

December 31st Balance - Prorated Items

3
4
9
3
5
0
3
5
1
3
5
2
3
5
3
3
5

January	31	336	366	91.80 %		-	-		-	-	-	-	-
February	29	307	366	83.88 %		-	-		-	-	-	-	-
March	31	276	366	75.41 %		-	-		-	-	-	-	-
April	30	246	366	67.21 %		-	-		-	-	-	-	-
May	31	215	366	58.74 %		-	-		-	-	-	-	-
June	30	183	366	50.55 %		-	-		-	-	-	-	-

[illegible]

3
7
2
3
7
3
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4
3
5
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7
6

**WP_B-Inputs - Adjustments to
ADIT**

**Distribution Plant - Smart Grid
City**

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in Year After Month's Accrual of Deferred Taxes	Total Days in Future Period of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)

3
7
7
3
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8
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7
9
3
8
0
3
8
1
3
8
2
3
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3

December 31st Balance - Prorated
Items

January	31	336	366	91.80%		-	-		-	-	-	-	-
February	29	307	366	83.88%		-	-		-	-	-	-	-
March	31	276	366	75.41%		-	-		-	-	-	-	-
April	30	246	366	67.21%		-	-		-	-	-	-	-

384	May	31	215	366	58.74%		-	-		-	-	-	-	-
385	June	30	185	366	50.55%		-	-		-	-	-	-	-
386	July	31	154	366	42.08%		-	-		-	-	-	-	-
387	August	31	123	366	33.61%		-	-		-	-	-	-	-
388	September	30	93	366	25.41%		-	-		-	-	-	-	-
389	October	31	62	366	16.94%		-	-		-	-	-	-	-
390	November	30	32	366	8.74%		-	-		-	-	-	-	-
391	December	31	1	366	0.27%		-	-		-	-	-	-	-
392	Total	2,030	439	439			-	-		-	-	-	-	-
393														
394														
395														
396														
397														
398	Ending Balance of Prorated items			(Line 391, Col H)			-			(Line 360, Col N)			-	
399														
400	Non-prorated Average Balance			(WP_B-2, Average of Line , Cols (a) and (b))			-			(WP_B-2, Average of Line , Cols (a) and (b))			-	

[illegible]

[illegible]

4
3
0

4 Non-prorated
3 Average
1 Balance

(WP_B-2, Average of Line ,
Cols (a) and (b))
(Line
429
minus
Line
431)

-

(WP_B-2,
Average of Line
, Cols (a) and
(b))
(Line
429
minus
Line
431)

-

4 Proration
3 Adjustme
2 nt

-

-

4
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4
3

WP_B-Inputs - Adjustments to ADIT

4
3
6

General Plant - Smart Grid City

4
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4
3
8

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in Year After Month's Accru- al of De- ferred Taxes	Total Days in Future Portion of Test Period	Prorat- ion Amount (C / D)	Project- ed Monthly Activity	Prorat- ed Project- ed Monthly Activity (E x F)	Prorate- d Project- ed Balance (Cumul- ative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly activity are either both in- creases or decre- ases. (See Note 2.)	Difference between projected and actual activity are either both in- creases or decre- ases. (See Note 3.)	Actual activity (Col I) when projected activity is an in- crease while actual activity is a de- crease OR projected activity is a de- crease while actual activity is an in- crease. (See Note 4.)	Balance reflecting proration or averag- ing (See Note 5.)

4
3
9
4
4
0
4
4
1

December 31st Balance - Prorated Items

-

-

442	January	31	336	366	91.80%		-	-		-	-	-	-	-
443	February	29	307	366	83.88%		-	-		-	-	-	-	-
444	March	31	276	366	75.41%		-	-		-	-	-	-	-
445	April	30	246	366	67.21%		-	-		-	-	-	-	-
446	May	31	215	366	58.74%		-	-		-	-	-	-	-
447	June	30	185	366	50.55%		-	-		-	-	-	-	-
448	July	31	154	366	42.08%		-	-		-	-	-	-	-
449	August	31	123	366	33.61%		-	-		-	-	-	-	-
450	September	30	93	366	25.41%		-	-		-	-	-	-	-
451	October	31	62	366	16.94%		-	-		-	-	-	-	-
452	November	30	32	366	8.74%		-	-		-	-	-	-	-
453	December	31	1	366	0.27%		-	-		-	-	-	-	-
454	Total		2,030	4,392			-	-		-	-	-	-	-

	(Line		(Line	
4	Ending	453,	453,	
6	Balance of	Col	Col	-
0	Prorated items	H)	N)	
4				
6				
1				
			(WP_B-2,	
4	Non-prorated		Average of Line	
6	Average	(WP_B-2, Average of Line ,	, Cols (a) and	
2	Balance	Cols (a) and (b))	(b))	-
		(Line	(Line	
		460	460	
4	Proration	minus	minus	
6	Adjustme	Line	Line	
3	nt	462)	462)	-

WP_B-Inputs - Adjustments to ADIT

General Plant - AGIS

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in Year After Month's Accrual of Deferred Taxes	Total Days in Future Month's of Termination	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)

[illegible]

8
6
4
8
7
4
8
8
4
8
9
4
9
0

4	Ending	(Line		(Line	
9	Balance of	484,		484,	
1	Prorated items	Col	-	Col	-
4		H)		N)	
9					
2					
4	Non-prorated			(WP_B-2,	
9	Average	(WP_B-2, Average of Line ,		Average of Line	
3	Balance	Cols (a) and (b))	-	, Cols (a) and	
		(Line		(b))	
4	Proration	491		(Line	
9	Adjustme	minus		491	
4	nt	Line	-	minus	
4		493)		Line	
9				493)	-

WP_B-Inputs - Adjustments to ADIT

Common Intangible - FERC 302

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in Year After Month's	Total Days in Future Report	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or	Difference between projected and actual activity when actual and projected activity are either both increases	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity	Balance reflecting proration or averaging (See Note 5.)

		Accrued of Deferred Taxes	ion of Test Period							decreases. (See Note 2.)	es or decreases. (See Note 3.)	is a decrease while actual activity is an increase. (See Note 4.)	
502503	December 31st Balance - Prorated Items												
504	January	31	336	91.80%		-	-	-	-	-	-	-	-
505	February	29	307	83.88%		-	-	-	-	-	-	-	-
506	March	31	276	75.41%		-	-	-	-	-	-	-	-
507	April	30	246	67.21%		-	-	-	-	-	-	-	-
508	May	31	215	58.74%		-	-	-	-	-	-	-	-
509	June	30	185	50.55%		-	-	-	-	-	-	-	-
510	July	31	154	42.08%		-	-	-	-	-	-	-	-
511	August	31	123	33.61%		-	-	-	-	-	-	-	-
512	September	30	93	25.41%		-	-	-	-	-	-	-	-
513	October	31	62	16.94%		-	-	-	-	-	-	-	-
514	November	30	32	8.74%		-	-	-	-	-	-	-	-
515	December	31	1	0.27%		-	-	-	-	-	-	-	-

Common Intangible - CRS

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in	Total Days in Full	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity	Preserve proration when actual monthly and projected month	Difference between projected and actual activity when actual and	Actual activity (Col I) when projected activity is an increase while actual	Balance reflecting proration or averaging (See Note 5.)

		Year After Month's Accrual of Deferred Taxes	Future Portion of Test Period					(See Note 1.)	Activity are either both increases or decreases. (See Note 2.)	Projected activity are either both increases or decreases. (See Note 3.)	Activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	
5												
3												
3												
5												
3	December 31st Balance - Prorated Items						-				-	
4												
5	January	31	3366	91.80%			-	-	-	-	-	
3												
5	February	29	3067	83.88%			-	-	-	-	-	
5												
3	March	31	2766	75.41%			-	-	-	-	-	
7												
5	April	30	2466	67.21%			-	-	-	-	-	
3												
8	May	31	2156	58.74%			-	-	-	-	-	
5												
3	June	30	1856	50.55%			-	-	-	-	-	
9												
5	July	31	1546	42.08%			-	-	-	-	-	
4												
1	August	31	1236	33.61%			-	-	-	-	-	
5												
4	September	30	936	25.41%			-	-	-	-	-	
2												
5	October	31	626	16.94%			-	-	-	-	-	
4												
5	November			8.74%								

4	ve	30	32	3	%		-	-		-	-	-	-	-
5	mb			6										
	er			6										
5	ce			3										
4	mb	31	1	6	0.27		-	-		-	-	-	-	-
6	er			6	%									

			4											
5	To	2,0	,			-	-							
4	tal	30	3											
7			9											
5			2											

5	Ending		(Line		(Line									
5	Balance of		546,		546,									
3	Prorated items		Col		Col									
			H)		N)									
5														
5														
4														
5	Non-prorated				(WP_B-2,									
5	Average		(WP_B-2, Average of Line ,		Average of Line									
5	Balance		Cols (a) and (b))		, Cols (a) and									
			(Line		(b))									
5	Proration		553		(Line									
5	Adjustme		minus		553									
6	nt		Line		minus									
			555)		Line									
5					555)									

WP_B-Inputs - Adjustments to
 ADIT

Common Intangible - OMS

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N

	Month	Days in the Month	Number of Days Remaining in Year After Month's Accrual of Deferred Taxes	Total Days in Future Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)
563564565	December 31st Balance - Prorated Items							-						-
5666	January	31	336	366	91.80%		-	-		-	-	-	-	-
5667	February	29	307	366	83.88%		-	-		-	-	-	-	-
5668	March	31	276	366	75.41%		-	-		-	-	-	-	-
5669	April	30	246	366	67.21%		-	-		-	-	-	-	-
5670	May	31	215	366	58.74%		-	-		-	-	-	-	-
5671	June	30	185	366	50.55%		-	-		-	-	-	-	-
5672	July	31	154	366	42.08%		-	-		-	-	-	-	-
5673	August	31	123	366	33.61%		-	-		-	-	-	-	-

[illegible]

	Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Month	Days in the Month	Number of Days Remaining in Year After Month's Accrual of Deferred Taxes	Total Days in Future Portion of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)
December 31st Balance - Prorated Items							-							-
January	31	336	366	91.80%		-	-		-	-	-	-	-	
February	29	307	366	83.88%		-	-		-	-	-	-	-	
March	31	276	366	75.41%		-	-		-	-	-	-	-	
April	30	246	366	67.21%		-	-		-	-	-	-	-	
May	31	215	366	58.74%		-	-		-	-	-	-	-	
June	30	183	366	50.55%		-	-		-	-	-	-	-	

603	July 31	154	366	42.08%		-	-		-	-	-	-	-
604	August 31	123	366	33.61%		-	-		-	-	-	-	-
605	September 30	93	366	25.41%		-	-		-	-	-	-	-
606	October 31	62	366	16.94%		-	-		-	-	-	-	-
607	November 30	32	366	8.74%		-	-		-	-	-	-	-
608	December 31	1	366	0.27%		-	-		-	-	-	-	-
609	Total	2,030	4,392			-	-		-	-	-	-	-
611	Ending Balance of Prorated items		(Line 608, Col H)			-			(Line 608, Col N)			-	
617	Non-prorated Average Balance		(WP_B-2, Average of Line , Cols (a) and (b))			-			(WP_B-2, Average of Line , Cols (a) and (b))			-	
618	Proration Adjustment		(Line 615 minus Line 617)			-			(Line 615 minus Line 617)			-	

WP_B-Inputs - Adjustments to ADIT

Common General - AGIS

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)					
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Month	Days in the Month	Number of Days Remaining in Year After Month's Accrued Taxes	Total Days in Future Period of Test Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)

December 31st Balance - Prorated Items

628	January	31	336	366	91.80%	-	-	-	-	-	-
629	February	29	307	366	83.88%	-	-	-	-	-	-
630	March	31	276	366	75.41%	-	-	-	-	-	-
631	April	30	246	366	67.21%	-	-	-	-	-	-

632	May	31	215	366	58.74%		-	-		-	-	-	-	-
633	June	30	185	366	50.55%		-	-		-	-	-	-	-
634	July	31	154	366	42.08%		-	-		-	-	-	-	-
635	August	31	123	366	33.61%		-	-		-	-	-	-	-
636	September	30	93	366	25.41%		-	-		-	-	-	-	-
637	October	31	62	366	16.94%		-	-		-	-	-	-	-
638	November	30	32	366	8.74%		-	-		-	-	-	-	-
639	December	31	1	366	0.27%		-	-		-	-	-	-	-
640	Total	2,030	4392				-	-		-	-	-	-	-
641														
642														
643														
644														
645														
646														
647														
648	Ending Balance of Prorated items			(Line 637, Col H)			-			(Line 637, Col N)			-	
649														
650														
651														
652														
653														
654														
655														
656														
657														
658	Non-prorated Average Balance			(WP_B-2, Average of Line Cols (a) and (b))			-			(WP_B-2, Average of Line Cols (a) and (b))			-	

644
minus
Line
646)

644
minus
Line
646)

Proration
Adjustment

-

-

WP B-3 - Deficient ADIT

NOL Carryforward - Direct Assigned to Transmission

Days in Period					Averaging with Proration - Projected			Averaging Preserving Projected Proration - True-up (See Note 6.)						
A	B	C	D	E	F	G	H	I	J	K	L	M	N	
Month	Days in the Month	Number of Days Remaining in Year After Month's Accrual of Deferred Taxes	Total Days in Full Year of Interest Period	Proration Amount (C / D)	Projected Monthly Activity	Prorated Projected Monthly Activity (E x F)	Prorated Projected Balance (Cumulative Sum of G)	Actual Monthly Activity	Difference between projected and actual activity (See Note 1.)	Preserve proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 2.)	Difference between projected and actual activity and projected activity are either both increases or decreases. (See Note 3.)	Actual activity (Col I) when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 4.)	Balance reflecting proration or averaging (See Note 5.)	
December 31st Balance - Prorated Items														=
January	31	336	366	91.80%	-	=	=	-	=	=	=	=	=	
February	29	307	366	83.88%	-	=	=	-	=	=	=	=	=	

[illegible]

[illegible]

6900	Jan v	31	33 6	3 6 6	91.80 %	-	=	=	-	=	=	=	=	=
6911	Fe bru ary	29	30 7	3 6 6	83.88 %	-	=	=	-	=	=	=	=	=
6922	Ma rch	31	27 6	3 6 6	75.41 %	-	=	=	-	=	=	=	=	=
6933	Apr il	30	24 6	3 6 6	67.21 %	-	=	=	-	=	=	=	=	=
6944	Ma y	31	21 5	3 6 6	58.74 %	-	=	=	-	=	=	=	=	=
6955	Jun e	30	18 5	3 6 6	50.55 %	-	=	=	-	=	=	=	=	=
6966	Jul y	31	15 4	3 6 6	42.08 %	-	=	=	-	=	=	=	=	=
6977	Au gus t	31	12 3	3 6 6	33.61 %	-	=	=	-	=	=	=	=	=
6988	Se pte mber	30	93	3 6 6	25.41 %	-	=	=	-	=	=	=	=	=
6999	Oct obe r	31	62	3 6 6	16.94 %	-	=	=	-	=	=	=	=	=
7000	No ve mber	30	32	3 6 6	8.74 %	-	=	=	-	=	=	=	=	=
7011	De ce mber	31	1	3 6 6	0.27 %	-	=	=	-	=	=	=	=	=
7022	-	Total	2030	431921	-	=	=	-	=	=	=	=	=	-

	(Line		(Line	
7	Ending	689.	689.	
0	Balance of	Col	Col	-
8	Prorated items	H)	N)	
7				
0				
9				
7	Non-prorated			
1	Average		(WP B-3 –	
0	Balance	(WP B-3 – Deficient ADIT)	Deficient ADIT)	-
	(Line		(Line	
	708		708	
7	Proration	minus	minus	
1	Adjustme	Line	Line	
1	nt	710)	710)	-

- 1) Column J is the difference between projected monthly and actual monthly activity (Column I minus Column F). Specifically, if projected and actual activity are both positive, a negative in Column J represents over-projection (amount of projected activity that did not occur) and a positive in Column J represents under-projection (excess of actual activity over projected activity). If projected and actual activity are both negative, a negative in Column J represents under-projection (excess of actual activity over projected activity) and a positive in Column J represents over-projection (amount of projected activity that did not occur).
- 2) Column K preserves proration when actual monthly and projected monthly activity are either both increases or decreases. Specifically, if Column J is over-projected, enter Column G x [Column I/Column F]. If Column J is under-projected, enter the amount from Column G and complete Column L). In other situations, enter zero.
- 3) Column L applies when (1) Column J is under-projected AND (2) actual monthly and projected monthly activity are either both increases or decreases. Enter the amount from Column J. In other situations, enter zero.
- 4) Column M applies when (1) projected monthly activity is an increase while actual monthly activity is a decrease OR (2) projected monthly activity is a decrease while actual monthly activity is an increase. Enter actual monthly activity (Col I). In other situations, enter zero.
- 5) Column N is computed by adding the prorated monthly activity, if any, from Column K to 50 percent of the portion of monthly activity, if any, from Column L or M to the balance at the end of the prior month. The activity in columns L and M is multiplied by 50 percent to reflect averaging of rate base to the extent that the proration requirement has not been applied to a portion of the monthly activity.
- 6) The methodology to remove double averaging from the true-up ADIT Proration calculation is effective June 27, 2018.

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Public Service Company of Colorado

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Docket No. ER19-____-000

**DIRECT TESTIMONY
OF
MARK P. MOELLER**

**ON BEHALF OF
PUBLIC SERVICE COMPANY OF COLORADO**

June 7, 2019

DIRECT TESTIMONY OF MARK P. MOELLER

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**EXHIBITS TO
DIRECT TESTIMONY OF MARK P. MOELLER**

<u>Exhibit No.</u>	<u>Description</u>
XES – 201	Comparison of Current, Depreciation Rate Study, and Settlement Depreciation Rates and Parameters by Common Utility Plant Account
XES – 202	Unanimous Comprehensive Settlement Agreement, Colorado PUC Proceeding No. 16A-0231E, November 10, 2016 (“Settlement Agreement”)
XES – 203	Depreciation Rates Resulting from Settlement, Colorado PUC Proceeding No. 16A-0231E (Exhibit A to Settlement Agreement)
XES – 204	Documents Supporting the Depreciation Rates Resulting from Settlement Agreement, Colorado PUC Proceeding No. 16A-0231E (Exhibit B to Settlement Agreement)
XES – 205	Public Service Company of Colorado – Electric and Common Utility Plant Depreciation Rate Study at January 1, 2018, conducted by Alliance Consulting Group, Colorado PUC Proceeding No. 16A-0231E, Supplemental (“Depreciation Rate Study”)
XES – 206	Recommended Decision of the Administrative Law Judge, dated December 13, 2016 (approving Settlement Agreement)
XES – 207	Deferred Tax Expense Calculation Examples

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Public Service Company of Colorado

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Docket No. ER19-____-000

Summary of the Direct Testimony of Mark P. Moeller

Mr. Moeller’s Direct Testimony on behalf of Public Service Company of Colorado (“PSCo” or “the Company”) supports revising the Common Utility Plant depreciation rates included in PSCo’s Transmission Formula Rate Template, Attachment O-PSCo (“Transmission Formula Rate” or “Template”) to the Xcel Energy Operating Companies Open Access Transmission Tariff (“Tariff”). PSCo provides retail and wholesale electric service, retail natural gas service, and retail steam services in the State of Colorado. Common Utility Plant are assets utilized by the Company’s Electric, Gas and Steam utility departments. Mr. Moeller explains that the Alliance Consulting Group (“Alliance”) prepared a “Public Service Company of Colorado – Electric and Common Utility Plant Depreciation Rate Study at January 1, 2018” (“Depreciation Rate Study”) filed in Colorado Public Utilities Commission (“Colorado PUC” or “CoPUC”) Proceeding No. 16A-0231E. Mr. Moeller explains that the proposed changes to the Common Utility Plant depreciation rates are also supported by a Unanimous Comprehensive Settlement Agreement (“Settlement Agreement”) approved by the Colorado PUC in CoPUC Proceeding No. 16A-0231E and made effective January 1, 2018 in PSCo’s most recent Natural Gas base rate case (Proceeding No. 17AL-0363G). An Administrative Law Judge recommended the CoPUC accept this Settlement Agreement with no changes, and in January 2017 the ALJ recommendation became the decision of the CoPUC.

A copy of the Depreciation Rate Study, Settlement Agreement and certain exhibits thereto, including the settled Common Utility Plant depreciation rates, the ALJ recommended decision, and other supporting documents are provided as exhibits to Mr. Moeller's testimony.

Mr. Moeller explains that PSCo has for many years used the same depreciation rates and practices applicable to retail electric service for wholesale production services under the PSCo Tariff. The Federal Energy Regulatory Commission ("FERC" or "Commission") should accept the revised Common Utility Plant depreciation rates to maintain consistency between retail rates and the Tariff.

Mr. Moeller testifies that the revised Common Utility Plant depreciation rate changes will result in an overall decrease in PSCo system depreciation expense of approximately \$16.8 million annually, and a decrease in depreciation expense charged to wholesale transmission service customers under the Tariff of approximately \$0.2 million annually. Mr. Moeller also discusses the other proposed revisions to Table 25 to the Template to remove references to depreciation rates which do not affect the calculation of transmission rates, and the removal of references to regulatory assets where recovery has been completed.

Mr. Moeller also supports PSCo's proposal for the flow-back of plant-related excess or deficient accumulated deferred income taxes ("ADIT") resulting from enactment of the Tax Cuts and Jobs Act ("TCJA") to Tariff customers using the Average Rate Assumption Method ("ARAM"), effective January 1, 2018. Specifically, PSCo proposes to return both "protected" and "unprotected" plant-related excess ADIT to customers using ARAM, and Mr. Moeller explains in detail how ARAM is calculated based on the in service date of the subject assets. Mr. Moeller explains that approximately 92 percent of PSCo's total plant-related excess ADIT is "protected" for electric assets related to transmission, general and intangible, and common assets

allocated to electric on a total Company basis. Mr. Moeller calculates the amount of deferred income tax expense associated with PSCo's for electric assets related to transmission, general, and intangible, and common assets allocated to electric plant-related excess ADIT balance to be \$5.7 million in 2018 on a total Company basis.

**DIRECT TESTIMONY OF
MARK P. MOELLER**

I. INTRODUCTION AND EXPERIENCE

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Mark P. Moeller. My business address is 414 Nicollet Mall, 401 – 3, Minneapolis, Minnesota 55401.

Q. BY WHOM ARE YOU EMPLOYED AND WHAT IS YOUR POSITION?

A. I am employed by Xcel Energy Services Inc. (“Xcel Energy Services” or “XES”), a wholly-owned subsidiary of Xcel Energy Inc. (“Xcel Energy”), as Rotational Director, Capital Asset Accounting. Xcel Energy Services is the centralized service company for the Xcel Energy holding company system, and provides services to the subsidiaries of Xcel Energy.

Q. PLEASE DESCRIBE XCEL ENERGY.

A. Xcel Energy is a public utility holding company with, among other subsidiaries, four wholly-owned, vertically integrated public utility operating company subsidiaries: Public Service Company of Colorado (“PSCo” or the “Company”), Northern States Power Company, a Minnesota corporation (“NSPM”), Northern States Power Company, a Wisconsin corporation (“NSPW”), and Southwestern Public Service Company (“SPS”) (together, the “Xcel Energy Operating Companies”).

Q. ON WHOSE BEHALF ARE YOU TESTIFYING?

A. I am testifying on behalf of PSCo.

Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND PROFESSIONAL EXPERIENCE.

1 A. Since January 2019, I have been employed as a Director, Capital Asset Accounting.
2 Prior to this role, I served in several other financial director and manager roles at XES
3 including Corporate Accounting, Financial Process and Governance, Financial
4 Performance and Reporting, Financial Controls. I led the implementation of Xcel
5 Energy's conversion from its JDE general ledger system to an SAP general ledger system
6 in 2016, and previously led Xcel Energy's implementation of Sarbanes-Oxley
7 compliance processes in 2003. I have been employed at XES since April of 2003. Prior
8 to joining XES I worked in multiple financial accounting, reporting and process roles. I
9 graduated from Saint John's University in Collegeville, Minnesota, with a Bachelor of
10 Science degree in Accounting in 1989 and also received a Master of Business
11 Administration degree from the University of Minnesota, Carlson School of Management
12 in 1996.

13 **Q. WHAT ARE YOUR DUTIES IN YOUR CURRENT POSITION?**

14 A. I lead the Capital Asset Accounting department and am responsible for various capital
15 asset functions associated with accounting, reporting, tax and rate proposals involving
16 depreciation for PSCo and other Xcel Energy Operating Companies.

17 **Q. HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY BEFORE THE**
18 **FEDERAL ENERGY REGULATORY COMMISSION?**

19 A. No, but I am also submitting testimony in a concurrent filing by PSCo to revise its
20 production formula rate template ("Production Template") to, among other things, reflect
21 changes in depreciation rates affecting service to PSCo's six wholesale requirements
22 production (power sales) customers.

1 **Q. WERE YOUR TESTIMONY AND EXHIBITS PREPARED BY YOU OR UNDER**
2 **YOUR DIRECT SUPERVISION?**

3 A. Yes, the testimony and exhibits were prepared by me or under my direct supervision.

II. PURPOSE OF TESTIMONY

4 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

5 A. The first purpose of my testimony is to support PSCo's changes to the Common Utility
6 Plant depreciation rates listed in Table 25 to the Transmission Formula Rate template
7 ("Transmission Formula Rate" or "Template") included in Attachment O-PSCo to the
8 Xcel Energy Operating Companies Open Access Transmission Tariff ("OATT" or
9 "Tariff"). The revised Common Utility Plant depreciation rates will apply to the
10 depreciation expense calculation used in the Transmission Formula Rate starting January
11 1, 2018, when those depreciation rate changes were made effective for calculating PSCo
12 retail electric depreciation expense in Colorado, CoPUC Proceeding No. 17AL-0363G.
13 PSCo uses the Template to calculate an Annual Transmission Revenue Requirement
14 ("ATRR") applicable to the PSCo transmission system to determine PSCo's wholesale
15 transmission service rates under the Tariff. I am providing the accounting support and
16 justification for the Company's adoption of the revised depreciation rates for Common
17 Utility Plant, including General and Intangible Plant, such as software.¹ As the
18 Company's accounting witness, I am attesting to the reasonableness of the Company's
19 proposals in this proceeding and their consistency with sound depreciation practices. I

¹ For ease of reference, the term "depreciation rates" is used in this proceeding to refer to the Company's depreciation and amortization of all electric utility and common utility plant accounts. It should be noted, however, that certain of the Company's intangible plant accounts are amortized, and not depreciated through the use of approved depreciation rates. Thus, in many contexts, the term "depreciation rates" also includes the amortization periods applicable to accounts that are amortized, and not depreciated.

1 also support PSCo's proposal for the flow-back of plant-related excess or deficient
2 accumulated deferred income taxes ("ADIT") resulting from enactment of the Tax Cuts
3 and Jobs Act ("TCJA") to Tariff customers.

4 Specifically, my testimony will cover the following:

- 5 • I introduce and summarize the "Public Service Company of Colorado – Electric
6 and Common Utility Plant Depreciation Rate Study at January 1, 2018"
7 ("Depreciation Rate Study") which supports and justifies the revised depreciation
8 rates.
- 9 • I introduce and discuss the Unanimous Comprehensive Settlement Agreement
10 ("Settlement Agreement") approved by the Colorado Public Utilities Commission
11 ("Colorado PUC" or "CoPUC") as just and reasonable and in the public interest in
12 CoPUC Proceeding No. 16A-0231E, and provide a description of any Settlement
13 Agreement changes in Common Utility Plant depreciation rates from those
14 supported by the Depreciation Rate Study. The depreciation rates established in
15 the Settlement Agreement result in lower depreciation expense for Common
16 Utility Plant accounts than recommended in the Depreciation Rate Study.
- 17 • I sponsor and summarize the depreciation rates for Common Utility Plant
18 accounts being submitted by the Company for inclusion in Table 25 to the
19 Template.
- 20 • I provide the estimated impact of PSCo's depreciation rate changes on PSCo
21 system depreciation expense and the impact to PSCo's wholesale transmission
22 service customers under the Tariff.

- 1 • I briefly summarize the other revisions to Table 25 to the Template to remove
2 references to distribution depreciation rates which do not affect the calculation of
3 transmission rates, and the removal of references to regulatory assets where
4 recovery has been completed.
- 5 • In addition, my testimony supports PSCo’s proposal for the flow-back to Tariff
6 customers of plant-related excess/deficient ADIT resulting from enactment of the
7 TCJA using the Average Rate Assumption Method (“ARAM”). Specifically,
8 PSCo proposes to return both “protected” and “unprotected” plant-related
9 excess/deficient ADIT to customers using ARAM. Ms. Kourtnei Yager supports
10 the ten (10) year amortization for pension related non-plant ADIT and the five (5)
11 year amortization for other non-plant ADIT, as well as an amortization for the Net
12 Operating Loss (or “NOL”) Carryforward deferred tax asset generated as a result
13 of PSCo claiming bonus depreciation. PSCo will amortize the NOL over 51
14 years, the average remaining life of all of PSCo’s plant. Ms. Yager also supports
15 the revisions to the Template to flowback excess/deficient ADIT to Tariff
16 customers.

17 **Q. HAVE YOU PREPARED ANY EXHIBITS IN SUPPORT OF YOUR**
18 **TESTIMONY IN THIS PROCEEDING?**

- 19 A. Yes. I am sponsoring the following exhibits. I would note that given the size of certain
20 documents, and the fact PSCo is revising only the Common Utility Plant depreciation
21 rates in this case, I am providing the portions of one Settlement Agreement exhibit that
22 relate to depreciation rates for Common Utility Plant that affect the Attachment O-PSCo
23 Template.

1

<u>Exhibit No.</u>	<u>Description</u>
XES – 201	Comparison of Current, Depreciation Rate Study, and Revised Common Utility Plant Depreciation Rates and Parameters by Plant Account
XES – 202	Unanimous Comprehensive Settlement Agreement, Colorado PUC Proceeding No. 16A-0231E, November 10, 2016 (“Settlement Agreement”)
XES – 203	Depreciation Rates Resulting from Settlement, Colorado PUC Proceeding No. 16A-0231E (Exhibit A to Settlement Agreement)
XES – 204	Documents Supporting the Depreciation Rates Resulting from Settlement Agreement, Colorado PUC Proceeding No. 16A-0231E (Exhibit B, to Settlement Agreement)
XES – 205	Public Service Company of Colorado – Electric and Common Utility Plant Depreciation Rate Study at January 1, 2018, conducted by Alliance Consulting Group, Colorado PUC Proceeding No. 16A-0231E, Supplemental (“Depreciation Rate Study”)
XES – 206	Recommended Decision of the Administrative Law Judge, December 13, 2016 (approving Settlement Agreement)
XES – 207	Deferred Tax Expense Calculation Examples

2 **Q. WHAT COMMISSION DOCKETS ACCEPTED THE CURRENTLY**
3 **EFFECTIVE PSCO TRANSMISSION AND COMMON UTILITY PLANT**
4 **DEPRECIATION RATES USED IN THE TEMPLATE?**

5 A. PSCo has for many years used the same depreciation rates and practices to calculate rates
6 applicable to both retail electric service in Colorado and wholesale transmission services
7 under the provisions of the Tariff applicable to PSCo. As I understand, the depreciation
8 rates currently used in PSCo’s transmission formula rate were initially filed with the
9 Commission in Docket No. ER08-284-000, and accepted effective January 1, 2007, to

1 reflect depreciation changes approved by the CoPUC effective the same date.² The PSCo
2 filing in Docket No. ER08-224-000 incorporated the depreciation rates in the PSCo
3 historic test year formula rate template then used by PSCo to establish transmission rates
4 under the Tariff. As I also understand, those same depreciation rates were then
5 incorporated into the currently effective Template when PSCo changed to a forward
6 looking transmission formula rate Template with a true-up in Docket No. ER12-1589.³
7 The 2007 Common Utility Plant depreciation rates currently in effect for the Template,
8 and the revised rates being submitted in this filing, are summarized in Exhibit No. XES -
9 201.

10 **Q. PLEASE PROVIDE A BRIEF BACKGROUND ON THE MORE RECENT**
11 **COLORADO PUC PROCEEDINGS RELATED TO THE REVISED**
12 **DEPRECIATION RATES.**

13 A. In 2014, the Colorado PUC ordered PSCo to update its depreciation rates for all electric
14 and common utility plant assets in its order in Colorado PUC Proceeding Nos. 14AL-
15 0660E. XES then retained Alliance Consulting Group (“Alliance”), who prepared a
16 “Public Service Company of Colorado – Electric and Common Utility Plant Depreciation
17 Rate Study at January 1, 2018” (“Depreciation Rate Study”). The Depreciation Rate
18 Study was performed for electric production, transmission, distribution, and general plant
19 and common general (which includes electric and common intangible assets). The
20 Depreciation Rate Study identified changes to PSCo’s CoPUC-approved depreciation
21 rates, and on April 1, 2016, PSCo requested approval from the Colorado PUC for new

² *Public Service Company of Colorado*, Unpublished Letter Order (May 27, 2008).

³ *Public Service Company of Colorado*, Delegated Letter Order, 145 FERC ¶ 61,266 (2013).

1 depreciation rates supported by the Depreciation Rate Study in CoPUC Proceeding
2 16AL-0231E. Exhibit No. XES – 405 is a copy of the Depreciation Rate Study filed with
3 the CoPUC.

4 Through settlement negotiations, some depreciation rates – including Common
5 Utility Plant rates – were modified and a Unanimous Comprehensive Settlement
6 Agreement (“Settlement Agreement”), dated November 10, 2016, was submitted to the
7 CoPUC for approval. Exhibit No. XES – 402 is a copy of the Settlement Agreement.
8 CoPUC Decision No. R16-1143, the Recommended Decision of the Administrative Law
9 Judge, dated December 13, 2016, recommended approval of the Settlement Agreement as
10 just and reasonable and in the public interest. Exhibit No. XES – 406 is copy of the
11 Recommended Decision. The Recommended Decision became a decision of the CoPUC
12 20 days later, on January 2, 2017.

13 The Settlement Agreement provides that the CoPUC-approved depreciation rates
14 established in Proceeding No. 16A-0231E will be effective for retail ratemaking purposes
15 on the date new base rates become effective in the next PSCo Colorado retail rate case.

16 PSCo filed a retail natural gas rate case in June 2017 (CoPUC Proceeding No.
17 17AL-0363G) that included the new Common Utility Plant depreciation rates. In June
18 2018 the revised retail Common Utility Plant depreciation rates were made effective
19 January 1, 2018 for retail ratemaking. PSCo thus began recording Common Utility Plant
20 depreciation expense for its electric utility operation using the revised Common Utility
21 Plant rates approved in CoPUC Proceeding No. 17AL-0363G effective January 1, 2018.

22 As noted, PSCo has for many years used the same depreciation rates and
23 practices applicable for both retail electric service and for wholesale production services

1 under the Tariff. Using the same depreciation rates for both wholesale and retail services
2 significantly simplifies the Company's depreciation accounting. PSCo is therefore now
3 filing the same Settlement Agreement depreciation rates for Common Utility Plant
4 approved by the CoPUC with the Commission to be included in the Transmission
5 Formula.

6 I would note that, by contrast, the Electric Utility Plant depreciation rates in the
7 Settlement Agreement are not yet effective for retail ratemaking. Those depreciation rate
8 changes – which affect substantially more plant included in wholesale transmission rates
9 – will be effective when final rates go into effect in PSCo's next retail electric rate case.
10 That rate case was filed with the CoPUC on May 20, 2019, with final rates expected to be
11 effective January 1, 2020. As I understand, PSCo will separately file later in 2019 to
12 revise the Electric Utility Plant depreciation rates used in the Template to be effective
13 January 1, 2020.

14 **Q. WHAT STANDARD OF REVIEW IS USED FOR THE COLORADO PUC TO**
15 **APPROVE DEPRECIATION RATES?**

16 A. The Colorado PUC reviewed and approved PSCo's depreciation rates under a public
17 interest as well as a just and reasonable standard per Section 40-3-101, C.R.S.⁴ Although,
18 as I understand it, the Commission must conduct its own, independent review of the
19 depreciation rates, the depreciation rates in the Settlement Agreement should also meet
20 the "just and reasonable" standard used by the Commission under the Federal Power Act.

⁴ Section 13-25-127(1), C.R.S., and Rule 4 *Code of Colorado Regulations* 723-1-1500 of the Commission's Rules of Practice and Procedure, establish the burden of proof for a party which asks the Commission to adopt its advocated position. Decision No. C06-0786 issued July 3, 2006 in Proceeding No. 05A-072E, at ¶ 40 & n.23.

Q. WHAT EFFECTIVE DATE DOES PSCO PROPOSE FOR THE REVISED DEPRECIATION RATES?

A. PSCo proposes the effective date to coincide with the effective date of the new depreciation rates for retail electric ratemaking and depreciation expense accounting, or January 1, 2018. This is the date the revised Common Utility Plant rates were made effective through CoPUC Proceeding No. 17AL-0363G.

Q. WHAT IS THE ESTIMATED CHANGE TO DEPRECIATION EXPENSE RESULTING FROM THE PROPOSED DEPRECIATION RATE CHANGES?

A. Based on the revised depreciation rates indicated in the Exhibit No. XES – 204, Exhibit B of Settlement Agreement, as applied to projected Common Utility Plant balances estimated as of January 1, 2018, the overall change in annual depreciation and amortization expense is a decrease of \$16.8 million on a PSCo system basis. By comparison, the impact of the Common Utility depreciation rates recommended from the Alliance Depreciation Rate Study would have resulted in a \$2.2 million reduction. The decrease in depreciation expense related to Common Utility plant between the Depreciation Rate Study and the Settlement Agreement is primarily due to longer life of routine software and computer hardware equipment. Since the electric transmission function is allocated only a share of Common Utility Plant expense, the impact on the PSCo ATRR is a reduction in expense of about \$1.3 million. As I understand, Tariff customers comprise approximately 18 percent of the transmission loads on the PSCo system, so the annual impact to Tariff customers is a rate reduction of approximately \$0.2 million annually.

III. DEPRECIATION RATE MODIFICATIONS

Q. WHY SHOULD DEPRECIATION RATES BE UPDATED PERIODICALLY?

A. Depreciation is an estimation of future expectations. Using those estimations, the cost of the asset is spread ratably to customers over that period. If the estimation of the useful period changes as the asset is used, the depreciation estimate should be realigned to those new estimates so that the asset's cost is fully recovered by the time it is retired. When depreciation rates are set at a level that does not reflect the actual life and retirement characteristics of a utility's assets, the cost of the asset will not be recovered ratably from the customers using that asset.

Q. WHAT ARE THE REVISED DEPRECIATION RATES PSCO IS INCLUDING IN TABLE 25 OF THE TEMPLATE?

A. PSCo is modifying Table 25 of the Template to use the Settlement Agreement depreciation rates for Common Utility Plant to calculate transmission service rates. Exhibit No. XES – 101 includes a marked version of Table 25 to the Template showing the depreciation rate changes by plant account. The Depreciation Rate Study, as modified by Settlement Agreement, supports changes to the depreciation rates for PSCo's Common Utility Plant assets. Exhibit No. XES – 201 is a summary table showing: 1) the current Common Utility Plant depreciation rates, 2) the Common Utility Plant rates recommended by the Depreciation Rate Study, and 3) the Settlement Agreement Common Utility Plant depreciation rates PSCo is placing in effect effective January 1, 2018. Exhibit No. XES – 203 is Exhibit A of the Settlement Agreement that also shows the difference between the current and revised Common Utility Plant depreciation rates.

Q. HOW ARE THE DEPRECIATION RATES CALCULATED?

A. The calculation of depreciation rates is provided in Exhibit No. XES – 204, which is a portion of Exhibit B of the Settlement Agreement. Exhibit No. XES – 204 summarizes the depreciation rate changes affecting transmission service under the Tariff and is organized as follows:

Page #'s	Appendix	Title
222-223	A-4	Depreciation Rate Calculation Common Depreciable Plant
226-227	A-6	Depreciation Rate Calculation Common Amortized
228-237	B	Depreciation Expense Comparison
238-240	C	Depreciation Parameter Comparison
252-254	F-2	Summary of Reserve Reallocation Non Production Plant

Please note that the Settlement Agreement updates all depreciation rates affecting PSCo's retail electric rates, and only a portion of those changes (for Common Utility Plant) will affect wholesale transmission service rates through this filing. For simplicity, I am including only the portions of Exhibit B affecting depreciation rates related to Common Utility Plant. The depreciation rates by account for Common Utility Plant, including common general and intangible plant are shown on pages 236 through 237 of the Exhibit B to the Settlement Agreement, provided in Exhibit No. XES – 204.

With that overview, I will discuss how the proposed depreciation rates were developed.

A. Overview of Alliance Depreciation Rate Study

Q. WHO PERFORMED THE DEPRECIATION RATE STUDY, EXHIBIT NO. XES – 205?

1 A. As noted, the Depreciation Rate Study was performed by Alliance Consulting Group
2 (“Alliance”) at PSCo’s direction and supervision. Alliance personnel have over 80 years
3 of combined experience in conducting depreciation studies, as well as many years of
4 utility experience managing and studying utility assets.

5 **Q. WHAT DEFINITION OF DEPRECIATION WAS USED IN PREPARING THE**
6 **ALLIANCE DEPRECIATION RATE STUDY AND YOUR TESTIMONY?**

7 A. The term “depreciation,” as used in preparing the Depreciation Rate Study and as used in
8 my testimony, is an accounting method that spreads the cost of assets, less net salvage (if
9 any), over the estimated useful life of the assets in a systematic and rational manner.
10 Depreciation expense is systematically allocated to accounting periods over the life of the
11 assets. The amount allocated to any year does not necessarily represent the loss or
12 decrease in value that will occur during that year. Thus, depreciation is considered an
13 expense or cost, rather than a loss or decrease in value. PSCo accrues depreciation based
14 on the original cost of all property included in each depreciable plant account. On
15 retirement, the full cost of depreciable property, less any net salvage amount (positive or
16 negative), is charged to the depreciation reserve.

17 **Q. WHAT PROPERTY IS INCLUDED IN THE DEPRECIATION RATE STUDY?**

18 A. The Depreciation Rate Study analyzed both Electric Utility Plant and Common Utility
19 Plant. Electric Utility Plant includes five general classes, or functional groups, of
20 depreciable property that are analyzed in the study: (1) Production Plant, (2)
21 Transmission Plant, (3) Distribution Plant, (4) General Plant, and (5) Intangible Plant
22 related to electric utility property. Common Utility Plant includes two general classes, or
23 functional groups, of depreciable property that are analyzed in the study: (1) General

1 Plant and (2) Intangible Plant related to common utility property. I focus my discussion
2 in this testimony to Common Utility Plant property, as these functional groups identify
3 the changes in depreciation rates submitted in this filing.

4 **Q. WHAT IS COMMON UTILITY PLANT?**

5 A. Common Utility Plant includes both Common General Plant and Common Intangible
6 Plant. The Depreciation Rate Study includes the Common General Plant accounts 389.20
7 through 398 and the Common Intangible Plant accounts 301 through 303.04. Common
8 Utility Plant is not location specific, but is plant used to support PSCo's electric, natural
9 gas and steam departments and the overall operations, such as office buildings, tools, and
10 vehicles, along with intangible assets such as software.

11 **Q. PLEASE DESCRIBE THE ASSETS INCLUDED IN COMMON GENERAL**
12 **PLANT.**

13 A. The Common General Plant accounts are comprised of FERC Accounts 389-398,
14 including their subparts. FERC Account 389 (Land and Land Rights) and FERC Account
15 390 (Structures and Improvements) are evaluated at the account level for depreciation
16 rate determination. For General Plant assets in FERC Accounts 391-398 ("Vintage
17 Group"), PSCo continues to use a vintage year accounting method detailed in Accounting
18 Release Number 15 ("AR-15"), Vintage Year Accounting for General Plant Accounts,
19 dated January 1, 1997. Common Intangible Plant accounts comprise of FERC Account
20 303 (Miscellaneous Intangible) which is software.

21 Accounting Release 15 (AR-15) allows utilities to use a simplified method of
22 accounting for general plant assets, excluding structures and improvements which is
23 referred to as "General Property." AR-15 allowed high-volume, low-cost assets to be

1 amortized over the associated useful life, eliminated the need to track individual assets,
2 and allows a retirement to be booked at the end of the depreciable life. This method is
3 often referred to as “amortization of general plant.” The method of accounting allowed in
4 AR-15 performs the depreciation calculation at a vintage level rather than at a total
5 account level.

6 **Q. PLEASE DESCRIBE THE DEPRECIATION RATE STUDY, EXHIBIT NO. XES**
7 **– 205.**

8 A. The Depreciation Rate Study evaluated Electric Utility Plant and Common Utility Plant
9 depreciable assets using the Company’s actual plant asset balances as of September 30,
10 2015 and projected plant and depreciation reserve balances as of January 1, 2018 to
11 determine recommended depreciation rates for the projected time period commencing
12 January 1, 2018. The following process occurred: 1) historic data through September 30,
13 2015 and judgment are used to estimate life and net salvage parameters; 2) PSCo
14 provided Alliance a walk-forward of projected plant and depreciation reserve activity
15 from October 1, 2015 to January 1, 2018; 3) additions are projected as the transaction
16 year the asset went into service; 4) retirements are based on a last-in, first out approach
17 where the oldest vintages were retired; and 5) the projected vintage balances and reserves
18 at January 1, 2018 are used to compute the proposed depreciation accrual. The
19 Depreciation Rate Study for PSCo system Common Utility Plant proposed an overall
20 3.1% decrease in depreciation expense over the current depreciation expense, based on
21 projected plant balances as of January 1, 2018.

22 The Depreciation Rate Study uses the straight-line, broad (average) life group,
23 remaining life depreciation system with changes directed by PSCo concerning certain

1 plant related regulatory assets. This methodology is described in detail in Section II.B,
2 starting on page 9 of the Depreciation Rate Study. This is the same methodology used by
3 PSCo in 2007 for the existing depreciation rates established in Docket Nos. ER08-284-
4 000 and ER12-1589. In addition, Alliance performed a reallocation of the accumulated
5 reserve for depreciation within each functional class.

6 For Common Utility Plant accounts, the lives of the accounts and net salvage
7 parameters are reviewed.

8 **Q. DOES THE DEPRECIATION RATE STUDY REFLECT ANY CHANGES IN**
9 **THE USEFUL LIVES OR NET SALVAGE PERCENTAGES OF THE COMMON**
10 **UTILITY PLANT ASSETS?**

11 A. Yes. The Depreciation Rate Study recommends changes in depreciation for Common
12 Utility Plant accounts for each function based on estimated account balances as of
13 January 1, 2018.

14 For Common Utility Plant accounts (excluding Intangibles), the Depreciation
15 Rate Study reflects eight accounts that have increasing lives and one account that has
16 decreasing life, while nine had no change. There is a trend toward slightly lower net
17 salvage (where the projected salvage value exceeds projected cost of removal) with eight
18 accounts decreasing their net salvage and with one account increasing
19 net salvage, while nine had no change.

20 For Common Intangible Plant the Depreciation Rate Study recommends a 15-year
21 amortization period for large backbone type software systems, such as the General
22 Ledger and Work Asset Management (WAM) software systems, rather than the current
23 10 year amortization period.

1 The Depreciation Rate Study follows the long-standing precedent for determining
2 the average remaining life depreciation rate based on the Average Life Group (“ALG”)
3 and straight-line depreciation. This methodology charges all customers for their
4 appropriate share of the capital expended for their benefit. The depreciation rates are
5 based on average remaining life calculations and net salvage rates.

6 **Q. PLEASE DESCRIBE THE CHANGES IN THE USEFUL LIVES OR NET**
7 **SALVAGE PERCENTAGES OF THE COMMON UTILITY PLANT ASSETS?**

8 A. The Depreciation Rate Study proposed extending the lives of Common General Plant
9 accounts related to Structures and Improvements, accounts 390.00 and 390.08,
10 Transportation, accounts 392.10 - 392.40, and Power Operated Equipment, account 396.
11 The Depreciation Rate Study provides detailed explanation for its recommendation on
12 pages 57 – 60 for Common Utility Plant. Net salvage changes were primarily in
13 Transportation Equipment accounts 392.10 through 392.40, recommending a reduction to
14 net salvage as discussed on pages 79-85 of the Depreciation Rate Study.

15 **B. Plant Reserve Reallocation**

16 **Q. WHAT IS RESERVE REALLOCATION?**

17 A. Reserve reallocation can be thought of as a true-up mechanism for the depreciation
18 reserve. The actual reserve within a functional property class is reallocated between
19 accounts. In this manner, the reserve for each account is adjusted so that it is closer to its
20 theoretical reserve. The theoretical reserve is calculated based on current assumptions for
21 the assets regarding the average age, average service lives, survival curve, and net
22 salvage percentages as if they had been used throughout the life of the property group.
23 The reserve reallocation and theoretical reserve are described in more detail in the

1 Depreciation Rate Study, Exhibit No. XES – 205, pages 17-29, with the reserve
2 reallocation represented on page 385 for Common General Plant. The reserve
3 reallocation was a then factor in the calculation that resulted in the Settlement Agreement
4 depreciation rates reflected in Exhibit No. XES – 204.

5 **Q. IS REALLOCATING THE DEPRECIATION RESERVE AMONG PLANT**
6 **ACCOUNTS AN ACCEPTED PRACTICE IN DEPRECIATION ACCOUNTING?**

7 A. Yes. In fact, the practice of reserve reallocation has been endorsed by the National
8 Association of Regulatory Utility Commissioners ("NARUC") in its publication, "Public
9 Utility Depreciation Practices."

10 **Q. HAS THE COMMISSION PREVIOUSLY ALLOWED FOR THE**
11 **REALLOCATION OF THE COMPANY'S DEPRECIATION RESERVE IN**
12 **SETTING DEPRECIATION RATES FOR THE COMPANY'S PLANT ASSETS?**

13 A. Yes. The theoretical reserve calculation and the reallocation of reserve calculation in the
14 Depreciation Rate Study are the same calculations used in developing the settlement
15 depreciation rates in Docket No. ER08-284-000 included in Table 25 to the Template in
16 Docket No. ER12-1589.

17 **E. Settlement Agreement Depreciation Rate Changes**

18 **Q. PLEASE DESCRIBE THE SPECIFIC CHANGES IN DEPRECIATION RATES**
19 **IN THE SETTLEMENT AGREEMENT FROM THE DEPRECIATION RATE**
20 **STUDY RELATED TO COMMON UTILITY PLANT.**

21 A. The changes agreed to in the Settlement Agreement related to Common Utility Plant
22 included: a) for FERC Account 303 (Common) Intangible Plant, change the software life
23 of 5 years to be amortized over 7 years; and b) change the average service life for FERC

1 Account 390 Structures and Improvements from 40 to 45 years. The Settlement
2 Agreement depreciation rates also incorporate changes related to Common Utility Plant
3 included: a) for FERC Account 391 Computer Equipment, change the average service
4 life of 5 years to 6 years; and b) increase the net salvage percentage for FERC Accounts
5 392.10 to 392.40 Transportation Equipment. A comprehensive comparison of
6 depreciation rates and parameters between the current Common Utility Plant depreciation
7 rates, the rates recommended by the Depreciation Rate Study, and the revised Common
8 Utility Plant depreciation rates is provided in Exhibit No. XES – 201.

9 **Q. DID THE COPUC APPROVE THE SETTLEMENT AGREEMENT?**

10 A. An Administrative Law Judge recommended the CoPUC accept the Settlement
11 Agreement in a Decision mailed on December 13, 2016. The ALJ decision is provided as
12 Exhibit No. XES – 206. As I understand, the ALJ decision became the decision of the
13 CoPUC as a matter of law on January 2, 2017. The Settlement Agreement provided that
14 the depreciation and amortization expense accruals resulting from the CoPUC
15 Application and Settlement Agreement were required to be used in developing revised
16 rates in PSCo's next general rate case

17 **F. Proposed Revisions to Table 25 to Attachment O-PSCo**

18 **Q. PLEASE EXPLAIN THE CHANGES TO TABLE 25 TO THE TRANSMISSION**
19 **FORMULA RATE.**

20 A. The marked tariff pages in Exhibit No. XES – 101 update, among other things, the
21 Common Utility Plant depreciation rates in Table 25 to be identical to those agreed to in
22 the Settlement Agreement.

1 Additionally, all depreciation rates that do not impact the calculation of
2 transmission rates under the Template are being deleted from Table 25. For instance,
3 depreciation rates associated with Distribution Plant are deleted. These depreciation rates
4 were not included in the tariff changes accepted in Docket No. ER08-204, but were added
5 to Table 25 in the settlement in Docket No. ER12-1589. Deleting these depreciation rates
6 from Table 25 limits Table 25 to those depreciation rates affecting the calculation of
7 transmission service or ancillary services rates, and simplifies the content of Table 25.

8 PSCo is also removing the Regulatory Asset Amortization for San Luis-Calumet-
9 Comanche Transmission Line and Mountain Pine Beetle, and the Regulatory Liability
10 Amortization for Technical Services Building from Table 25 because the regulatory
11 assets are fully amortized and no longer impact the Transmission Formula Rate. The
12 amortization related to the network transmission facilities associated with the Rocky
13 Mountain Energy Center is retained.

IV. EFFECT OF 2017 TAX CUTS AND JOBS ACT

14 **Q. WHAT IS THE PURPOSE OF THIS SECTION OF YOUR TESTIMONY?**

15 A. In this section of my testimony, I explain the effects that certain provisions of the TCJA
16 will have on the deferred taxes associated with the Company's plant assets and thus on
17 the revenue requirement calculations in this proceeding. I also explain how generally
18 accepted accounting principles ("GAAP") direct the determination of the effect of the
19 TCJA on plant assets.

20 **Q. PLEASE PROVIDE A SUMMARY OF THE TCJA AND ITS EFFECT ON THE**
21 **DEFERRED TAXES ASSOCIATED WITH PLANT ASSETS OF A REGULATED**
22 **ENTITY.**

1 A. The primary provision of the TCJA that will affect the PSCo transmission revenue
2 requirement calculation related to plant assets in this proceeding is the reduction of the
3 federal corporate income tax rate from 35 percent to 21 percent effective January 1, 2018.
4 The reduction in the federal corporate income tax rate affects the calculation of revenue
5 requirements by reducing the amount of current taxes calculated, reducing the gross up
6 factor, increasing the deferred tax calculated due to the flow-back of excess accumulated
7 deferred income taxes (“ADIT”), and lowering the ADIT net liability over time.

A. Accumulated Deferred Income Taxes – Plant Assets

8 **Q. WHAT ARE DEFERRED TAXES?**

9 A. At a high level, deferred taxes are a mechanism that tracks the temporary timing
10 differences between tax depreciation and deductions versus book depreciation. The
11 effect of this mechanism is to share the faster tax depreciation or deductions with all
12 customers throughout the life of the asset, such that the customers benefiting from the
13 asset in its first year of operation get the same tax benefit as the customers benefiting
14 from the asset in its last year of operation. This is referred to as normalization of the tax
15 benefits. The Internal Revenue Service (“IRS”) requires utilities to normalize the tax
16 benefits in order to use accelerated tax depreciation methods. Because of this IRS
17 requirement, the FERC approved normalization of the plant deferred taxes used in
18 ratemaking in Order No. 144.⁵ The calculation of deferred taxes in its simplest form is the
19 difference between tax depreciation and book depreciation, times the current tax rate.
20

⁵ *Tax Normalization for Certain Items Reflecting Timing Differences in the Recognition of Expenses or Revenues for Ratemaking and Income Tax Purposes*, Order No. 144, FERC Stats. & Regs. ¶ 30,254 (1981), *order on reh’g*, Order No. 144-A, FERC Stats. & Regs. ¶ 30,340 (1982).

1 **Q. ARE THERE PLANT AND NON-PLANT DEFERRED TAXES?**

2 A. Yes. My testimony addresses the ADIT related to plant assets, which are either
3 “protected” and “unprotected” plant assets. Company witness Ms. Yager addresses the
4 ADIT related to non-plant assets.

5 **Q. HAS THE TCJA REDUCTION IN THE FEDERAL CORPORATE INCOME TAX**
6 **RATE AFFECTED DEFERRED TAX BALANCES?**

7 A. Yes, from a financial reporting perspective, but not from a ratemaking perspective. All
8 ADIT asset and liability balances existing at December 31, 2017 were recalculated at the
9 21 percent federal corporate income tax rate for purposes of financial reporting under
10 GAAP.

11 The difference between the net ADIT liability at the former 35 percent federal
12 income tax rate and net ADIT liability at the lower 21 percent federal income tax rate
13 created a net regulatory liability,⁶ referred to as “excess” ADIT. For ratemaking
14 purposes, the regulatory liability created for plant-related excess ADIT is presented as
15 part of the total net ADIT liability balance when calculating rate base. This assures that
16 the rate base is not immediately increased with a tax rate change. Plant excess ADIT for
17 PSCo totals \$196.5 million as of December 31, 2018 for electric assets related to
18 transmission, general, and intangible, and common assets allocated to electric on a total
19 Company basis.

20 In addition, for deferred income tax expense arising after the TCJA enactment
21 date (i.e., additions to ADIT in 2018 and afterward), the deferred tax expense will be

⁶ The net of ADIT assets and ADIT liabilities is referred to as the “ADIT net liability.”

1 determined using the lower 21 percent federal corporate income tax rate, resulting in a
2 lower ADIT balance than would have existed prior to the tax rate change.

B. Company Proposal

3 **Q. HOW DOES THE COMPANY PROPOSE TO RETURN THIS EXCESS ADIT TO**
4 **CUSTOMERS?**

5 A. The plant excess ADIT balance for both “protected” and “unprotected” plant is returned
6 to customers using ARAM. The TCJA provides that plant excess ADIT cannot be used
7 to reduce the cost of service more rapidly than the rate at which the timing differences
8 reverse over the life of the related property. Because the federal corporate tax rate
9 change is a tax benefit, and because the tax benefits of accelerated depreciation methods
10 are shared by all customers benefiting from the asset through deferred taxes, the tax rate
11 benefit is provided to all customers through the use of ARAM. The return of the plant
12 excess ADIT to customers through ARAM effectively increases the deferred taxes by this
13 ARAM amount, also known as ARAM amortization, or the flow-back of excess ADIT.
14 Therefore, when the income taxes are calculated for revenue requirements, current and
15 deferred taxes do not equal one another and the net of the current and deferred taxes
16 create a reduction to revenue requirements equal to this ARAM amortization.

17 **Q. PLEASE EXPLAIN IN MORE DETAIL HOW ARAM IS CALCULATED.**

18 A. Plant ADIT net liability balances arise primarily due to accelerated timing of tax
19 depreciation as compared to book depreciation. When tax depreciation is greater than
20 book depreciation, the ADIT liability balance is increasing, or “setting up.” When tax
21 depreciation is less than book depreciation, typically later in an asset’s life, the ADIT
22 liability balance for that asset is getting smaller, or “unwinding.” ARAM is a method

1 that calculates an average tax rate from all the tax rates used up to the point when the
2 ADIT balance begins unwinding, and uses this average tax rate to unwind the ADIT to
3 zero.

4 For electric assets related to transmission, general and intangible, and common
5 assets allocated to electric that were in-service prior to the January 1, 2018 effective date
6 of the new TCJA federal tax rate but for which the ADIT has not yet begun unwinding,
7 annual deferred tax expense will be calculated at the current rate, and the accumulated
8 deferred balance will continue increasing. When the deferred tax balance stops
9 increasing and starts decreasing, the annual deferred tax calculation will switch from
10 using the current tax rate to using the average of the tax rates applied up to this point,
11 which ensures that the vintage deferred record will unwind to zero over the remaining
12 life.

13 For assets that were in-service before January 1, 2018 and for which the ADIT
14 has already begun unwinding (meaning book depreciation is greater than tax
15 depreciation), the annual deferred tax expense calculations will never use the new federal
16 tax rate of 21 percent. Instead, the assets will use an average of the composite tax rates
17 based on the historical 35 percent federal rate to unwind their accumulated deferred
18 balances.

19 Finally, for assets that are placed in-service after January 1, 2018, the deferred
20 taxes will be calculated entirely at the new federal tax rate going forward. These assets
21 have no excess ADIT, and thus no excess to flow back to customers.

22 Two examples have been provided in Exhibit No. XES - 207 to show the deferred
23 tax expense calculation for: (1) an asset whose ADIT liability was still growing at the

1 time of a tax rate change; and (2) an asset whose ADIT liability was already unwinding at
2 the time of the tax rate change.

3 **Q. IS PSCO REQUIRED TO USE ARAM TO RETURN THE PLANT EXCESS ADIT**
4 **BALANCE TO CUSTOMERS?**

5 A. The TCJA contains an alternative method for certain taxpayers that may be used if the
6 taxpayer's books and underlying records do not contain vintage account data necessary to
7 apply ARAM.⁷ Since PSCo maintains its utility property records with adequate vintage
8 account data to use ARAM, PSCo is required to use ARAM for "protected" plant-related
9 excess ADIT. All plant-related excess ADIT should be returned using ARAM regardless
10 whether the IRS categorizes the excess as "protected" or "unprotected," which would
11 return the excess ADIT over the average remaining lives of the assets. As I understand,
12 the use of ARAM for the flowback of unprotected plant ADIT is consistent with recent
13 Commission precedent.⁸

14 **Q. WHAT IS MEANT BY THE TERMS "PROTECTED" AND "UNPROTECTED"**
15 **AND EXPLAIN HOW THESE CONCEPTS RELATE TO PLANT-RELATED**
16 **EXCESS ADIT.**

17 A. There are generally two categories of excess ADIT — protected (IRS normalization rules
18 apply) and unprotected (IRS does not demand normalization).⁹ In turn, either protected
19 or unprotected excess ADIT can relate to plant-related or non-plant-related excess ADIT.

⁷ If the books and records of public utilities and interstate pipelines do not contain the vintage data necessary to apply ARAM, they are required to use an alternative method, *e.g.*, the Reverse South Georgia Method.

⁸ *PJM Interconnection, LLC, PPL Electric Utilities Corp.*, 167 FERC ¶ 61,083 (2019) at P 33.

⁹ Section 1.167(l)-1(h)(6) of the IRS Regulations sets forth further normalization requirements with respect to public utility property.

Most of PSCo's excess ADIT (approximately 92 percent) relates to accelerated depreciation on plant, which is "protected" by normalization rules under IRS regulations and other guidance. That excess ADIT must be returned to customers using ARAM.

The remainder of the plant excess ADIT balances, which comprises a minimal amount of PSCo's plant-related excess ADIT balance, is related to other tax deductions and timing differences, such as tax repairs deductions or contributions in aid of construction, and is not "protected" by IRS normalization requirements (thus, it is referred to as "unprotected"). The split between protected and unprotected excess ADIT for the transmission, general, and intangible assets is provided below in Table 1.

Table 1: Protected and Unprotected Plant Excess ADIT

	Excess ADIT	Percentage of Total
Protected	180,560,411	92.0%
Unprotected	15,647,731	8.0%
Total	196,208,142	100.0%

Q. WHY IS IT APPROPRIATE TO USE ARAM TO RETURN ALL PLANT-RELATED EXCESS ADIT TO CUSTOMERS?

A. PSCo recommends this approach because it is consistent with PSCo's historical practice of normalizing all plant-related deferred taxes to effectively share the current tax benefits with all future customers that also will be served by the assets. Because the change in tax rate created a tax benefit in the form of excess deferred taxes, under the ARAM these excess deferred taxes are used to reduce the cost of service no more rapidly than the rate at which the timing differences reverse over the life of the related property. Returning excess deferred taxes in this manner normalizes the timing difference between book and

1 tax accounting and ensures tax benefits are shared with all customers who benefit from
2 the asset, rather than giving all the tax benefits to customers in the early phases of the
3 asset's life and no benefit to customers in the later years of the asset's life. In fact,
4 because transmission plant lives are long, customers in the later years of service life
5 would be denied a portion of this tax benefit if the Commission were to use a method
6 other than ARAM, which is tied to the assets' lives, for unprotected plant. Stated another
7 way, any small financial benefit to customers today would not be meaningful, whereas
8 the added complexity of a timing mismatch and the harm to future customers support
9 continuing use of the ARAM. Thus, it is important to treat unprotected balances for all
10 plant-related items in a reasonable and consistent manner that ensures the costs are spread
11 equitably across the average remaining useful life of the plant.

12 **Q. WHAT IS THE CALCULATED ARAM AMORTIZATION FOR 2018?**

13 A. The deferred income tax expense associated with ARAM on the excess deferred income
14 tax balance related to electric assets including transmission, general and intangible, and
15 common assets allocated to electric, is calculated to be \$5.7 million in 2018 for PSCo on
16 a system basis.

V. CONCLUSION

17 **Q. WHAT RECOMMENDATIONS ARE YOU MAKING?**

18 A. I recommend that the Commission:

- 19 • Accept PSCo's revised depreciation rates for Common Utility Plant reflected in
20 Exhibit No. XES – 203, as supported by the Depreciation Rate Study and Settlement
21 Agreement, and authorize them to become effective for ratemaking and financial
22 accounting purposes on January 1, 2018, the same effective date the depreciation

1 rates are effective for retail electric depreciation accounting pursuant to the 2017

2 PSCo Colorado Retail Gas Rate Case;

3 • Accept PSCo's revisions to Table 25 of Attachment O-PSCo that reflect the revised
4 Common Utility Plant depreciation rates included in the Settlement Agreement,
5 effective January 1, 2018; and

6 • Accept PSCo's use of ARAM amortization of excess ADIT for both protected and
7 unprotected plant-related assets.

8 **Q. DOES THIS CONCLUDE YOUR PRE-FILED DIRECT TESTIMONY?**

9 A. Yes.

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

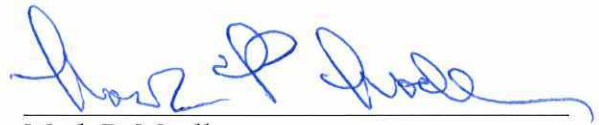
Public Service Company of Colorado

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Docket No. ER19-____-000

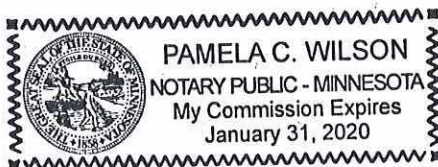
AFFIDAVIT

Mark P. Moeller, being duly sworn, deposes and states: that the Direct Testimony of Mark P. Moeller was prepared by me or under my direct supervision, and that the statements contained therein are true and correct to the best of my knowledge and belief.



Mark P. Moeller

SUBSCRIBED AND SWORN to before me this 7th day of June, 2019.



Notary Public

Public Service Company of Colorado
Comparison of Current, Depreciation Rate Study and Proposed Depreciation Rates by Plant Account

Exhibit No. XES - 201
Page 1 of 2

<u>Unit or Account</u> <u>Number</u>	<u>Account Number and / or Description</u>	<u>Approved (1)</u>		<u>Depreciation Rate Study (2)</u>		<u>Proposed (3)</u>		<u>Change in Proposed from Approved</u>
		<u>Total Depr</u>		<u>Total Depr</u>		<u>Total Depr</u>		<u>Total Depr</u>
		<u>Notes</u>	<u>Rate</u> a	<u>Rate</u> b	<u>Notes</u>	<u>Rate</u> c	<u>Notes</u>	<u>Rate</u> d=c-a
	<u>COMMON INTANGIBLE PLANT</u>							
301.00	Organization Costs							
302.00	Franchises and Consents	(4)	Various	Various	(4)	Various	(4)	
303.00	Misc Computer Software-3 Year		33.3333%	33.3333%		33.3333%		0.0000%
303.04	Misc Computer Software-7 Year		20.0000%	20.0000%		14.2857%		-5.7143%
303.04	Misc Computer Software-10 Year		10.0000%	10.0000%		10.0000%		0.0000%
303.04	Misc Computer Software-15 Year		10.0000%	6.6667%		6.6667%		-3.3333%
	<u>COMMON GENERAL PLANT</u>							
389.20	Land Rights		0.0000%	1.6667%		1.6667%		1.6667%
390.00	Structures and Improvements	(7)	2.3855%	2.8325%		2.4191%		0.0336%
390.07	Structures and Improvements - Leasehold Improvements	(6)	Various	Various	(6)	Various	(6)	
390.85	Structures and Improvements - 1800 Larimer	(5)	Various	Various	(5)	Various	(5)	
391.00	Office Furniture and Equipment		4.7500%	5.3351%		4.9019%		0.1519%
391.04	Computer Hardware		20.0000%	21.4662%		16.3559%		-3.6441%
391.05	Computer Hardware - 3 Year Life		33.3300%	35.8108%		32.6080%		-0.7220%
392.10	Transportation Equipment - Automobiles		9.0000%	8.1070%		7.4233%		-1.5767%
392.20	Transportation Equipment - Light Trucks		9.0000%	8.3319%		7.3603%		-1.6397%
392.30	Transportation Equipment - Trailers		9.0000%	3.7241%		3.1677%		-5.8323%
392.40	Transportation Equipment - Heavy Trucks		9.0000%	7.6310%		6.1716%		-2.8284%
393.00	Stores Equipment		3.1700%	3.9617%		3.1640%		-0.0060%
394.00	Tools and Shop Equipment		3.8000%	4.2800%		3.9186%		0.1186%
395.00	Laboratory Equipment		9.5000%	10.1462%		9.9572%		0.4572%
396.00	Power Operated Equipment		9.0000%	6.6632%		5.8982%		-3.1018%
397.00	Communication Equipment		6.6700%	10.8385%		5.4453%		-1.2247%
398.00	Miscellaneous Equipment		5.0000%	6.2317%		4.6394%		-0.3606%

Notes:

- (1) Approved Rates are from Docket Nos. ER08-527, ER10-192, ER11-2853, ER16-1733 and ER16-1724, unless specified in the Notes column.
- (2) Public Service Company of Colorado's Electric and Common Utility Plant Depreciation Rate Study, at January 1, 2018 ("Depreciation Rate Study"), conducted by Alliance Consulting Group, CoPUC Proceeding No. 16A-0231E.
- (3) Depreciation Rates Resulting from Settlement, CoPUC Proceeding No. 16A-0231E, Exhibit A to Settlement, (Exhibit XES-203)
- (4) Amortized over the terms of the franchise agreements or license.
- (5) Amortized to the end of the lease term 6/2025.
- (6) Amortized over the lease term.
- (7) Composite depreciation accrual rate for General Account 390 Structures and Improvements.

Public Service of Colorado
Comparison of Current, Depreciation Rate Study and Proposed Depreciation Parameters
January 1, 2018

Exhibit XES - 201
Page 2 of 2

Account Number	Description	Notes	Approved (1)			Depreciation Rate Study (2)			Proposed (3)			Difference Proposed from Approved	
			Curve	ASL	Net Salvage Percent	Curve	ASL	Net Salvage Percent	Curve	ASL	Net Salvage Percent	Life j=h-b	Net Salvage Percent k=i-c
			a	b	c	d	e	f	g	h	i		
<u>COMMON INTANGIBLE PLANT</u>													
301.00	Organization Costs												
302.00	Franchises and Consents	(4)											
303.00	Miscellaneous Computer Software - 3 Year		SQ	3	0%	SQ	3	0%	SQ	3	0%	0	0%
303.04	Misc Computer Software - 7 Year		SQ	5	0%	SQ	5	0%	SQ	7	0%	2	0%
303.04	Miscellaneous Computer Software - 10 Year		SQ	10	0%	SQ	10	0%	SQ	10	0%	0	0%
303.04	Miscellaneous Computer Software - 15 Year		SQ	10	0%	SQ	15	0%	SQ	15	0%	5	0%
<u>COMMON GENERAL PLANT</u>													
389.20	Land Rights					R4	60	0%	R4	60	0%	60	0%
390.06	Structures and Improvements (390B General Buildings)	(5)	L1	50	-10%	L2	40	-10%	R1.5	45	-10%	-5	0%
390.00	Structures and Improvements	(5)	R1.5	35	-10%	L2	40	-10%	R1.5	45	-10%	10	0%
390.08	Structures and Improvements - Partitions	(5) (7)	R4	25	5%	L2	40	-10%	R1.5	45	-10%	20	-15%
390.07	Structures and Improvements - Leasehold Improvements	(8)											
390.85	Structures and Improvements - 1800 Larimer	(9)											
391.00	Office Furniture and Equipment		SQ	20	5%	SQ	20	0%	SQ	20	0%	0	-5%
391.04	Computer Hardware		SQ	5	0%	SQ	5	0%	SQ	6	0%	1	0%
391.05	Computer Hardware - 3 Year Life		SQ	3	0%	SQ	3	0%	SQ	3	0%	0	0%
391.09	Office Equipment - Partition Lease Facilities	(10)	SQ	20	0%	SQ	20	0%	SQ	20	0%	0	0%
392.10	Transportation Equipment - Automobiles		SQ	10	10%	SQ	12	6%	SQ	12	10%	2	0%
392.20	Transportation Equipment - Light Trucks		SQ	10	10%	SQ	12	6%	SQ	12	10%	2	0%
392.30	Transportation Equipment - Trailers		SQ	10	10%	SQ	25	10%	SQ	25	20%	15	10%
392.40	Transportation Equipment - Heavy Trucks		SQ	10	10%	SQ	14	6%	SQ	14	10%	4	0%
393.00	Stores Equipment		SQ	30	5%	SQ	30	0%	SQ	30	0%	0	-5%
394.00	Tools and Shop Equipment		SQ	25	5%	SQ	25	0%	SQ	25	0%	0	-5%
395.00	Laboratory Equipment		SQ	10	5%	SQ	10	0%	SQ	10	0%	0	-5%
396.00	Power Operated Equipment		SQ	10	10%	SQ	14	15%	SQ	14	15%	4	5%
397.00	Communication Equipment		SQ	15	0%	SQ	15	0%	SQ	15	0%	0	0%
398.00	Miscellaneous Equipment		SQ	20	0%	SQ	20	0%	SQ	20	0%	0	0%

Notes:

- (1) Depreciation parameters utilized in the computation of approved depreciation rates from Docket Nos. ER08-527, ER10-192, and ER11-2853, unless specified in the Notes column.
- (2) Public Service Company of Colorado's Electric and Common Utility Plant Depreciation Rate Study, at January 1, 2018 ("Depreciation Rate Study"), conducted by Alliance Consulting Group, CoPUC Proceeding No. 16A-0231E, Supplemental Direct Testimony of Mr. Dane A. Watson in Attachment DAW-1 REV 2 (Exhibit No. XES-205)
- (3) Documents Supporting the Depreciation Rates Resulting from Settlement Agreement, CoPUC Proceeding No. 16A-0231E, Exhibit B to Settlement, (Exhibit XES-204) Pages 238-240 of 266 (Appendix C)
- (4) Amortized over the terms of the franchise agreements or license.
- (5) Accounts 390 Structures and Improvements subaccounts will be combined into one 390 Structures and Improvements account in future filings.
- (6) Intentionally not used
- (7) Account 390.08 Common Partitions is almost fully accrued. Future additions to this account will be booked in Common account 390.0 Structures and Improvements.
- (8) Amortized over the lease term.
- (9) Amortized to the end of the lease term 6/2025.
- (10) Account 391.09 Common Office - Partitions Leased Facilities is almost fully accrued. Future additions to this account will be booked in Common account 390.07 Structures and Improvements - Leasehold Improvements and amortized over the lease term.

EXHIBIT NO. XES – 202

Unanimous Comprehensive Settlement Agreement, CoPUC Proceeding No. 16A-0231E, November 10, 2016

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

*** * * * ***

**IN THE MATTER OF THE APPLICATION)
OF PUBLIC SERVICE COMPANY OF)
COLORADO FOR AUTHORIZATION TO)
REVISE THE DEPRECIATION AND)
AMORTIZATION OF ELECTRIC UTILITY)
PLANT, COMMON UTILITY PLANT AND)
RETIRED GENERATING UNITS.)**

PROCEEDING NO. 16A-0231E

UNANIMOUS COMPREHENSIVE SETTLEMENT AGREEMENT

November 10, 2016

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EXHIBITS

Exhibit Identifier	Description
Exhibit A	Depreciation Rates Resulting from Settlement Agreement
Exhibit B	Documents Supporting the Depreciation Rates Resulting from Settlement Agreement
Exhibit C	Changes in Annual Depreciation and Amortization Expense from the Company's Rebuttal Testimony to the Settlement Agreement
Confidential Exhibit D	Confidential Version of the American Metal Market scrap pricing for October 2014, 2015 and 2016
Public Version of Confidential Exhibit D	Public Version of the American Metal Market scrap pricing for October 2014, 2015 and 2016

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

* * * * *

IN THE MATTER OF THE APPLICATION	)	
OF PUBLIC SERVICE COMPANY OF	)	
COLORADO FOR AUTHORIZATION TO	)	
REVISE THE DEPRECIATION AND	)	PROCEEDING NO. 16A-0231E
AMORTIZATION OF ELECTRIC UTILITY	)	
PLANT, COMMON UTILITY PLANT AND	)	
RETIRED GENERATING UNITS.	)	

UNANIMOUS COMPREHENSIVE SETTLEMENT AGREEMENT

I. INTRODUCTION AND IDENTIFICATION OF THE PARTIES

This Settlement Agreement is a full and complete resolution of all issues raised in Proceeding No. 16A-0231E, Public Service Company of Colorado's ("Public Service" or the "Company") Application for a Colorado Public Utilities Commission ("Commission") decision approving proposed revised depreciation rates for its Electric and Common Utility Plant¹ and its proposed plan to amortize and recover the regulatory assets associated with 13 recently retired or soon-to-be retired electric generating plants, referred to herein as the "Retired Generating Units"². All of the parties to this proceeding are joining the Settlement Agreement: Public Service, Commission Trial Staff ("Staff"),

¹ Certain of the Company's intangible plant accounts are amortized and not depreciated through the use of approved depreciation rates. For those accounts, the Company is technically requesting the Commission's approval of proposed amortization periods. For ease of reference, the term "depreciation rates" is used in this Application and supporting testimony to refer to the Company's proposals regarding the depreciation and amortization of all Electric Utility and Common Utility plant accounts.

² At the time Public Service's Application was filed there were 13 Retired Generating Units, which included 11 generating facilities that have been retired – Cameo Units 1 and 2, Arapahoe Units 1 through 4, Cherokee Units 1 through 3, and Zuni Units 1 and 2 – and two additional facilities that are scheduled to be retired by December 31, 2017 – Valmont Unit 5 and the coal-related assets at Cherokee Unit 4. During the pendency of this proceeding, it was announced that Craig Unit 1, in which Public Service is a minority owner, is to be retired. See the Supplemental Direct Testimony of Scott B. Brockett, Hearing Exhibit ("Ex.") 105, Attachment SBB-3.

the Colorado Office of Consumer Counsel (“OCC”), the Colorado Energy Consumers (“CEC”), and Western Resource Advocates (“WRA”) (collectively the “Settling Parties”). As such, this Settlement Agreement is a comprehensive uncontested settlement that resolves all issues that have been raised or could have been raised in this proceeding.

II. BACKGROUND REGARDING PROCEEDING

A. Proceeding Background

On April 1, 2016, pursuant to C.R.S. § 40-4-112 and the provisions of the Settlement Agreement approved by the Commission in Decision No. C15-0292, issued March 31, 2015 in Public Service’s last Phase I electric rate case in Consolidated Proceeding Nos. 14AL-0660E and 14A-0680E, the Company submitted its Application for a Commission decision approving proposed revised depreciation rates for its Electric and Common Utility Plant, as set forth in Application’s Exhibit A, and its proposed plan to amortize and recover the regulatory assets associated with 13 Retired Generating Units.

In its direct case, the Company’s proposed changes to depreciation and amortization expense are based on the depreciation rates recommended by Mr. Watson and supported by his 2016 Depreciation Rate Study. The 2016 Depreciation Rate Study was based on the Company’s Electric and Common Utility Plant assets in existence as of September 30, 2015, and projected account balances for these assets as of January 1, 2018. The proposed depreciation rates for the Company’s production plant reflected in the 2016 Depreciation Rate Study incorporate the plant-by-plant decommissioning cost estimates reflected in the 2016 Decommissioning Cost Study sponsored by Company witness Mr. Kopp. As part of the 2016 Depreciation Rate

Study, and as specifically directed by the Company, Mr. Watson performed a depreciation reserve reallocation based on theoretical reserves encompassing all operating production units within a functional class as well as the estimated regulatory asset balances, including the cost of removal, attributable to the Retired Generating Units. The Company proposed to amortize the estimated regulatory asset balances, based upon the special regulatory asset accounting previously approved by the Commission, over a period of four years from 2018 through 2021.

As a result, in its direct case, the estimated change in the Company's annual depreciation and amortization expense, using the proposed depreciation rates and based on projected plant balances as of January 1, 2018, before allocation to the retail jurisdiction, was an increase of \$48.3 million. Based on January 1, 2018, regulatory asset balances, the estimated change to annual amortization expense for the Retired Generating Units, after the reserve reallocation and based on a four-year amortization period, was a decrease of \$1.8 million. Combining these amounts, the total estimated increase in annual depreciation and amortization expense resulting from the Company's proposals in this Application, based on January 1, 2018 balances, was \$46.5 million.

On September 20, 2016, the Company filed Supplemental Direct Testimony, to incorporate the announcement of the anticipated early retirement of Craig Unit 1, in which Public Service is a minority owner. After incorporating the revision related to Craig Unit 1, making minor corrections in the 2016 Depreciation Cost Study, and changing the proposed amortization period of the regulatory assets for the Retired Generating Units from four to five years, the Company's estimated overall increase in annual depreciation and amortization expense based on the resulting depreciation and

amortization rates and projected January 1, 2018, balances was \$44.3 million. This revised increase was \$2.2 million less than the annual increase of \$46.5 million reflected in the Company's Direct Testimony and Attachments, as corrected.

On October 3, 2016, OCC, WRA and CEC each filed Answer Testimony making various recommendations regarding the Company's proposed depreciation and amortization rates.³ In response, on October 25, 2016, both WRA and CEC filed Cross-Answer Testimony⁴, and the Company filed Rebuttal Testimony modifying its proposal in Supplemental Direct Testimony in order to narrow the number of litigated issues. Specifically, the Company adopted, in part, the following four intervenor recommendations:

- Limit the shifting of depreciation reserve amounts through the reserve reallocation from the operating Steam Production units to the Retired Generating Units to \$78.6 million, or one-half of the amount reflected in the Company's Supplemental Direct Case;
- Extend the proposed amortization period for the regulatory assets associated with Retired Generating Units and Craig Unit 1, reflecting balances resulting after the above-mentioned reserve reallocation, from five years to six years;
- Lengthen the average service life for Electric and Common Account 391, Computer Equipment, from five to six years; and

³ See the Answer Testimony and Attachments of OCC witness James Garren, the Answer Testimony and Attachments of WRA witness Uday Varadarajan, and the Answer Testimony and Attachments of CEC witness Jacob Pous, respectively. Staff did not file Answer Testimony.

⁴ WRA filed the Cross-Answer Testimony of Uday Varadarajan and CEC filed the Cross-Answer Testimony of Jacob Pous.

- Change the net salvage percentage for Electric and Common Account 392, Transportation Equipment, except for Account 392.3, Trailers, to positive 10 percent and Account 392.3, Trailers, to positive 20 percent.

As a result, in Rebuttal Testimony the Company requested a total increase in depreciation and amortization expense of \$42.8 million, which is \$1.5 million lower than the \$44.3 million increase proposed in the Supplemental Direct Case.

On November 4, 2016, the Settling Parties reached an agreement in principle regarding the Company's proposed depreciation rates and amortization periods, which is more fully described below. The Settling Parties recommend that the Commission approve the proposed depreciation rates and amortization periods that are reflected in Exhibit A to this Settlement Agreement.

B. Procedural Background

On April 1, 2016, Public Service filed an Application for a Commission decision approving proposed revised depreciation rates for the Company's Electric and Common Utility Plant, as set forth in Exhibit A of the Application, and the Company's proposed plan to amortize and recover the regulatory assets associated with the Retired Generating Units. In support of this Application the Company filed the Direct Testimony and Attachments of Company witnesses Scott B. Brockett, Cathy Schwartz, Dane A. Watson and Jeffrey T. Kopp.

Staff and the OCC intervened by right on April 19, 2016 and April 8, 2016, respectively. CEC and WRA filed motions to intervene on April 14, 2016, and May 5, 2016, respectively. On May 11, 2016, by Minute Order, the Commission deemed the Application complete and referred the matter to an Administrative Law Judge ("ALJ"). In

Decision No. R16-0475-I, ALJ Robert I Garvey granted the interventions of CEC and WRA. In Decision No. R16-0556-I, ALJ Garvey adopted a procedural schedule, which was later modified in Decision Nos. R16-0818-I, R16-0854-I and R16-1011-I.

On September 20, 2016, Public Service filed the Supplemental Direct Testimony of Company witnesses Scott B. Brockett, Cathy Schwartz, Dane A. Watson and Jeffery T. Kopp.

On October 3, 2016, the following intervenors filed Answer Testimony: the OCC (Answer Testimony and Attachments of OCC witness James S. Garren); WRA (Answer Testimony and Attachments of WRA witness Uday Varadarajan), and CEC (Answer Testimony and Attachments of Jacob Pous).

On October 25, 2016, Public Service filed the Rebuttal Testimony of Company witnesses Scott B. Brockett, Cathy Schwartz, Dane A. Watson, Jeffery T. Kopp, Randy J. Larson and Patrick A. Wilson.

On October 28, 2016, Public Service, OCC and WRA filed corrections to pre-filed testimony as delineated under the procedural schedule.

On November 4, 2016, the date by which Settlement Agreements were to be filed under the procedural schedule, the Settling Parties reached an agreement in principle in this proceeding. As a result, Public Service filed an unopposed motion to modify the procedural schedule to allow for the Settlement Agreement to be filed by noon on November 10, 2016, and for the evidentiary hearing to be held on November 18, 2016. This unopposed motion was granted in Decision No. R16-01029-I.

III. TERMS OF SETTLEMENT

The Settling Parties agree that the Commission should adopt the depreciation and amortization rates as reflected in Public Service's Rebuttal Testimony as modified below in this Settlement Agreement. The agreed upon depreciation rates and amortization periods as modified herein are reflected in Exhibit A of this Settlement Agreement. Exhibit B to this Settlement Agreement includes all supporting documents for the agreed upon depreciation and amortization rates.⁵ The Settling Parties agree that the depreciation rates and amortization periods resulting from this Settlement Agreement are reasonable and should be incorporated in the Company's next Electric Phase I rate case, which is expected to be filed in the Second Quarter of 2017. Based on the Settlement Agreement, the total increase in annual depreciation and amortization expense, based on projected plant, depreciation reserve and regulatory asset balances as of January 1, 2018, is \$27.2 million. Exhibit C to this Settlement Agreement shows the changes in annual depreciation and amortization expense from the Company's Rebuttal Testimony to the Settlement Agreement.

A. Net Salvage Percentages For Certain Mass Property Accounts

The Settling Parties agree that the Company's proposed net salvage percentages for mass property accounts should be approved except for Federal Energy

⁵ Exhibit B includes the following updated appendices from the 2016 Depreciation Study: Appendix A-1, Steam Production; Appendix A-2, Hydro Production; Appendix A-3 Other Production; Appendix A-4, TD&G; Appendix A-5, Electric General Amortization (391-398); Appendix A-6, Common General Amortization (391-398); Appendix B, Comparison of Depreciation Rates and Annualized Depreciation Expense ; Appendix C, Comparison of Depreciation Parameters (ASL and Curves); Appendix D-1, Terminal Retirement Dates; Appendix F-1, Reserve Allocation – Production; Appendix F-1, Reserve Allocation – Non Production; Appendix G-1, Dismantling Costs – Steam Production; Appendix G-2, Dismantling Costs – Hydro Production; and Appendix G-3, Dismantling Costs – Other Production. It also includes an update to Attachment CS-4, Amortization Schedule for Retired Generating Units.

Regulatory Commission (“FERC”) Transmission Account 352, Structures and Improvements; Transmission Account 354, Towers and Fixtures; and Transmission Account 358, Underground Conductors & Devices. Specifically, the Settling Parties agree that for purposes of settlement, the net salvage ratios for these accounts that are set forth in Table 1, as proposed by OCC witness Mr. Garren,⁶ should be approved:

Table 1	
ACCOUNT	NET SALVAGE RATIO
352	-5%
354	-20%
358	0%

B. Average Service Lives for Certain Mass Property Accounts

The Settling Parties agree that the Company’s proposed asset lives for mass property accounts should be approved except for FERC Transmission Account 352, Structures and Improvements; Transmission Account 353, Station Equipment; Transmission Account 354, Towers and Fixtures; Distribution Account 364, Poles, Towers and Fixtures; Distribution Account 373, Street Lighting and Signal Systems; and Electric and Common General Plant Account 390, Structure & Improvements. OCC recommended different curve/life combinations for FERC Accounts 352, 353, 354, 364 and 373. CEC recommended a different life for FERC Account 390. The Settling Parties agree that for purposes of settlement, for these FERC Accounts, the midpoints between the Company’s proposed average service lives for each of these accounts and

⁶ Hearing Ex. 200, Garren Answer at 38-40.

the OCC and CEC recommendations are reasonable and should be approved. A comparison these curve/life combinations is included in Table 2⁷:

Table 2			
<u>Account</u>	<u>Company Proposal⁸</u>	<u>OCC⁹ or CEC¹⁰ Proposal</u>	<u>Settlement Agreement</u>
352	85/S2	92/S1.5	88/S2
353	56/R2	60/R2.5	58/R2
354	76/R4	86/S2	81/R4
364	50/S0	57/R0.5	54/S0
373	35/R0.5	47/S0.5	41/R0.5
390	40	50	45

C. Account 303 – Intangible Plant (Computer Software)

Public Service proposed to amortize the cost of routine software¹¹ over five years. CEC recommends that routine software be amortized over seven years.¹² The Settling Parties agree that for purposes of settlement, routine software be amortized over seven years.

Further, with respect to the CEC recommendation regarding the correction of reserve amortization¹³, in its next electric Phase I rate case, which is expected to be filed in the second quarter of 2017, for Intangible Plant - Account 303, the Company will

⁷ Note that in Table 2, the recommendations for FERC Accounts 352, 353, 354, 364, and 373 are in terms of life/curve combination. The recommendation for FERC Account 390 is just in terms of life.

⁸ Hearing Ex. 111, Watson Rebuttal, Attachment DAW-3.

⁹ Hearing Ex. 200, Garren Answer at 23-32.

¹⁰ Hearing Ex. 300, Pous Answer at 59.

¹¹ “Pursuant to the Commission’s Decision No. C03-0670 in the Company’s 2002 rate case in Proceeding 02S-315EG, the approved software system amortization periods are three, five, or ten years, depending on the type of system. Work station operating systems were assigned a three-year amortization period. Large base systems, such as Public Service’s billing system, were assigned the 10-year amortization period, while most other software systems are assigned a five-year amortization period.” Hearing Ex. 110, Schwartz Rebuttal, at 44.

¹² Hearing Ex. 300, Pous Answer at 56.

¹³ Hearing Ex. 300, Pous Answer at 86-95

determine which asset(s) should be physically retired prior to setting the beginning balance in the 2018 rate case. With respect to the term “physically retired,” the FERC Uniform System of Accounts defines “property retired:” “as applied to electric plant, means property which has been removed, sold, abandoned, destroyed, or which for any cause has been withdrawn from service.” For software that is physically retired, the Company agrees that it will establish and support which portions and corresponding costs of the individual software assets have been replaced by later additions either fully or partially and will retire the portion that has been replaced and is no longer in use. The retired portions of the asset would include those portions replaced due to subsequent upgrades to current systems, replacement of current systems with new ones, or the removal of a system from our computer hardware assets.

Also, its next electric Phase I rate case, which is expected to be filed in the second quarter of 2017, for Intangible Plant - Account 303, the Company will present and provide supporting data for (1) the Company’s current accounting method for software, which amortizes software individually; and (2) a group method of accounting for the amortization of software. The Company and any intervenor in the next Electric Phase I rate case are free to advocate for their preferred accounting method for software in Intangible Plant - Account 303.

D. Decommissioning Costs for Production Plant

The Settling Parties agree that the Company’s estimated decommissioning costs for Production Plant, as set forth in the 2016 Decommissioning Cost Study sponsored by Mr. Kopp, should be approved except as modified below.

1. Decommissioning Contingency

The Company proposed that the contingency costs, which represent unspecified but expected additional costs to be incurred by Public Service during the execution of decommission and demolition activities, be set at 20 percent of direct costs.¹⁴ CEC witness Mr. Pous recommended that the contingency be reduced to 10 percent.¹⁵ The Settling Parties agree that for purposes of settlement, the midpoint of these two recommendations, or 15 percent, is reasonable and should be approved.

2. Indirect Costs

The Company proposed that the indirect costs, which represent costs expected to be incurred by Public Service during the decommissioning process in addition to the direct costs paid to a demolition contractor, be set at 15 percent of direct costs.¹⁶ CEC witness Mr. Pous recommended that the indirect costs be reduced to 10 percent.¹⁷ The Settling Parties agree that for purposes of settlement, 10 percent is reasonable and should be approved.

3. Scrap Value

Decommissioning costs include a credit for scrap value. Public Service proposed scrap metal prices based on October 2015 monthly average prices as reported by American Metal Market, which were the most recent values at the time the Decommissioning Study was prepared.¹⁸ CEC witness Mr. Pous recommended that

¹⁴ Hearing Ex. 104, Kopp Direct at 37-43, Attachment JTK-1 at 35.

¹⁵ Hearing Ex. 300, Pous Answer at 44-48.

¹⁶ Hearing Ex. 104, Kopp Direct at 37-43, Attachment JTK-1 at 35.

¹⁷ Hearing Ex. 300, Pous Answer at 44-48.

¹⁸ Hearing Ex. 104, Kopp Direct at 44-47.

these values be updated to current values.¹⁹ The Settling Parties agree that for purposes of settlement, the scrap pricing included in the decommissioning cost estimates will be the average of the heavy metal price composite values for October 2014, 2015, and 2016 after removal of transportation costs on a per ton basis. The result is an increase to the Company-proposed scrap values of approximately 40 percent, as compared to the October 2015 value alone. These values are set forth in Confidential Exhibit D.

E. Retired Generating Units and Craig Unit 1 Regulatory Assets

In its direct case, with respect to the Retired Generating Units, Public Service proposed to transfer through a reserve reallocation approximately \$157 million of depreciation reserve from the operating Steam Production generating units to the Retired Generating Units, thereby providing for the future recovery of this amount over the remaining lives of the operating Steam Production facilities, rather than through the amortization of the Retired Generating Units. In its Direct Testimony, Public Service proposed including Craig Unit 1 as one of the operating Steam Production units included in the reserve reallocation, but changed its position in Supplemental Direct Testimony to exclude Craig Unit 1 from the reserve reallocation altogether. WRA recommended that the reallocation of the depreciation reserve be modified to exclude the Retired Generating Units and to include Craig Unit 1, and that the amortization period for the regulatory assets associated with the Retired Generating Units be extended to 10 years. In Rebuttal Testimony, the Company proposed to modify the

¹⁹ Hearing Ex. 300, Pous Answer at 43-44.

reserve reallocation to reallocate only 50 percent of the \$157 million depreciation reserve from the Steam Production units to the regulatory assets. The Settling Parties agree that, for the purposes of settlement, none of the \$157 million of depreciation reserve will be reallocated to the regulatory asset for Retired Generating Units. The Settling Parties further agree on a seven-year amortization period for the resulting balances of the Retired Generating Units regulatory assets, as well as the Craig Unit 1 regulatory asset.

Currently, the Company's approved base rates allow it the opportunity to earn its Weighted Average Cost of Capital ("WACC") on the regulatory assets associated with the Retired Generating Units as discussed in the Company's Application. The Settling Parties agree not to oppose the principle that the Company has the opportunity to recover its prudently incurred costs associated with the regulatory assets for the Retired Generating Units and Craig Unit 1 and the opportunity to earn a return equal to its approved WACC on those regulatory assets until the Company's prudently incurred costs are fully recovered. Nothing in this Settlement Agreement binds a party's position with regard to the treatment of other regulatory assets, including regulatory assets associated with other facilities, in future proceedings.

F. Approvals Requested

The Settling Parties agree on the following requested approvals, which reflect the provisions of the Settlement Agreement explained above:

- Approval of the depreciation rates as reflected in Exhibit A of this Settlement Agreement.

- Approval of the reserve reallocation within the functional classes that is derived from the approval of the individual lives, curves, and net salvage rates and amounts. The regulatory assets for the Retired Generating Units are excluded from this reserve reallocation.
- Except as modified above, a determination that it is reasonable to use estimated decommissioning costs from periodically updated decommissioning studies – such as the study sponsored by Mr. Kopp in this proceeding – to derive the net salvage component of the Company's depreciation rates for owned generating units.
- Approval of an effective date for these proposed depreciation rates as reflected in Exhibit A of this Settlement Agreement coincident with the date that new rates are implemented pursuant to the 2017 Rate Case.
- Approval of the amortization of the regulatory asset balances associated with the Retired Generating Units, as revised above, over seven (7) years for both accounting and ratemaking purposes.
- Approval to begin this amortization on the date that new rates are implemented pursuant to the 2017 Rate Case.
- Approval of a new 15-year amortization group for large backbone-type software systems and the inclusion of the Company's new General Ledger and Work Asset Management software systems in this new amortization group.
- Approval to establish a regulatory asset to account for deferred accruals equal to the difference between (i) the depreciation expense for Craig Unit

1 as required under Generally Accepted Accounting Principles beginning on September 1, 2016, and (ii) the depreciation expense under regulatory accounting based on the current depreciation rates previously approved by the Commission -- consistent with the deferred accounting authorized for certain of the Retired Generating Units in Decision No. C09-1446 in Proceeding No. 09AL-299E and Decision No. C10-1328 in Proceeding No. 10M-245E.

- Approval to amortize and recover the resulting Craig Unit 1 deferred amounts over the same seven-year amortization period being proposed for the Retired Generating Units, commencing with the effective date of new general electric rates to be approved in the Company's upcoming 2017 electric rate case.

IV. GENERAL PROVISIONS

1. Each Settling Party understands and agrees that this Settlement Agreement represents a negotiated resolution of all issues that the Settling Party either raised or could have raised in this proceeding to which it is a Party. Each Settling Party understands 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 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. This Settlement Agreement is intended to be a comprehensive settlement resolving all issues raised by the parties in this proceeding. To the extent that an issue has not been addressed specifically in this Settlement Agreement, the Settling Parties agree that the Company's methodology to calculate depreciation and amortization rates as set forth in its Rebuttal Testimony and Attachments shall govern as it relates to the approval requested in this proceeding. However, parties to this Settlement are not barred from raising and may take any position with respect to such issues in future proceedings, including but not limited to future depreciation proceedings or future Phase 1 electric rate case subsequent to the Company's planned 2017 Phase 1 electric rate case filing except as provided in Section C of this Settlement Agreement. Exhibit A to this Settlement Agreement provides the depreciation rates as revised by this Settlement Agreement.

3. The Settling Parties agree to join in a motion that requests that the Commission approve this Settlement Agreement in total and without modification, 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 all of the 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.

4. The Settling Parties agree that all pre-filed testimony and attachments or corrected testimony and corrected attachments, whichever applies, shall be admitted into evidence in this proceeding without cross-examination by the Settling Parties.

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

6. Nothing in this Settlement Agreement shall constitute an admission by any Settling Party of the correctness or general applicability of any 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 the Settlement Agreement.

Without limiting the foregoing, resolution of this proceeding through this Settlement Agreement does not bind or limit any Settling Party from presenting arguments raised in this proceeding in future proceedings before the Commission, except as expressly provided for in Section E above.

7. The discussions among the Settling Parties that 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, inadmissible, and without prejudice to the position of any party. Such communications shall not 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 decision approving the Settlement Agreement, which decision does not contain any modification of the terms and conditions of this Settlement Agreement that are 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 Settlement Agreement and proceed to hearing on any issue(s) that may be appropriately raised by that Settling Party in this proceeding. If any Settling Party elects to exercise such right, the withdrawing Settling Party shall notify the Settling Parties to this Settlement 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. Such e-mail notice shall designate the precise issue or issues on which the party desires rehearing (the "Hearing Notice").

9. The withdrawal of a Settling Party shall not automatically terminate this Settlement Agreement as to any other Settling Party. However, within three (3) business days of the date of the Hearing Notice from the first withdrawing Settling 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 Settling Party's withdrawal from this Settlement Agreement. Within five (5) business days of the date of the Hearing Notice, the Settling Parties shall file with the Commission in this proceeding 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 otherwise 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 Settlement Agreement.

Dated this 10th day of November 2016.

Respectfully submitted,

PUBLIC SERVICE COMPANY OF COLORADO

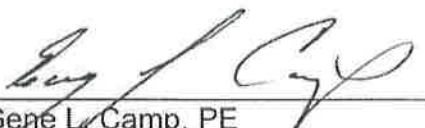
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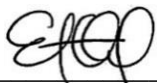
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EXHIBIT NO. XES – 203

**Depreciation Rates Resulting from Settlement, CoPUC Proceeding
No. 16A-0231E (Exhibit A to Settlement Agreement)**

Public Service Company of Colorado
Comparison of Current and Proposed Depreciation Rates by Plant Account

		Approved (1)		Proposed		Change
Unit or Account		Total Depr		Total Depr		Total Depr
Number	Account Number and / or Description	Notes	Rate	Rate	Notes	Rate
<u>ELECTRIC INTANGIBLE PLANT</u>						
301.00	Organization Costs					
302.00	Franchises and Consents	(9)	0.0000%	0.0000%		0.0000%
303.00	Miscellaneous Intangible Plant	(9)	0.0000%	0.0000%		0.0000%
303.40	Misc Computer Software - 3 Year		33.3333%	33.3333%		0.0000%
303.40	Misc Computer Software - 7 Year		20.0000%	14.2857%		-5.7143%
303.40	Misc Computer Software - 10 Year		10.0000%	10.0000%		0.0000%
303.40	Misc Computer Software - 15 Year		10.0000%	6.6667%		-3.3333%
<u>STEAM PRODUCTION PLANT</u>						
Cameo Common	310.2 Land Rights		2.0000%	0.0000%		-2.0000%
Cherokee Unit 2 SC	314 Turbogenerator Units		2.3080%	6.2882%		3.9802%
Cherokee Unit 2 SC	315 Accessory Electric Equipment		3.3220%	4.2023%		0.8803%
Cherokee Unit 4	311 Structures and Improvements		2.0570%	5.5181%		3.4611%
Cherokee Unit 4	312 Boiler Plant Equipment		1.9140%	5.7528%		3.8388%
Cherokee Unit 4	312 Boiler Plant Equipment AQIR		6.6667%	6.6667%		0.0000%
Cherokee Unit 4	314 Turbogenerator Units		1.9430%	5.3196%		3.3766%
Cherokee Unit 4	315 Accessory Electric Equipment		1.7800%	5.1262%		3.3462%
Cherokee Unit 4	315.2 Computers and Peripherals		4.7160%	6.1515%		1.4355%
Cherokee Unit 4	316 Miscellaneous Power Plant Equipment		1.5990%	8.1835%		6.5845%
Cherokee Common	310.2 Land Rights		2.0000%	4.5863%		2.5863%
Cherokee Common	310.3 Water Rights		2.0000%	5.6505%		3.6505%
Cherokee Common	311 Structures and Improvements		2.5530%	6.4425%		3.8895%
Cherokee Common	312 Boiler Plant Equipment		3.0560%	6.5748%		3.5188%
Cherokee Common	312 Boiler Plant Equipment AQIR		6.6667%	6.6667%		0.0000%
Cherokee Common	314 Turbogenerator Units		5.0740%	5.2816%		0.2076%
Cherokee Common	315 Accessory Electric Equipment		2.1590%	5.1872%		3.0282%
Cherokee Common	315.2 Computers and Peripherals		3.4710%	5.5587%		2.0877%
Cherokee Common	316 Miscellaneous Power Plant Equipment		2.3420%	7.3020%		4.9600%
Coal Cars	312 Boiler Plant Equipment		3.1667%	4.7285%		1.5618%
Comanche Unit 1	311 Structures and Improvements		1.8330%	2.9734%		1.1404%
Comanche Unit 1	312 Boiler Plant Equipment		2.1730%	3.8982%		1.7252%
Comanche Unit 1	314 Turbogenerator Units		1.9020%	3.4614%		1.5594%
Comanche Unit 1	315 Accessory Electric Equipment		1.7070%	3.0711%		1.3641%
Comanche Unit 1	315.2 Computers and Peripherals		4.0200%	3.4460%		-0.5740%
Comanche Unit 1	316 Miscellaneous Power Plant Equipment		1.5130%	2.7369%		1.2239%
Comanche Unit 2	311 Structures and Improvements		1.5360%	2.5843%		1.0483%
Comanche Unit 2	312 Boiler Plant Equipment		2.0120%	3.5390%		1.5270%
Comanche Unit 2	314 Turbogenerator Units		1.8270%	3.0138%		1.1868%
Comanche Unit 2	315 Accessory Electric Equipment		1.8080%	2.8577%		1.0497%
Comanche Unit 2	315.2 Computers and Peripherals			3.3694%	(3)	3.3694%
Comanche Unit 2	316 Miscellaneous Power Plant Equipment		1.4930%	2.5649%		1.0719%

Public Service Company of Colorado
Comparison of Current and Proposed Depreciation Rates by Plant Account

<u>Unit or Account</u> <u>Number</u>	<u>Account Number and / or Description</u>	<u>Approved (1)</u>		<u>Proposed</u>		<u>Change</u>
		<u>Notes</u>	<u>Rate</u>	<u>Rate</u>	<u>Notes</u>	<u>Total Depr</u>
			<u>Total Depr</u>	<u>Total Depr</u>		<u>Total Depr</u>
Comanche Unit 3	310.2 Land Rights		2.0000%	1.7044%		-0.2956%
Comanche Unit 3	311 Structures and Improvements	(6)	2.0060%	1.8055%		-0.2005%
Comanche Unit 3	312 Boiler Plant Equipment	(6)	2.0060%	1.9153%		-0.0907%
Comanche Unit 3	314 Turbogenerator Units	(6)	2.0060%	1.9262%		-0.0798%
Comanche Unit 3	315 Accessory Electric Equipment	(6)	2.0060%	1.7829%		-0.2231%
Comanche Unit 3	315.2 Computers and Peripherals	(6)	2.0060%	1.8926%	(3)	-0.1134%
Comanche Unit 3	316 Miscellaneous Power Plant Equipment	(6)	2.0060%	2.0464%		0.0404%
Comanche Common	311 Structures and Improvements		1.6780%	2.0267%		0.3487%
Comanche Common	312 Boiler Plant Equipment		1.8210%	2.2313%		0.4103%
Comanche Common	314 Turbogenerator Units		2.5660%	2.2249%		-0.3411%
Comanche Common	315 Accessory Electric Equipment		1.8470%	1.9478%		0.1008%
Comanche Common	315.2 Computers and Peripherals		3.7760%	2.1863%		-1.5897%
Comanche Common	316 Miscellaneous Power Plant Equipment		1.7610%	2.2513%		0.4903%
Craig Unit 1	311 Structures and Improvements		1.5480%	5.1716%		3.6236%
Craig Unit 1	312 Boiler Plant Equipment		1.6630%	4.9996%		3.3366%
Craig Unit 1	314 Turbogenerator Units		2.8160%	10.9781%		8.1621%
Craig Unit 1	315 Accessory Electric Equipment		1.6150%	5.9522%		4.3372%
Craig Unit 1	315.2 Computers and Peripherals			5.5241%	(3)	5.5241%
Craig Unit 1	316 Miscellaneous Power Plant Equipment		1.5810%	4.7394%		3.1584%
Craig Unit 2	311 Structures and Improvements		1.5250%	2.3957%		0.8707%
Craig Unit 2	312 Boiler Plant Equipment		1.6530%	2.5146%		0.8616%
Craig Unit 2	314 Turbogenerator Units		1.6150%	3.0040%		1.3890%
Craig Unit 2	315 Accessory Electric Equipment		1.5840%	2.4474%		0.8634%
Craig Unit 2	315.2 Computers and Peripherals			2.5855%	(3)	2.5855%
Craig Unit 2	316 Miscellaneous Power Plant Equipment		1.5470%	2.4521%		0.9051%
Craig Common	311 Structures and Improvements		1.5760%	2.7072%		1.1312%
Craig Common	312 Boiler Plant Equipment		2.4110%	3.6004%		1.1894%
Craig Common	314 Turbogenerator Units		1.6590%	3.1493%		1.4903%
Craig Common	315 Accessory Electric Equipment		1.6280%	2.6916%		1.0636%
Craig Common	315.2 Computers and Peripherals		3.0200%	2.9146%		-0.1054%
Craig Common	316 Miscellaneous Power Plant Equipment		1.7140%	3.4009%		1.6869%
Hayden Unit 1	311 Structures and Improvements		1.8720%	2.8250%		0.9530%
Hayden Unit 1	312 Boiler Plant Equipment		3.2970%	4.8475%		1.5505%
Hayden Unit 1	314 Turbogenerator Units		2.3040%	3.5009%		1.1969%
Hayden Unit 1	315 Accessory Electric Equipment		2.1660%	3.0672%		0.9012%
Hayden Unit 1	315.2 Computers and Peripherals		4.0880%	6.3914%		2.3034%
Hayden Unit 1	316 Miscellaneous Power Plant Equipment		1.8880%	2.8391%		0.9511%
Hayden Unit 2	311 Structures and Improvements		1.5260%	3.8168%		2.2908%
Hayden Unit 2	312 Boiler Plant Equipment		1.9670%	3.0083%		1.0413%
Hayden Unit 2	314 Turbogenerator Units		1.6850%	2.8087%		1.1237%
Hayden Unit 2	315 Accessory Electric Equipment		1.5620%	2.6379%		1.0759%
Hayden Unit 2	315.2 Computers and Peripherals		3.8340%	4.9993%		1.1653%
Hayden Unit 2	316 Miscellaneous Power Plant Equipment		1.5680%	2.5002%		0.9322%

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		<u>Notes</u>	<u>Rate</u>	<u>Rate</u>	<u>Notes</u>	<u>Total Depr</u>
			<u>Total Depr</u>	<u>Total Depr</u>		<u>Total Depr</u>
Hayden Common	311 Structures and Improvements		2.5060%	4.9803%		2.4743%
Hayden Common	312 Boiler Plant Equipment		2.8490%	4.5606%		1.7116%
Hayden Common	314 Turbogenerator Units		3.0360%	5.3967%		2.3607%
Hayden Common	315 Accessory Electric Equipment		2.7700%	4.5693%		1.7993%
Hayden Common	315.2 Computers and Peripherals		0.0000%	4.7336%	(3)	4.7336%
Hayden Common	316 Miscellaneous Power Plant Equipment		2.5640%	6.1166%		3.5526%
Pawnee Unit 1	311 Structures and Improvements		1.5740%	2.2050%		0.6310%
Pawnee Unit 1	312 Boiler Plant Equipment		1.7800%	3.0371%		1.2571%
Pawnee Unit 1	314 Turbogenerator Units		1.7030%	2.4585%		0.7555%
Pawnee Unit 1	315 Accessory Electric Equipment		1.6500%	2.2074%		0.5574%
Pawnee Unit 1	315.2 Computers and Peripherals		3.0870%	3.2420%		0.1550%
Pawnee Unit 1	316 Miscellaneous Power Plant Equipment		1.6410%	2.3297%		0.6887%
Pawnee Common	311 Structures and Improvements		2.8590%	6.7754%		3.9164%
Pawnee Common	312 Boiler Plant Equipment		3.0540%	6.9614%		3.9074%
Pawnee Common	314 Turbogenerator Units		2.4170%	6.5777%		4.1607%
Pawnee Common	315 Accessory Electric Equipment		2.2880%	5.9674%		3.6794%
Pawnee Common	315.2 Computers and Peripherals		2.7760%	6.8823%	(3)	4.1063%
Pawnee Common	316 Miscellaneous Power Plant Equipment		2.4190%	6.6584%		4.2394%
Zuni Common	310.3 Water Rights		2.0000%	0.0000%		-2.0000%
<u>HYDRAULIC PRODUCTION PLANT</u>						
Ames	331 Structures and Improvements		1.4870%	2.3793%		0.8923%
Ames	332 Reservoirs, Dams and Waterways		1.5620%	3.0421%		1.4801%
Ames	333 Waterwheels, Turbines and Generators		0.9420%	2.3055%		1.3635%
Ames	334 Accessory Electric Equipment		2.4710%	2.9670%		0.4960%
Ames	334.2 Computers and Peripherals			3.0074%	(3)	3.0074%
Ames	335 Misc. Power Plant Equipment		1.8330%	2.6837%		0.8507%
Ames	335.2 Recreational Facilities		2.3560%	2.8217%		0.4657%
Ames	336 Roads, Railroads and Bridges		2.4030%	2.7612%		0.3582%
Cabin Creek	331 Structures and Improvements		1.0620%	2.7279%		1.6659%
Cabin Creek	332 Reservoirs, Dams and Waterways		1.0920%	2.5022%		1.4102%
Cabin Creek	333 Waterwheels, Turbines and Generators		1.2270%	2.8618%		1.6348%
Cabin Creek	334 Accessory Electric Equipment		1.4330%	2.9371%		1.5041%
Cabin Creek	334.2 Computers and Peripherals		1.3170%	2.8036%		1.4866%
Cabin Creek	335 Misc. Power Plant Equipment		1.7060%	2.6804%		0.9744%
Cabin Creek	335.2 Recreational Facilities		1.5450%	2.9179%		1.3729%
Cabin Creek	336 Roads, Railroads and Bridges		1.0660%	2.4036%		1.3376%
Georgetown	331 Structures and Improvements		1.7020%	4.9606%		3.2586%
Georgetown	332 Reservoirs, Dams and Waterways		2.3130%	5.1769%		2.8639%
Georgetown	333 Waterwheels, Turbines and Generators		1.0310%	4.2262%		3.1952%
Georgetown	334 Accessory Electric Equipment		1.6120%	5.1803%		3.5683%
Georgetown	334.2 Computers and Peripherals			5.1616%	(3)	5.1616%
Georgetown	335 Misc. Power Plant Equipment		2.8780%	4.5983%		1.7203%
Georgetown	335.2 Recreational Facilities		2.2660%	5.1524%		2.8864%
Georgetown	336 Roads, Railroads and Bridges			5.1616%	(3)	5.1616%

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Salida	331 Structures and Improvements		1.8380%	15.5793%		13.7413%
Salida	332 Reservoirs, Dams and Waterways		1.5940%	17.9323%		16.3383%
Salida	333 Waterwheels, Turbines and Generators		0.7090%	14.7550%		14.0460%
Salida	334 Accessory Electric Equipment		2.0370%	15.5893%		13.5523%
Salida	334.2 Computers and Peripherals			17.5215%	(3)	17.5215%
Salida	335 Misc. Power Plant Equipment		3.6900%	14.0135%		10.3235%
Salida	335.2 Recreational Facilities		3.3300%	16.8030%		13.4730%
Salida	336 Roads, Railroads and Bridges		2.6660%	15.0956%		12.4296%
Shoshone	331 Structures and Improvements		1.6770%	2.2603%		0.5833%
Shoshone	332 Reservoirs, Dams and Waterways		0.8600%	2.0428%		1.1828%
Shoshone	333 Waterwheels, Turbines and Generators		1.7780%	2.1271%		0.3491%
Shoshone	334 Accessory Electric Equipment		2.3060%	2.3660%		0.0600%
Shoshone	334.2 Computers and Peripherals			2.1285%	(3)	2.1285%
Shoshone	335 Misc. Power Plant Equipment		2.8300%	2.1746%		-0.6554%
Shoshone	335.2 Recreational Facilities			2.1285%	(3)	2.1285%
Shoshone	336 Roads, Railroads and Bridges		1.1210%	1.6213%		0.5003%
Tacoma	331 Structures and Improvements		1.4080%	3.0252%		1.6172%
Tacoma	332 Reservoirs, Dams and Waterways		1.3770%	3.8517%		2.4747%
Tacoma	333 Waterwheels, Turbines and Generators		1.8510%	3.4758%		1.6248%
Tacoma	334 Accessory Electric Equipment		1.8020%	3.7017%		1.8997%
Tacoma	334.2 Computers and Peripherals			3.7233%	(3)	3.7233%
Tacoma	335 Misc. Power Plant Equipment		1.9290%	3.1796%		1.2506%
Tacoma	335.2 Recreational Facilities		1.6620%	3.1806%		1.5186%
Tacoma	336 Roads, Railroads and Bridges		1.3290%	2.8330%		1.5040%
<u>OTHER PRODUCTION PLANT</u>						
Alamosa	341 Structures and Improvements		4.6300%	3.8389%		-0.7911%
Alamosa	342 Fuel Holders, Producers, and Accessories		1.0410%	1.5181%		0.4771%
Alamosa	343 Prime Movers		0.0000%	2.6280%	(3)	2.6280%
Alamosa	344 Generators		1.6180%	1.8092%		0.1912%
Alamosa	345 Accessory Electric Equipment		3.7450%	7.2037%		3.4587%
Alamosa	345.2 Computers and Peripherals			2.6280%	(3)	2.6280%
Alamosa	346 Miscellaneous Power Plant Equipment		0.9760%	7.4631%		6.4871%
Blue Spruce	341 Structures and Improvements	(7)	2.6887%	2.6031%	(3)	-0.0856%
Blue Spruce	342 Fuel Holders, Producers, and Accessories	(7)	2.6887%	2.6031%	(3)	-0.0856%
Blue Spruce	343 Prime Movers	(7)	2.6887%	2.6031%	(3)	-0.0856%
Blue Spruce	344 Generators	(7)	2.6887%	2.6025%		-0.0862%
Blue Spruce	344 Generators	(7)	2.6887%	2.6025%		-0.0862%
Blue Spruce	345 Accessory Electric Equipment	(7)	2.6887%	2.8604%		0.1717%
Blue Spruce	345.2 Computers and Peripherals	(7)	2.6887%	2.6031%	(3)	-0.0856%
Blue Spruce	346 Miscellaneous Power Plant Equipment	(7)	2.6887%	2.6031%	(3)	-0.0856%

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Cherokee 5-7	341 Structures and Improvements	(11)	2.5698%	2.5358%		-0.0340%
Cherokee 5-7	342 Fuel Holders, Producers, and Accessories	(11)	2.5698%	2.7523%		0.1825%
Cherokee 5-7	343 Prime Movers	(11)	2.5698%	2.7453%		0.1755%
Cherokee 5-7	344 Generators	(11)	2.5698%	2.6307%		0.0609%
Cherokee 5-7	345 Accessory Electric Equipment	(11)	2.5698%	2.6200%		0.0502%
Cherokee 5-7	345.2 Computers and Peripherals	(11)	2.5698%	2.6312%	(3)	0.0614%
Cherokee 5-7	346 Miscellaneous Power Plant Equipment	(11)	2.5698%	2.5614%		-0.0084%
Fruita	340 Land Rights		2.0000%	1.1052%		-0.8948%
Fruita	341 Structures and Improvements		0.8850%	1.5613%		0.6763%
Fruita	342 Fuel Holders, Producers, and Accessories		1.0400%	3.0408%		2.0008%
Fruita	343 Prime Movers		0.0000%	2.3778%	(3)	2.3778%
Fruita	344 Generators		1.0290%	1.8005%		0.7715%
Fruita	345 Accessory Electric Equipment		4.2030%	4.2196%		0.0166%
Fruita	345.2 Computers and Peripherals			2.3778%	(3)	2.3778%
Fruita	346 Miscellaneous Power Plant Equipment		1.1310%	7.7488%		6.6178%
Ft Saint Vrain Unit 1	341 Structures and Improvements		1.4350%	1.6188%		0.1838%
Ft Saint Vrain Unit 1	342 Fuel Holders, Producers, and Accessories		2.4810%	2.1538%		-0.3272%
Ft Saint Vrain Unit 1	343 Prime Movers		2.2110%	3.3481%		1.1371%
Ft Saint Vrain Unit 1	344 Generators		1.4240%	2.2035%		0.7795%
Ft Saint Vrain Unit 1	345 Accessory Electric Equipment		1.4370%	2.0974%		0.6604%
Ft Saint Vrain Unit 1	345.2 Computers and Peripherals		1.7130%	1.8621%		0.1491%
Ft Saint Vrain Unit 1	346 Miscellaneous Power Plant Equipment		1.4940%	1.6657%		0.1717%
Ft Saint Vrain Unit 2	341 Structures and Improvements	(4)	2.3400%	3.7307%		1.3907%
Ft Saint Vrain Unit 2	342 Fuel Holders, Producers, and Accessories		2.8540%	2.8630%		0.0090%
Ft Saint Vrain Unit 2	343 Prime Movers		2.3150%	3.7520%		1.4370%
Ft Saint Vrain Unit 2	344 Generators		2.4180%	2.5164%		0.0984%
Ft Saint Vrain Unit 2	345 Accessory Electric Equipment	(4)	2.2100%	3.5782%		1.3682%
Ft Saint Vrain Unit 2	345.2 Computers and Peripherals	(4)	2.2100%	2.5607%	(3)	0.3507%
Ft Saint Vrain Unit 2	346 Miscellaneous Power Plant Equipment	(4)	1.8800%	3.3646%		1.4846%
Ft Saint Vrain Unit 3	341 Structures and Improvements		0.0000%	3.4230%	(3)	3.4230%
Ft Saint Vrain Unit 3	342 Fuel Holders, Producers, and Accessories		2.8910%	3.7272%		0.8362%
Ft Saint Vrain Unit 3	343 Prime Movers	(4)	2.0700%	3.9156%		1.8456%
Ft Saint Vrain Unit 3	344 Generators		2.7260%	3.2332%		0.5072%
Ft Saint Vrain Unit 3	345 Accessory Electric Equipment	(4)	2.2100%	3.7374%		1.5274%
Ft Saint Vrain Unit 3	345.2 Computers and Peripherals	(4)	2.2100%	3.4230%	(3)	1.2130%
Ft Saint Vrain Unit 3	346 Miscellaneous Power Plant Equipment	(4)	1.8800%	3.7636%		1.8836%
Ft Saint Vrain Unit 4	341 Structures and Improvements		2.4930%	1.6102%		-0.8828%
Ft Saint Vrain Unit 4	342 Fuel Holders, Producers, and Accessories		2.5270%	2.5550%		0.0280%
Ft Saint Vrain Unit 4	343 Prime Movers	(4)	2.0700%	3.8916%		1.8216%
Ft Saint Vrain Unit 4	344 Generators		2.6890%	2.5798%		-0.1092%
Ft Saint Vrain Unit 4	345 Accessory Electric Equipment		2.5410%	2.5161%		-0.0249%
Ft Saint Vrain Unit 4	345.2 Computers and Peripherals			2.5511%	(3)	2.5511%
Ft Saint Vrain Unit 4	346 Miscellaneous Power Plant Equipment		2.5230%	2.4709%		-0.0521%

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Ft Saint Vrain Unit 5	341 Structures and Improvements	(6)	2.5620%	2.4774%		-0.0846%
Ft Saint Vrain Unit 5	342 Fuel Holders, Producers, and Accessories	(6)	2.5620%	2.6238%		0.0618%
Ft Saint Vrain Unit 5	343 Prime Movers	(6)	2.5620%	3.1567%		0.5947%
Ft Saint Vrain Unit 5	344 Generators	(6)	2.5620%	2.5431%		-0.0189%
Ft Saint Vrain Unit 5	345 Accessory Electric Equipment	(6)	2.5620%	2.5365%		-0.0255%
Ft Saint Vrain Unit 5	345.2 Computers and Peripherals		2.5620%	2.5468%	(3)	-0.0152%
Ft Saint Vrain Unit 5	346 Miscellaneous Power Plant Equipment	(6)	2.5620%	2.5401%		-0.0219%
Ft Saint Vrain Unit 6	341 Structures and Improvements	(6)	2.5620%	2.4782%		-0.0838%
Ft Saint Vrain Unit 6	342 Fuel Holders, Producers, and Accessories	(6)	2.5620%	2.6246%		0.0626%
Ft Saint Vrain Unit 6	343 Prime Movers	(6)	2.5620%	3.1578%		0.5958%
Ft Saint Vrain Unit 6	344 Generators	(6)	2.5620%	2.5440%		-0.0180%
Ft Saint Vrain Unit 6	345 Accessory Electric Equipment	(6)	2.5620%	2.5376%		-0.0244%
Ft Saint Vrain Unit 6	345.2 Computers and Peripherals		2.5620%	2.5483%	(3)	-0.0137%
Ft Saint Vrain Unit 6	346 Miscellaneous Power Plant Equipment	(6)	2.5620%	2.4960%		-0.0660%
Ft Saint Vrain Common	341 Structures and Improvements		1.7200%	2.0845%		0.3645%
Ft Saint Vrain Common	342 Fuel Holders, Producers, and Accessories		1.7030%	2.3240%		0.6210%
Ft Saint Vrain Common	343 Prime Movers		2.7290%	3.1735%		0.4445%
Ft Saint Vrain Common	344 Generators		2.6890%	2.3105%		-0.3785%
Ft Saint Vrain Common	345 Accessory Electric Equipment		2.6970%	2.3240%		-0.3730%
Ft Saint Vrain Common	345.2 Computers and Peripherals		2.2020%	3.2462%		1.0442%
Ft Saint Vrain Common	346 Miscellaneous Power Plant Equipment		2.6290%	3.0945%		0.4655%
Ft. Lupton CT	341 Structures and Improvements		2.5600%	2.3627%		-0.1973%
Ft. Lupton CT	342 Fuel Holders, Producers, and Accessories		3.8900%	2.8058%		-1.0842%
Ft. Lupton CT	343 Prime Movers		0.0000%	3.2085%	(3)	3.2085%
Ft. Lupton CT	344 Generators		4.0260%	3.0846%		-0.9414%
Ft. Lupton CT	345 Accessory Electric Equipment		1.3660%	6.1215%		4.7555%
Ft. Lupton CT	345.2 Computers and Peripherals			3.2085%	(3)	3.2085%
Ft. Lupton CT	346 Miscellaneous Power Plant Equipment		1.4550%	1.4803%		0.0253%
Rocky Mountain	341 Structures and Improvements	(7)	2.8491%	2.7060%		-0.1431%
Rocky Mountain	342 Fuel Holders, Producers, and Accessories	(7)	2.8491%	3.1391%		0.2900%
Rocky Mountain	343 Prime Movers	(7)	2.8491%	3.1315%		0.2824%
Rocky Mountain	344 Generators	(7)	2.8491%	2.6522%		-0.1969%
Rocky Mountain	344 Generators	(7)	2.8491%	2.6522%		-0.1969%
Rocky Mountain	345 Accessory Electric Equipment	(7)	2.8491%	2.7567%		-0.0924%
Rocky Mountain	345.2 Computers and Peripherals	(7)	2.8491%	2.6587%	(3)	-0.1904%
Rocky Mountain	346 Miscellaneous Power Plant Equipment	(7)	2.8491%	2.6526%		-0.1965%
Valmont	341 Structures and Improvements		0.8200%	1.4055%		0.5855%
Valmont	342 Fuel Holders, Producers, and Accessories		1.3530%	1.7488%		0.3958%
Valmont	343 Prime Movers			2.3349%	(3)	2.3349%
Valmont	344 Generators		1.9020%	2.2941%		0.3921%
Valmont	345 Accessory Electric Equipment		4.5530%	3.1096%		-1.4434%
Valmont	345.2 Computers and Peripherals			2.3349%	(3)	2.3349%
Valmont	346 Miscellaneous Power Plant Equipment		4.8350%	3.0965%		-1.7385%
Wind to Hydrogen	344 Generators	(5)	6.6700%	5.2320%		-1.4380%

Public Service Company of Colorado
Comparison of Current and Proposed Depreciation Rates by Plant Account

<u>Unit or Account</u> <u>Number</u>	<u>Account Number and / or Description</u>	<u>Approved (1)</u>		<u>Proposed</u>		<u>Change</u>
		<u>Notes</u>	<u>Rate</u>	<u>Rate</u>	<u>Notes</u>	<u>Rate</u>
	<u>TRANSMISSION PLANT</u>					
350.20	Land Rights		1.0300%	0.9980%		-0.0320%
352.00	Structures and Improvements		1.4400%	1.1916%		-0.2484%
352.00	Structures and Improvements	(7)	1.4400%	1.1916%		-0.2484%
353.00	Station Equipment		1.7800%	1.9792%		0.1992%
353.00	Station Equipment	(7)	1.7800%	1.9792%		0.1992%
354.00	Towers and Fixtures		1.1800%	1.4750%		0.2950%
355.00	Poles and Fixtures		1.6400%	2.2547%		0.6147%
356.00	Overhead Conductors and Devices		1.7900%	1.7817%		-0.0083%
357.00	Underground Conduit		1.9400%	1.6627%		-0.2773%
358.00	Underground Conductors and Devices		1.8800%	1.9945%		0.1145%
359.00	Roads and Trails		0.9700%	1.0825%		0.1125%
	<u>DISTRIBUTION PLANT</u>					
360.20	Land Rights		1.0900%	0.9898%		-0.1002%
361.00	Structures and Improvements		1.7100%	1.5834%		-0.1266%
362.00	Station Equipment		2.0500%	1.8919%		-0.1581%
364.00	Poles, Towers and Fixtures		3.6500%	2.7020%		-0.9480%
365.00	Overhead Conductors and Devices		3.3100%	2.7400%		-0.5700%
366.00	Underground Conduit		1.9900%	1.7497%		-0.2403%
367.00	Underground Conductors and Devices		2.0500%	2.1815%		0.1315%
368.00	Line Transformers		2.2100%	2.2600%		0.0500%
369.00	Services		2.3300%	2.1540%		-0.1760%
369.10	Services-Overhead		2.3300%	2.4347%		0.1047%
369.20	Services-Underground		2.3300%	2.4311%		0.1011%
370.00	Meters		3.9700%	3.8122%		-0.1578%
370.20	Automated Meter Reading Equipment		8.8100%	7.5908%		-1.2192%
371.00	Installation on Customer Premises		1.0000%	4.4155%		3.4155%
373.00	Street Lighting and Signal Systems		2.9500%	2.9492%		-0.0008%
	<u>ELECTRIC GENERAL PLANT</u>					
389.20	Land Rights		0.0000%	1.6667%		1.6667%
390.00	Structures and Improvements	(12)	4.1833%	2.2521%		-1.9312%
391.00	Office Furniture and Equipment		4.7500%	4.5583%		-0.1917%
391.20	Computer Hardware		20.0000%	16.2260%		-3.7740%
392.10	Transportation Equipment-Autos		9.0000%	7.1923%		-1.8077%
392.20	Transportation Equipment-Light Trucks		9.0000%	7.0136%		-1.9864%
392.30	Transportation Equipment-Trailers		9.0000%	3.1247%		-5.8753%
392.40	Transportation Equipment-Heavy Trucks		9.0000%	5.8937%		-3.1063%
393.00	Stores Equipment		3.1700%	3.1640%		-0.0060%
394.00	Tools, Shop and Garage Equipment		3.8000%	3.8445%		0.0445%
395.00	Laboratory Equipment		9.5000%	10.0000%		0.5000%
396.00	Power Operated Equipment		9.0000%	5.6340%		-3.3660%
397.00	Communication Equipment		6.6700%	6.3007%		-0.3693%
398.00	Miscellaneous Equipment		5.0000%	4.5977%		-0.4023%
	<u>COMMON INTANGIBLE PLANT</u>					
301.00	Organization Costs					
302.00	Franchises and Consents	(9)	Various			
303.00	Misc Computer Software-3 Year		33.3333%	33.3333%		0.0000%
303.04	Misc Computer Software-7 Year		20.0000%	14.2857%		-5.7143%
303.04	Misc Computer Software-10 Year		10.0000%	10.0000%		0.0000%
303.04	Misc Computer Software-15 Year		10.0000%	6.6667%		-3.3333%

Public Service Company of Colorado
Comparison of Current and Proposed Depreciation Rates by Plant Account

<u>Unit or Account</u> <u>Number</u>	<u>Account Number and / or Description</u>	<u>Approved (1)</u>		<u>Proposed</u>		<u>Change</u>
		<u>Notes</u>	<u>Rate</u>	<u>Rate</u>	<u>Notes</u>	<u>Total Depr</u>
	<u>COMMON GENERAL PLANT</u>					
389.20	Land Rights		0.0000%	1.6667%		1.6667%
390.00	Structures and Improvements	(12)	2.3855%	2.4191%		0.0336%
390.07	Structures and Improvements - Leasehold Improvements	(10)	Various			
390.85	Structures and Improvements - 1800 Larimer	(8)	Various			
391.00	Office Furniture and Equipment		4.7500%	4.9019%		0.1519%
391.04	Computer Hardware		20.0000%	16.3559%		-3.6441%
391.05	Computer Hardware - 3 Year Life		33.3300%	32.6080%		-0.7220%
392.10	Transportation Equipment - Automobiles		9.0000%	7.4233%		-1.5767%
392.20	Transportation Equipment - Light Trucks		9.0000%	7.3603%		-1.6397%
392.30	Transportation Equipment - Trailers		9.0000%	3.1677%		-5.8323%
392.40	Transportation Equipment - Heavy Trucks		9.0000%	6.1716%		-2.8284%
393.00	Stores Equipment		3.1700%	3.1640%		-0.0060%
394.00	Tools and Shop Equipment		3.8000%	3.9186%		0.1186%
395.00	Laboratory Equipment		9.5000%	9.9572%		0.4572%
396.00	Power Operated Equipment		9.0000%	5.8982%		-3.1018%
397.00	Communication Equipment		6.6700%	5.4453%		-1.2247%
398.00	Miscellaneous Equipment		5.0000%	4.6394%		-0.3606%
	<u>Regulatory Assets Retired Generation Stations</u>					
	<u>Life</u>					
182.20	Arapahoe		Various	14.2857%	(13)	Various
182.20	Cameo		Various	14.2857%	(13)	Various
182.20	Cherokee		Various	14.2857%	(13)	Various
182.20	Craig Unit 1	(2)		14.2857%	(13)	
182.20	Valmont		Various	14.2857%	(13)	Various
182.20	Zuni		Various	14.2857%	(13)	Various
	<u>COR</u>					
182.20	Arapahoe		Various	14.2857%	(13)	Various
182.20	Cameo		Various	14.2857%	(13)	Various
182.20	Cherokee		Various	14.2857%	(13)	Various
182.20	Valmont		Various	14.2857%	(13)	Various
182.20	Zuni		Various	14.2857%	(13)	Various

Notes:

- (1) Approved Rates for Electric utility are from Docket No. 06S-234EG and Common utility are from Docket No. 02S-315EG, unless specified in the Notes column.
- (2) Intentionally left blank
- (3) There is currently no balance in these accounts. In the event plant is added to these accounts, PSCo requests authorization to use the depreciation rate listed, which represents the composite depreciation rate for each unit.
- (4) Depreciation rates from Docket 02S-315EG. These units and accounts were not addressed in 06S-234EG Rate Case.
- (5) Depreciation rates were utilized from Non-utility Wind prior to transfer to Electric Utility.
- (6) Depreciation rates for Comanche 3, FSV GT 5 and FSV GT 6 were approved in Docket 08S-520E.
- (7) Depreciation rates for Blue Spruce and Rocky Mountain were approved in CPUC Docket 11AL-947E. FERC subsequently required the Company to record an acquisition adjustment, resulting in depreciation calculated at net plant, plus amortization of the acquisition adjustment, per FERC Docket ER11-2853-000.
- (8) Amortized to the end of the lease term 6/2025.
- (9) Amortized over the terms of the franchise agreements or license.
- (10) Amortized over the lease term.
- (11) Depreciation rates for Cherokee Other Production Unit 5, 6, 7, and Common were approved in Docket No. 15A-0916E.
- (12) Composite depreciation accrual rate for General Account 390 Structures and Improvements.
- (13) This amortization percent of 14.2857%, represents the 7-year amortization period.

EXHIBIT NO. XES – 204

Documents Supporting the Depreciation Rates Resulting from Settlement Agreement, CoPUC Proceeding No. 16A-0231E (portions of Exhibit B to Settlement Agreement affecting transmission rates)

**APPENDIX A-4 – Depreciation Rate Calculations Trans, Dist, Gen and Common
Depreciable Plant**

Public Service Company of Colorado
Computation of Proposed Depreciation Accrual Rates
For Transmission, Distribution, General, and Common Property
For the Forecast Year January 1, 2018

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Account Number	Description	Plant Balance 1/1/2018	Allocated Reserve Balance	Net Salvage %	Net Salvage Amount	Unaccrued Balance	Remaining Life	Annual Accrual	Annual Accrual %
<u>TRANSMISSION PLANT</u>									
350.20	Land Rights	77,137,901	14,498,557	0%	0	62,639,343	81.37	769,824	0.9980%
352.00	Structures and Improvements	79,240,594	10,827,916	-5%	(3,962,030)	72,374,708	76.65	944,251	1.1916%
353.00	Station Equipment	1,050,103,042	207,627,973	-15%	(157,515,456)	999,990,525	48.12	20,783,341	1.9792%
354.00	Towers and Fixtures	189,264,961	75,849,978	-20%	(37,852,992)	151,267,974	54.18	2,791,706	1.4750%
355.00	Poles and Fixtures	421,418,577	85,267,438	-40%	(168,567,431)	504,718,571	53.12	9,501,891	2.2547%
356.00	OH Conductors and Devices	299,581,242	77,299,511	-25%	(74,895,310)	297,177,041	55.68	5,337,546	1.7817%
357.00	UG Conduit	35,592,625	7,653,673	0%	0	27,938,952	47.21	591,795	1.6627%
358.00	UG Conductors and Devices	64,752,789	15,568,363	0%	0	49,184,426	38.08	1,291,487	1.9945%
359.00	Roads and Trails	4,318,793	1,375,915	0%	0	2,942,878	62.95	46,753	1.0825%
	Total Transmission	2,221,410,524	495,969,324		(442,793,220)	2,168,234,420		42,058,594	
<u>DISTRIBUTION PLANT</u>									
360.20	Land Rights	38,790,186	4,446,666	0%	0	34,343,520	89.45	383,949	0.9898%
361.00	Structures and Improvements	77,174,622	16,426,668	-5%	(3,858,731)	64,606,685	52.87	1,221,965	1.5834%
362.00	Station Equipment	660,394,109	146,362,524	-10%	(66,039,411)	580,070,996	46.43	12,493,814	1.8919%
364.00	Poles, Towers and Fixtures	291,089,376	113,913,849	-50%	(145,544,688)	322,720,216	41.03	7,865,092	2.7020%
365.00	OH Conductors and Devices	345,551,518	104,471,124	-40%	(138,220,607)	379,301,002	40.06	9,468,108	2.7400%
366.00	UG Conduit	380,777,422	97,877,640	-25%	(95,194,356)	378,094,138	56.75	6,662,472	1.7497%
367.00	UG Conductors and Devices	1,824,579,253	445,385,098	-5%	(91,228,963)	1,470,423,118	36.94	39,803,341	2.1815%
368.00	Line Transformers	508,368,612	172,953,128	-10%	(50,836,861)	386,252,346	33.62	11,488,978	2.2600%
369.00	Services	24,404,882	22,963,796	-30%	(7,321,465)	8,762,551	16.67	525,687	2.1540%
369.10	Services-Overhead	46,739,929	28,116,323	-30%	(14,021,979)	32,645,585	28.69	1,137,977	2.4347%
369.20	Services-Underground	221,507,889	134,308,769	-30%	(66,452,367)	153,651,487	28.53	5,384,968	2.4311%
370.00	Meters	148,065,110	79,812,535	0%	0	68,252,574	12.09	5,644,596	3.8122%
370.20	AMR Equipment	68,769,058	65,089,394	0%	0	3,679,663	0.70	5,220,113	7.5908%
371.00	Installation on Customer Premises	7,154,178	4,487,808	-20%	(1,430,836)	4,097,206	12.97	315,891	4.4155%
373.00	Street Lighting and Signal Systems	166,707,410	62,140,522	-25%	(41,676,852)	146,243,740	29.75	4,916,452	2.9492%
	Total Distribution	4,810,073,555	1,498,755,843		(721,827,115)	4,033,144,827		112,533,404	
<u>ELECTRIC GENERAL PLANT</u>									
390.00	Structures and Improvements	6,784,142	1,931,451	-5%	(339,207)	5,191,898	33.98	152,787	2.2521%
389.20	Land Rights	0		0%	0	0	60.00	0	1.6667%
<u>COMMON GENERAL PLANT</u>									
390.00	Structures and Improvements	166,089,841	48,164,877	-10%	(16,608,984)	134,533,948	33.48	4,017,867	2.4191%

APPENDIX A-6 – Depreciation Rate Calculations Common Amortized

Public Service of Colorado
Computation of Amortization Rates
for Common General Plant For the Forecast January 1, 2018

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Page 1 of 1

Account Number	Description	Plant Balance 1/1/2018	Allocated Reserve 1/1/2018	Theoretical Reserve 1/1/2018	Reserve Difference	Remaining Life	Amortize Reserve Difference	Assets to Retire
COMMON GENERAL PLANT								
391.00	Office Furniture and Equipment	45,812,474	30,965,936	30,668,826	297,110	11.00	(27,008)	18,280,435
391.04	Computer Hardware	150,563,663	84,520,808	83,266,018	1,254,790	3.38	(371,720)	30,945,878
391.05	Computer Hardware - 3 Year Life	1,505,288	1,192,237	1,185,273	6,963	1.57	(4,427)	894,932
392.10	Transportation Equipment - Automobiles	2,277,049	1,284,376	1,276,470	7,906	8.41	(940)	1,052,033
392.20	Transportation Equipment - Light Trucks	12,017,199	7,526,741	7,466,367	60,374	6.63	(9,109)	5,498,874
392.30	Transportation Equipment - Trailers	959,396	232,801	227,349	5,452	17.59	(310)	0
392.40	Transportation Equipment - Heavy Trucks	4,089,552	2,553,915	2,507,004	46,911	5.25	(8,935)	612,222
393.00	Stores Equipment	869,668	722,546	714,674	7,872	9.09	(866)	358,017
394.00	Tools, Shop, and Garage Equipment	10,768,341	7,454,993	7,386,155	68,838	13.48	(5,107)	4,495,733
395.00	Laboratory Equipment	435,435	406,564	406,440	124	8.49	(15)	401,267
396.00	Power Operated Equipment	4,873,837	2,711,186	2,669,133	42,053	6.39	(6,578)	1,077,260
397.00	Communication Equipment	29,705,789	28,128,485	27,774,701	353,783	1.74	(203,754)	13,023,246
398.00	Miscellaneous Equipment	1,153,011	913,075	894,425	18,650	4.99	(3,737)	116,804
Total Common General		265,030,702	168,613,662	166,442,835	2,170,827		(642,506)	76,756,701

After Retirement of Fully Accrued Assets

	Plant Balance 1/1/2018	Allocated Reserve 1/1/2018	Amortization Life	Amortization Net Salv %	Annual Amortization	Accrual For Reserve Difference	Total Amortization	Amortization Rate
COMMON GENERAL PLANT								
391.00	Office Furniture and Equipment	27,532,039	12,685,500	20	0.00%	1,376,602	1,349,594	4.9019%
391.04	Computer Hardware	119,617,785	53,574,930	6	0.00%	19,936,298	19,564,578	16.3559%
391.05	Computer Hardware - 3 Year Life	610,356	297,305	3	0.00%	203,452	199,025	32.6080%
392.10	Transportation Equipment - Automobiles	1,225,016	337,547	12	10.00%	91,876	90,936	7.4233%
392.20	Transportation Equipment - Light Trucks	6,518,325	2,577,754	12	10.00%	488,874	479,765	7.3603%
392.30	Transportation Equipment - Trailers	959,396	232,801	25	20.00%	30,701	30,391	3.1677%
392.40	Transportation Equipment - Heavy Trucks	3,477,330	2,002,915	14	10.00%	223,543	214,607	6.1716%
393.00	Stores Equipment	511,651	364,529	30	0.00%	17,055	16,189	3.1640%
394.00	Tools, Shop, and Garage Equipment	6,272,608	2,959,260	25	0.00%	250,904	245,798	3.9186%
395.00	Laboratory Equipment	34,168	5,297	10	0.00%	3,417	3,402	9.9572%
396.00	Power Operated Equipment	3,796,576	1,795,515	14	15.00%	230,506	223,928	5.8982%
397.00	Communication Equipment	16,682,543	15,105,238	15	0.00%	1,112,170	908,416	5.4453%
398.00	Miscellaneous Equipment	1,036,207	796,271	20	0.00%	51,810	48,074	4.6394%
Total Common General		188,274,001	92,734,863			24,017,208	23,374,702	

APPENDIX B - Depreciation Expense Comparison

Public Service of Colorado																						
Comparison of Depreciation Rates and Annual Amounts																						
January 1, 2018																						
			Approved (1)				Proposed			Approved			Proposed			Difference						
		Estimated Plant	Life Depr			COR Depr	Tot Depr	Life Depr			COR Depr	Tot Depr	Life			COR	Total	Life			COR	Total
Unit or Account Number	Account Number and / or Description	Balance 1/1/2018	Notes	Rate	Rate	Rate	Rate	Rate	Rate	Notes	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	
ELECTRIC INTANGIBLE PLANT																						
301.00	Organization Costs	-																				
302.00	Franchises and Consents	17,102,114	(9)	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%		-	-	-	-	-	-	-	-	-	-	-	
303.00	Miscellaneous Intangible Plant	8,762,060	(9)	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%		-	-	-	-	-	-	-	-	-	-	-	
303.40	Misc Computer Software - 3 Year	-		33.3333%	0.0000%	33.3333%	33.3333%	0.0000%	33.3333%		-	-	-	-	-	-	-	-	-	-	-	
303.40	Misc Computer Software - 7 Year	53,141,490		20.0000%	0.0000%	20.0000%	14.2857%	0.0000%	14.2857%		10,628,298	-	10,628,298	7,591,641	-	7,591,641	(3,036,657)	-	(3,036,657)			
303.40	Misc Computer Software - 10 Year	-		10.0000%	0.0000%	10.0000%	10.0000%	0.0000%	10.0000%		-	-	-	-	-	-	-	-	-	-	-	
303.40	Misc Computer Software - 15 Year	-		10.0000%	0.0000%	10.0000%	6.6667%	0.0000%	6.6667%		-	-	-	-	-	-	-	-	-	-	-	
Total Electric Intangible Plant		79,005,664									10,628,298	-	10,628,298	7,591,641	-	7,591,641	(3,036,657)	-	(3,036,657)			
STEAM PRODUCTION PLANT																						
Cameo Common	310.2 Land Rights	1,392		2.0000%	0.0000%	2.0000%	0.0000%	0.0000%	0.0000%		28	-	28	-	-	-	(28)	-	(28)			
Cherokee Unit 2 SC	314 Turbogenerator Units	10,862,755		2.1116%	0.1964%	2.3080%	6.2014%	0.0868%	6.2882%		229,378	21,334	250,712	673,643	9,429	683,072	444,265	(11,906)	432,359			
Cherokee Unit 2 SC	315 Accessory Electric Equipment	2,040,021		3.0393%	0.2827%	3.3220%	4.1566%	0.0457%	4.2023%		62,002	5,767	67,769	84,795	932	85,728	22,793	(4,835)	17,958			
Cherokee Unit 2 SC	Total	12,902,775		2.2583%	0.2100%	2.4683%	5.8781%	0.0803%	5.9584%		291,380	27,102	318,482	758,438	10,361	768,800	467,058	(16,740)	450,318			
Cherokee Unit 4	311 Structures and Improvements	9,139,690		1.8240%	0.2330%	2.0570%	4.8569%	0.6612%	5.5181%		166,708	21,295	188,003	443,906	60,432	504,337	277,198	39,136	316,334			
Cherokee Unit 4	312 Boiler Plant Equipment	59,493,607		1.6920%	0.2220%	1.9140%	5.0559%	0.6969%	5.7528%		1,006,632	132,076	1,138,708	3,007,937	414,611	3,422,548	2,001,305	282,535	2,283,841			
Cherokee Unit 4	312 Boiler Plant Equipment AQIR	14,894,894		6.6667%	0.0000%	6.6667%	6.6667%	0.0000%	6.6667%		992,998	-	992,998	992,998	-	992,998	-	-	-			
Cherokee Unit 4	314 Turbogenerator Units	20,913,647		1.7190%	0.2240%	1.9430%	4.6744%	0.6452%	5.3196%		359,506	46,847	406,352	977,588	134,935	1,112,522	618,082	88,088	706,170			
Cherokee Unit 4	315 Accessory Electric Equipment	7,307,248		1.5800%	0.2000%	1.7800%	4.5164%	0.6098%	5.1262%		115,455	14,614	130,069	330,025	44,560	374,584	214,570	29,945	244,515			
Cherokee Unit 4	315.2 Computers and Peripherals	3,233,582		4.3147%	0.4013%	4.7160%	5.4237%	0.7278%	6.1515%		139,519	12,976	152,496	175,380	23,534	198,914	35,860	10,558	46,418			
Cherokee Unit 4	316 Miscellaneous Power Plant Equipment	401,316		1.4290%	0.1700%	1.5990%	7.2002%	0.9833%	8.1835%		5,735	682	6,417	28,896	3,946	32,842	23,161	3,264	26,425			
Cherokee Unit 4	Total	115,383,984		2.4150%	0.1980%	2.6131%	5.1625%	0.5911%	5.7536%		2,786,552	228,491	3,015,043	5,956,728	682,017	6,638,745	3,170,176	453,526	3,623,702			
Cherokee Common	310.2 Land Rights	12,865,962		2.0000%	0.0000%	2.0000%	4.5863%	0.0000%	4.5863%		257,319	-	257,319	590,072	-	590,072	332,752	-	332,752			
Cherokee Common	310.3 Water Rights	112,245		2.0000%	0.0000%	2.0000%	5.6505%	0.0000%	5.6505%		2,245	-	2,245	6,342	-	6,342	4,098	-	4,098			
Cherokee Common	311 Structures and Improvements	32,477,475		2.3050%	0.2480%	2.5530%	5.8977%	0.5448%	6.4425%		748,606	80,544	829,150	1,915,424	176,937	2,092,361	1,166,818	96,393	1,263,211			
Cherokee Common	312 Boiler Plant Equipment	18,490,653		2.7650%	0.2910%	3.0560%	6.0095%	0.5653%	6.5748%		511,267	53,808	565,074	1,111,196	104,528	1,215,723	599,929	50,720	650,649			
Cherokee Common	312 Boiler Plant Equipment AQIR	17,251,728		6.6667%	0.0000%	6.6667%	6.6667%	0.0000%	6.6667%		1,150,121	-	1,150,121	1,150,121	-	1,150,121	-	-	-			
Cherokee Common	314 Turbogenerator Units	193,363		4.6390%	0.4350%	5.0740%	4.8266%	0.4550%	5.2816%		8,970	841	9,811	9,333	880	10,213	363	39	401			
Cherokee Common	315 Accessory Electric Equipment	8,446,055		1.9540%	0.2050%	2.1590%	4.7534%	0.4338%	5.1872%		165,036	17,314	182,350	401,475	36,639	438,114	236,439	19,325	255,763			
Cherokee Common	315.2 Computers and Peripherals	192,016		3.1757%	0.2953%	3.4710%	5.0977%	0.4610%	5.5587%		6,098	567	6,665	9,788	885	10,674	3,691	318	4,009			
Cherokee Common	316 Miscellaneous Power Plant Equipment	2,294,961		2.1380%	0.2040%	2.3420%	6.6820%	0.6200%	7.3020%		49,066	4,682	53,748	153,349	14,229	167,578	104,283	9,547	113,830			
Cherokee Common	Total	92,324,458		3.1397%	0.1709%	3.3106%	5.7916%	0.3619%	6.1535%		2,898,728	157,756	3,056,484	5,347,100	334,098	5,681,198	2,448,373	176,341	2,624,714			
Coal Cars	312 Boiler Plant Equipment	23,102,076		3.1667%	0.0000%	3.1667%	4.7285%	0.0000%	4.7285%		731,573	-	731,573	1,092,382	-	1,092,382	360,808	-	360,808			
Comanche Unit 1	311 Structures and Improvements	17,989,658		1.6360%	0.1970%	1.8330%	2.8847%	0.0887%	2.9734%		294,311	35,440	329,750	518,948	15,957	534,905	224,637	(19,483)	205,154			
Comanche Unit 1	312 Boiler Plant Equipment	228,008,023		1.9460%	0.2270%	2.1730%	3.7706%	0.1276%	3.8982%		4,437,036	517,578	4,954,614	8,597,271	290,938	8,888,209	4,160,234	(226,640)	3,933,594			
Comanche Unit 1	314 Turbogenerator Units	37,687,510		1.6980%	0.2040%	1.9020%	3.3469%	0.1145%	3.4614%		639,934	76,883	716,816	1,261,363	43,152	1,304,515	621,429	(33,730)	587,699			
Comanche Unit 1	315 Accessory Electric Equipment	21,114,222		1.5310%	0.1760%	1.7070%	2.9854%	0.0857%	3.0711%		323,259	37,161	360,420	630,344	18,095	648,439	307,085	(19,066)	288,019			
Comanche Unit 1	315.2 Computers and Peripherals	1,407,501		3.6712%	0.3488%	4.0200%	3.3446%	0.1014%	3.4460%		51,672	4,909	56,582	47,075	1,427	48,502	(4,597)	(3,482)	(8,079)			
Comanche Unit 1	316 Miscellaneous Power Plant Equipment	570,557		1.3680%	0.1450%	1.5130%	2.6534%	0.0835%	2.7369%		7,805	827	8,633	15,139	476	15,616	7,334	(351)	6,983			
Comanche Unit 1	Total	306,777,470		1.8756%	0.2193%	2.0949%	3.6085%	0.1206%	3.7291%		5,754,017	672,798	6,426,815	11,070,140	370,046	11,440,186	5,316,123	(302,752)	5,013,371			

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			Approved (1)				Proposed			Approved			Proposed			Difference		
		Estimated Plant Balance 1/1/2018	Life Depr	COR Depr	Tot Depr	Life Depr	COR Depr	Tot Depr		Life	COR	Total	Life	COR	Total	Life	COR	Total
Unit or Account Number	Account Number and / or Description		Notes	Rate	Rate	Rate	Rate	Rate	Notes	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp
Comanche Unit 2	311 Structures and Improvements	8,931,575		1.3710%	0.1650%	1.5360%	2.4913%	0.0930%	2.5843%	122,452	14,737	137,189	222,512	8,306	230,819	100,060	(6,431)	93,630
Comanche Unit 2	312 Boiler Plant Equipment	184,356,650		1.8040%	0.2080%	2.0120%	3.4001%	0.1389%	3.5390%	3,325,794	383,462	3,709,256	6,268,310	256,071	6,524,382	2,942,516	(127,390)	2,815,126
Comanche Unit 2	314 Turbogenerator Units	37,394,504		1.6350%	0.1920%	1.8270%	2.8943%	0.1195%	3.0138%	611,400	71,797	683,198	1,082,309	44,686	1,126,996	470,909	(27,111)	443,798
Comanche Unit 2	315 Accessory Electric Equipment	20,279,179		1.6290%	0.1790%	1.8080%	2.7612%	0.0965%	2.8577%	330,348	36,300	366,648	559,949	19,569	579,518	229,601	(16,730)	212,871
Comanche Unit 2	315.2 Computers and Peripherals	-					3.2386%	0.1308%	3.3694%	(3)	-	-	-	-	-	-	-	-
Comanche Unit 2	316 Miscellaneous Power Plant Equipment	726,289		1.3560%	0.1370%	1.4930%	2.4708%	0.0941%	2.5649%	9,848	995	10,843	17,945	683	18,629	8,097	(312)	7,785
Comanche Unit 2	Total	251,688,196		1.7481%	0.2016%	1.9497%	3.2385%	0.1308%	3.3694%	4,399,842	507,291	4,907,133	8,151,026	329,317	8,480,343	3,751,183	(177,974)	3,573,209
Comanche Unit 3	310.2 Land Rights	8,159		2.0000%	0.0000%	2.0000%	1.7044%	0.0000%	1.7044%	163	-	163	139	-	139	(24)	-	(24)
Comanche Unit 3	311 Structures and Improvements	128,543,794	(6)	1.8850%	0.1210%	2.0060%	1.7654%	0.0401%	1.8055%	2,423,051	155,538	2,578,589	2,269,312	51,546	2,320,858	(153,738)	(103,992)	(257,730)
Comanche Unit 3	312 Boiler Plant Equipment	544,912,450	(6)	1.8850%	0.1210%	2.0060%	1.8536%	0.0617%	1.9153%	10,271,600	659,344	10,930,944	10,100,497	336,211	10,436,708	(171,103)	(323,133)	(494,236)
Comanche Unit 3	314 Turbogenerator Units	170,691,771	(6)	1.8850%	0.1210%	2.0060%	1.8619%	0.0643%	1.9262%	3,217,540	206,537	3,424,077	3,178,110	109,755	3,287,865	(39,430)	(96,782)	(136,212)
Comanche Unit 3	315 Accessory Electric Equipment	91,002,381	(6)	1.8850%	0.1210%	2.0060%	1.7566%	0.0263%	1.7829%	1,715,395	110,113	1,825,508	1,598,548	23,934	1,622,481	(116,847)	(86,179)	(203,026)
Comanche Unit 3	315.2 Computers and Peripherals	-	(6)	1.8850%	0.1210%	2.0060%	1.8370%	0.0556%	1.8926%	(3)	-	-	-	-	-	-	-	-
Comanche Unit 3	316 Miscellaneous Power Plant Equipment	19,720,826	(6)	1.8850%	0.1210%	2.0060%	1.9988%	0.0476%	2.0464%	371,738	23,862	395,600	394,180	9,387	403,567	22,442	(14,475)	7,967
Comanche Unit 3	Total	954,879,381		1.8850%	0.1210%	2.0060%	1.8370%	0.0556%	1.8926%	17,999,486	1,155,394	19,154,880	17,540,786	530,833	18,071,619	(458,700)	(624,562)	(1,083,261)
Comanche Common	311 Structures and Improvements	38,454,435		1.5000%	0.1780%	1.6780%	1.4479%	0.5788%	2.0267%	576,817	68,449	645,265	556,782	222,574	779,356	(20,035)	154,125	134,091
Comanche Common	312 Boiler Plant Equipment	32,477,070		1.6290%	0.1920%	1.8210%	1.5821%	0.6492%	2.2313%	529,051	62,356	591,407	513,820	210,841	724,661	(15,232)	148,485	133,253
Comanche Common	314 Turbogenerator Units	2,495,730		2.3140%	0.2520%	2.5660%	1.5761%	0.6488%	2.2249%	57,751	6,289	64,040	39,335	16,192	55,528	(18,416)	9,903	(8,513)
Comanche Common	315 Accessory Electric Equipment	2,284,687		1.6650%	0.1820%	1.8470%	1.3992%	0.5486%	1.9478%	38,040	4,158	42,198	31,967	12,534	44,501	(6,073)	8,376	2,303
Comanche Common	315.2 Computers and Peripherals	190,989		3.4484%	0.3276%	3.7760%	1.5771%	0.6092%	2.1863%	6,586	626	7,212	3,012	1,164	4,176	(3,574)	538	(3,036)
Comanche Common	316 Miscellaneous Power Plant Equipment	2,638,976		1.6030%	0.1580%	1.7610%	1.6071%	0.6442%	2.2513%	42,303	4,170	46,472	42,411	17,000	59,411	108	12,831	12,939
Comanche Common		78,541,887		1.5922%	0.1859%	1.7782%	1.5117%	0.6115%	2.1232%	1,250,548	146,048	1,396,596	1,187,327	480,305	1,667,632	(63,221)	334,258	271,037
Craig Unit 1	311 Structures and Improvements	7,455,497		1.4600%	0.0880%	1.5480%	5.2696%	-0.0980%	5.1716%	108,850	6,561	115,411	392,875	(7,306)	385,569	284,025	(13,867)	270,157
Craig Unit 1	312 Boiler Plant Equipment	20,495,642		1.5570%	0.1060%	1.6630%	5.0963%	-0.0967%	4.9996%	319,117	21,725	340,843	1,044,519	(19,819)	1,024,700	725,402	(41,545)	683,858
Craig Unit 1	314 Turbogenerator Units	2,216,766		2.6570%	0.1590%	2.8160%	10.6924%	0.2857%	10.9781%	58,899	3,525	62,424	237,025	6,333	243,359	178,126	2,809	180,935
Craig Unit 1	315 Accessory Electric Equipment	3,260,823		1.5290%	0.0860%	1.6150%	6.0102%	-0.0580%	5.9522%	49,858	2,804	52,662	195,982	(1,891)	194,091	146,124	(4,696)	141,428
Craig Unit 1	315.2 Computers and Peripherals	-					5.5922%	-0.0681%	5.5241%	(3)	-	-	-	-	-	-	-	-
Craig Unit 1	316 Miscellaneous Power Plant Equipment	139,397		1.5120%	0.0690%	1.5810%	4.8690%	-0.1296%	4.7394%	2,108	96	2,204	6,787	(181)	6,607	4,680	(277)	4,403
Craig Unit 1	Total	33,568,126		1.6052%	0.1034%	1.7086%	5.5922%	-0.0681%	5.5241%	538,833	34,711	573,544	1,877,189	(22,864)	1,854,325	1,338,356	(57,576)	1,280,781
Craig Unit 2	311 Structures and Improvements	7,212,413		1.4380%	0.0870%	1.5250%	2.3310%	0.0647%	2.3957%	103,714	6,275	109,989	168,121	4,666	172,788	64,407	(1,608)	62,798
Craig Unit 2	312 Boiler Plant Equipment	16,216,121		1.5470%	0.1060%	1.6530%	2.4362%	0.0784%	2.5146%	250,863	17,189	268,052	395,057	12,713	407,771	144,194	(4,476)	139,718
Craig Unit 2	314 Turbogenerator Units	7,372,248		1.5140%	0.1010%	1.6150%	2.9089%	0.0951%	3.0040%	111,616	7,446	119,062	214,451	7,011	221,462	102,835	(435)	102,401
Craig Unit 2	315 Accessory Electric Equipment	3,969,785		1.4990%	0.0850%	1.5840%	2.3883%	0.0591%	2.4474%	59,507	3,374	62,881	94,810	2,346	97,157	35,303	(1,028)	34,275
Craig Unit 2	315.2 Computers and Peripherals	-					2.5086%	0.0769%	2.5855%	(3)	-	-	-	-	-	-	-	-
Craig Unit 2	316 Miscellaneous Power Plant Equipment	136,910		1.4780%	0.0690%	1.5470%	2.3838%	0.0683%	2.4521%	2,024	94	2,118	3,264	94	3,357	1,240	(1)	1,239
Craig Unit 2	Total	34,907,477		1.5118%	0.0985%	1.6103%	2.5086%	0.0769%	2.5855%	527,724	34,379	562,103	875,704	26,831	902,534	347,980	(7,548)	340,431
Craig Common	311 Structures and Improvements	7,825,104		1.4870%	0.0890%	1.5760%	2.5028%	0.2044%	2.7072%	116,359	6,964	123,324	195,847	15,995	211,841	79,487	9,030	88,518
Craig Common	312 Boiler Plant Equipment	37,457,353		2.2670%	0.1440%	2.4110%	3.3150%	0.2854%	3.6004%	849,158	53,939	903,097	1,241,711	106,903	1,348,615	392,553	52,965	445,518
Craig Common	314 Turbogenerator Units	3,756,569		1.5560%	0.1030%	1.6590%	2.8983%	0.2510%	3.1493%	58,452	3,869	62,321	108,877	9,429	118,306	50,424	5,560	55,984
Craig Common	315 Accessory Electric Equipment	2,204,781		1.5410%	0.0870%	1.6280%	2.4953%	0.1963%	2.6916%	33,976	1,918	35,894	55,016	4,328	59,344	21,040	2,410	23,450
Craig Common	315.2 Computers and Peripherals	282,900		2.8817%	0.1383%	3.0200%	2.7077%	0.2069%	2.9146%	8,152	391	8,544	7,660	585	8,245	(492)	194	(298)
Craig Common	316 Miscellaneous Power Plant Equipment	1,928,593		1.6400%	0.0740%	1.7140%	3.1415%	0.2594%	3.4009%	31,629	1,427	33,056	60,587	5,003	65,590	28,958	3,576	32,533
Craig Common	Total	53,455,301		2.0535%	0.1282%	2.1817%	3.1235%	0.2661%	3.3896%	1,097,727	68,509	1,166,235	1,669,697	142,243	1,811,940	571,971	73,734	645,705

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Unit or Account Number	Account Number and / or Description		Notes	Rate	Rate	Rate	Rate	Rate	Notes	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp
Hayden Unit 1	311 Structures and Improvements	7,181,544		1.6759%	0.1961%	1.8720%		2.6802%		120,356	14,083	134,439	192,480	10,399	202,879	72,124	(3,684)	68,440
Hayden Unit 1	312 Boiler Plant Equipment	133,144,049		2.9517%	0.3453%	3.2970%		4.5886%		3,930,013	459,746	4,389,759	6,109,448	344,710	6,454,158	2,179,435	(115,036)	2,064,398
Hayden Unit 1	314 Turbogenerator Units	17,681,172		2.0627%	0.2413%	2.3040%		3.3130%		364,710	42,665	407,374	585,777	33,223	619,000	221,068	(9,442)	211,626
Hayden Unit 1	315 Accessory Electric Equipment	4,708,510		1.9391%	0.2269%	2.1660%		2.9143%		91,303	10,684	101,986	137,220	7,199	144,419	45,917	(3,484)	42,433
Hayden Unit 1	315.2 Computers and Peripherals	1,097,995		3.6598%	0.4282%	4.0880%		6.0797%		40,184	4,702	44,886	66,755	3,422	70,177	26,570	(1,279)	25,291
Hayden Unit 1	316 Miscellaneous Power Plant Equipment	215,253		1.6902%	0.1978%	1.8880%		2.6921%		3,638	426	4,064	5,795	316	6,111	2,157	(109)	2,047
Hayden Unit 1	Total	164,028,523		2.7740%	0.3245%	3.0986%		4.3270%		4,550,203	532,305	5,082,508	7,097,475	399,270	7,496,744	2,547,271	(133,035)	2,414,236
Hayden Unit 2	311 Structures and Improvements	49,583,577		1.3310%	0.1950%	1.5260%		3.7015%		659,957	96,688	756,645	1,835,336	57,170	1,892,506	1,175,379	(39,518)	1,135,861
Hayden Unit 2	312 Boiler Plant Equipment	75,620,650		1.7300%	0.2370%	1.9670%		2.9068%		1,308,237	179,221	1,487,458	2,198,141	76,755	2,274,896	889,904	(102,466)	787,438
Hayden Unit 2	314 Turbogenerator Units	14,560,020		1.4760%	0.2090%	1.6850%		2.7128%		214,906	30,430	245,336	394,984	13,963	408,947	180,078	(16,467)	163,611
Hayden Unit 2	315 Accessory Electric Equipment	7,573,282		1.3750%	0.1870%	1.5620%		2.5645%		104,133	14,162	118,295	194,217	5,559	199,776	90,084	(8,603)	81,481
Hayden Unit 2	315.2 Computers and Peripherals	975,875		3.4324%	0.4016%	3.8340%		4.8692%		33,496	3,919	37,415	47,517	1,270	48,787	14,021	(2,650)	11,372
Hayden Unit 2	316 Miscellaneous Power Plant Equipment	546,677		1.3970%	0.1710%	1.5680%		2.4227%		7,637	935	8,572	13,244	424	13,668	5,607	(511)	5,096
Hayden Unit 2	Total	148,860,082		1.5641%	0.2186%	1.7827%		3.1462%		2,328,366	325,355	2,653,722	4,683,440	155,140	4,838,580	2,355,074	(170,215)	2,184,858
Hayden Common	311 Structures and Improvements	5,218,478		2.2160%	0.2900%	2.5060%		3.5764%		115,641	15,134	130,775	186,634	73,262	259,896	70,992	58,129	129,121
Hayden Common	312 Boiler Plant Equipment	29,711,991		2.5300%	0.3190%	2.8490%		3.2662%		751,713	94,781	846,495	970,453	384,592	1,355,045	218,740	289,811	508,550
Hayden Common	314 Turbogenerator Units	1,692,433		2.7010%	0.3350%	3.0360%		3.8637%		45,713	5,670	51,382	65,391	25,945	91,336	19,678	20,275	39,953
Hayden Common	315 Accessory Electric Equipment	200,108		2.4740%	0.2960%	2.7700%		3.2872%		4,951	592	5,543	6,578	2,566	9,144	1,627	1,973	3,601
Hayden Common	315.2 Computers and Peripherals	-				0.0000%		3.3919%	(3)	-	-	-	-	-	-	-	-	-
Hayden Common	316 Miscellaneous Power Plant Equipment	1,998,090		2.3100%	0.2540%	2.5640%		4.3898%		46,156	5,075	51,231	87,712	34,503	122,215	41,556	29,428	70,984
Hayden Common	Total	38,821,099		2.4836%	0.3123%	2.7960%		3.3919%		964,174	121,252	1,085,426	1,316,767	520,868	1,837,635	352,593	399,616	752,209
Pawnee Unit 1	311 Structures and Improvements	147,075,489		1.4840%	0.0900%	1.5740%		2.1696%		2,182,600	132,368	2,314,968	3,190,950	52,065	3,243,015	1,008,350	(80,303)	928,046
Pawnee Unit 1	312 Boiler Plant Equipment	583,582,463		1.6670%	0.1130%	1.7800%		2.9742%		9,728,320	659,448	10,387,768	17,356,910	367,073	17,723,983	7,628,590	(292,375)	7,336,215
Pawnee Unit 1	314 Turbogenerator Units	64,686,875		1.5970%	0.1060%	1.7030%		2.4062%		1,033,049	68,568	1,101,617	1,556,496	33,831	1,590,327	523,446	(34,737)	488,709
Pawnee Unit 1	315 Accessory Electric Equipment	61,165,532		1.5620%	0.0880%	1.6500%		2.1791%		955,406	53,826	1,009,231	1,332,858	17,310	1,350,168	377,452	(36,516)	340,937
Pawnee Unit 1	315.2 Computers and Peripherals	8,668,564		2.9428%	0.1442%	3.0870%		3.2083%		255,099	12,500	267,599	278,114	2,921	281,035	23,015	(9,579)	13,436
Pawnee Unit 1	316 Miscellaneous Power Plant Equipment	6,351,065		1.5700%	0.0710%	1.6410%		2.2901%		99,712	4,509	104,221	145,446	2,515	147,961	45,734	(1,994)	43,740
Pawnee Unit 1	Total	871,529,987		1.6355%	0.1068%	1.7424%		2.7378%		14,254,185	931,219	15,185,404	23,860,772	475,716	24,336,488	9,606,587	(455,504)	9,151,084
Pawnee Common	311 Structures and Improvements	6,161,361		2.7150%	0.1440%	2.8590%		3.2149%		167,281	8,872	176,153	198,082	219,375	417,457	30,801	210,503	241,304
Pawnee Common	312 Boiler Plant Equipment	28,197,319		2.8790%	0.1750%	3.0540%		3.2955%		811,801	49,345	861,146	929,243	1,033,685	1,962,928	117,442	984,340	1,101,782
Pawnee Common	314 Turbogenerator Units	304,100		2.2750%	0.1420%	2.4170%		3.1130%		6,918	432	7,350	9,467	10,536	20,003	2,548	10,104	12,653
Pawnee Common	315 Accessory Electric Equipment	983,649		2.1720%	0.1160%	2.2880%		2.8359%		21,365	1,141	22,506	27,895	30,803	58,698	6,530	29,662	36,192
Pawnee Common	315.2 Computers and Peripherals	-		2.6463%	0.1297%	2.7760%		3.2599%	(3)	-	-	-	-	-	-	-	-	-
Pawnee Common	316 Miscellaneous Power Plant Equipment	2,586,383		2.3210%	0.0980%	2.4190%		3.1579%		60,030	2,535	62,565	81,675	90,536	172,212	21,645	88,002	109,647
Pawnee Common	Total	38,232,812		2.7918%	0.1630%	2.9548%		3.2599%		1,067,395	62,325	1,129,720	1,246,362	1,384,936	2,631,298	178,967	1,322,611	1,501,578
Zuni Common	310.3 Water Rights	565,476		2.0000%	0.0000%	2.0000%		0.0000%		11,310	-	11,310	-	-	-	(11,310)	-	(11,310)
	Total Steam Production	3,219,570,504								61,452,071	5,004,935	66,457,006	93,731,333	5,819,115	99,550,448	32,279,262	814,180	33,093,443
HYDRAULIC PRODUCTION PLANT																		
Ames	331 Structures and Improvements	151,878		1.4679%	0.0191%	1.4870%		2.0310%		2,229	29	2,258	3,085	529	3,614	855	500	1,355
Ames	332 Reservoirs, Dams and Waterways	10,010,622		1.5420%	0.0200%	1.5620%		2.5934%		154,364	2,002	156,366	259,615	44,918	304,533	105,252	42,916	148,167
Ames	333 Waterwheels, Turbines and Generators	159,362		0.9299%	0.0121%	0.9420%		1.9526%		1,482	19	1,501	3,112	562	3,674	1,630	543	2,173
Ames	334 Accessory Electric Equipment	1,760,898		2.4393%	0.0317%	2.4710%		2.5118%		42,954	558	43,512	44,230	8,016	52,246	1,277	7,457	8,734
Ames	334.2 Computers and Peripherals	-						2.5612%	(3)	-	-	-	-	-	-	-	-	-
Ames	335 Misc. Power Plant Equipment	102,068		1.8095%	0.0235%	1.8330%		2.2912%		1,847	24	1,871	2,339	401	2,739	492	377	868
Ames	335.2 Recreational Facilities	168,022		2.3258%	0.0302%	2.3560%		2.4005%		3,908	51	3,959	4,033	708	4,741	126	657	782
Ames	336 Roads, Railroads and Bridges	21,232		2.3722%	0.0308%	2.4030%		2.3618%		504	7	510	501	85	586	(2)	78	76
Ames	Total	12,374,082		1.6752%	0.0217%	1.6969%		2.5611%		207,287	2,690	209,977	316,915	55,218	372,133	109,628	52,528	162,156

Public Service of Colorado Comparison of Depreciation Rates and Annual Amounts January 1, 2018																			
		Estimated Plant Balance 1/1/2018	Approved (1)			Proposed			Approved			Proposed			Difference				
Unit or Account Number	Account Number and / or Description		Notes	Life Depr Rate	COR Depr Rate	Tot Depr Rate	Life Depr Rate	COR Depr Rate	Tot Depr Rate	Notes	Life Depr Exp	COR Depr Exp	Total Depr Exp	Life Depr Exp	COR Depr Exp	Total Depr Exp	Life Depr Exp	COR Depr Exp	Total Depr Exp
Cabin Creek	331 Structures and Improvements	14,864,472		0.9324%	0.1296%	1.0620%	1.9838%	0.7441%	2.7279%		138,596	19,264	157,861	294,881	110,607	405,488	156,285	91,342	247,627
Cabin Creek	332 Reservoirs, Dams and Waterways	21,164,528		0.9587%	0.1333%	1.0920%	1.8112%	0.6910%	2.5022%		202,904	28,212	231,117	383,332	146,247	529,579	180,428	118,035	298,462
Cabin Creek	333 Waterwheels, Turbines and Generators	20,565,620		1.0773%	0.1497%	1.2270%	2.0656%	0.7962%	2.8618%		221,553	30,787	252,340	424,803	163,743	588,547	203,250	132,957	336,207
Cabin Creek	334 Accessory Electric Equipment	4,965,647		1.2581%	0.1749%	1.4330%	2.1190%	0.8181%	2.9371%		62,473	8,685	71,158	105,222	40,624	145,846	42,749	31,939	74,688
Cabin Creek	334.2 Computers and Peripherals	58,913		1.1563%	0.1607%	1.3170%	2.0428%	0.7608%	2.8036%		681	95	776	1,203	448	1,652	522	354	876
Cabin Creek	335 Misc. Power Plant Equipment	582,339		1.4978%	0.2082%	1.7060%	1.9495%	0.7309%	2.6804%		8,722	1,212	9,935	11,353	4,256	15,609	2,630	3,044	5,674
Cabin Creek	335.2 Recreational Facilities	4,116		1.3565%	0.1885%	1.5450%	2.1151%	0.8028%	2.9179%		56	8	64	87	33	120	31	25	57
Cabin Creek	336 Roads, Railroads and Bridges	501,678		0.9359%	0.1301%	1.0660%	1.7513%	0.6523%	2.4036%		4,695	653	5,348	8,786	3,272	12,058	4,091	2,620	6,710
Cabin Creek	Total	62,707,312		1.0201%	0.1418%	1.1619%	1.9610%	0.7483%	2.7093%		639,681	88,916	728,597	1,229,668	469,231	1,698,899	589,987	380,315	970,302
Georgetown	331 Structures and Improvements	440,643		1.6952%	0.0068%	1.7020%	4.2242%	0.7364%	4.9606%		7,470	30	7,500	18,614	3,245	21,859	11,144	3,215	14,359
Georgetown	332 Reservoirs, Dams and Waterways	14,522,763		2.3038%	0.0092%	2.3130%	4.3967%	0.7802%	5.1769%		334,575	1,336	335,912	638,522	113,307	751,829	303,947	111,971	415,917
Georgetown	333 Waterwheels, Turbines and Generators	164,947		1.0269%	0.0041%	1.0310%	3.5833%	0.6429%	4.2262%		1,694	7	1,701	5,911	1,060	6,971	4,217	1,054	5,270
Georgetown	334 Accessory Electric Equipment	1,559,459		1.6056%	0.0064%	1.6120%	4.3911%	0.7892%	5.1803%		25,039	100	25,138	68,477	12,307	80,785	43,439	12,207	55,646
Georgetown	334.2 Computers and Peripherals	-		4.3833%	0.7783%	5.1616%	(3)	-	-	-	-	-	-	-	-	-	-	-	-
Georgetown	335 Misc. Power Plant Equipment	3,932		2.8665%	0.0115%	2.8780%	3.9160%	0.6823%	4.5983%		113	0	113	154	27	181	41	26	68
Georgetown	335.2 Recreational Facilities	717,476		2.2570%	0.0090%	2.2660%	4.3793%	0.7731%	5.1524%		16,193	65	16,258	31,420	5,547	36,967	15,227	5,482	20,709
Georgetown	336 Roads, Railroads and Bridges	-		4.3833%	0.7783%	5.1616%	(3)	-	-	-	-	-	-	-	-	-	-	-	-
Georgetown	Total	17,409,220		2.2120%	0.0088%	2.2208%	4.3833%	0.7783%	5.1616%		385,084	1,538	386,621	763,098	135,493	898,591	378,014	133,955	511,970
Salida	331 Structures and Improvements	118,933		1.8055%	0.0325%	1.8380%	6.0832%	9.4961%	15.5793%		2,147	39	2,186	7,235	11,294	18,529	5,088	11,255	16,343
Salida	332 Reservoirs, Dams and Waterways	3,492,027		1.5658%	0.0282%	1.5940%	6.9982%	10.9341%	17.9323%		54,678	985	55,663	244,379	381,822	626,201	189,701	380,837	570,538
Salida	333 Waterwheels, Turbines and Generators	87,830		0.6965%	0.0125%	0.7090%	5.7563%	8.9987%	14.7550%		612	11	623	5,056	7,904	12,959	4,444	7,893	12,337
Salida	334 Accessory Electric Equipment	388,626		2.0010%	0.0360%	2.0370%	6.0814%	9.5079%	15.5893%		7,776	140	7,916	23,634	36,950	60,584	15,857	36,810	52,668
Salida	334.2 Computers and Peripherals	-		6.8378%	10.6837%	17.5215%	(3)	-	-	-	-	-	-	-	-	-	-	-	-
Salida	335 Misc. Power Plant Equipment	3,597		3.6248%	0.0652%	3.6900%	5.4719%	8.5416%	14.0135%		130	2	133	197	307	504	66	305	371
Salida	335.2 Recreational Facilities	188,186		3.2711%	0.0589%	3.3300%	6.5585%	10.2445%	16.8030%		6,156	111	6,267	12,342	19,279	31,621	6,186	19,168	25,354
Salida	336 Roads, Railroads and Bridges	25,403		2.6189%	0.0471%	2.6660%	5.8957%	9.1999%	15.0956%		665	12	677	1,498	2,337	3,835	832	2,325	3,158
Salida	Total	4,304,601		1.6765%	0.0302%	1.7067%	6.8378%	10.6837%	17.5215%		72,165	1,299	73,464	294,340	459,892	754,233	222,175	458,593	680,768
Shoshone	331 Structures and Improvements	3,849,934		1.6234%	0.0536%	1.6770%	2.1536%	0.1067%	2.2603%		62,500	2,064	64,563	82,912	4,108	87,020	20,412	2,044	22,457
Shoshone	332 Reservoirs, Dams and Waterways	16,175,370		0.8325%	0.0275%	0.8600%	1.9332%	0.1096%	2.0428%		134,660	4,448	139,108	312,702	17,728	330,430	178,042	13,280	191,322
Shoshone	333 Waterwheels, Turbines and Generators	2,959,308		1.7212%	0.0568%	1.7780%	2.0048%	0.1223%	2.1271%		50,936	1,681	52,616	59,328	3,619	62,947	8,393	1,938	10,331
Shoshone	334 Accessory Electric Equipment	3,562,678		2.2323%	0.0737%	2.3060%	2.2286%	0.1374%	2.3660%		79,530	2,626	82,155	79,398	4,895	84,293	(132)	2,269	2,138
Shoshone	334.2 Computers and Peripherals	-		2.0146%	0.1139%	2.1285%	(3)	-	-	-	-	-	-	-	-	-	-	-	-
Shoshone	335 Misc. Power Plant Equipment	915,036		2.7396%	0.0904%	2.8300%	2.0723%	0.1023%	2.1746%		25,068	827	25,896	18,962	936	19,898	(6,106)	109	(5,997)
Shoshone	335.2 Recreational Facilities	-		2.0146%	0.1139%	2.1285%	(3)	-	-	-	-	-	-	-	-	-	-	-	-
Shoshone	336 Roads, Railroads and Bridges	9,629		1.0852%	0.0358%	1.1210%	1.5492%	0.0721%	1.6213%		104	3	108	149	7	156	45	3	48
Shoshone	Total	27,471,954		1.2842%	0.0424%	1.3266%	2.0146%	0.1139%	2.1285%		352,798	11,649	364,447	553,452	31,293	584,745	200,654	19,644	220,299
Tacoma	331 Structures and Improvements	501,151		1.3804%	0.0276%	1.4080%	2.3043%	0.7209%	3.0252%		6,918	138	7,056	11,548	3,613	15,161	4,630	3,474	8,105
Tacoma	332 Reservoirs, Dams and Waterways	14,145,451		1.3500%	0.0270%	1.3770%	2.9211%	0.9306%	3.8517%		190,964	3,819	194,783	413,203	131,638	544,840	222,239	127,818	350,057
Tacoma	333 Waterwheels, Turbines and Generators	1,844,962		1.8147%	0.0363%	1.8510%	2.6290%	0.8468%	3.4758%		33,481	670	34,150	48,504	15,623	64,127	15,024	14,953	29,977
Tacoma	334 Accessory Electric Equipment	4,445,812		1.7667%	0.0353%	1.8020%	2.7987%	0.9030%	3.7017%		78,544	1,569	80,114	124,425	40,146	164,571	45,881	38,576	84,457
Tacoma	334.2 Computers and Peripherals	-		2.8221%	0.9012%	3.7233%	(3)	-	-	-	-	-	-	-	-	-	-	-	-
Tacoma	335 Misc. Power Plant Equipment	315,705		1.8912%	0.0378%	1.9290%	2.4222%	0.7574%	3.1796%		5,971	119	6,090	7,647	2,391	10,038	1,676	2,272	3,948
Tacoma	335.2 Recreational Facilities	709,479		1.6294%	0.0326%	1.6620%	2.4153%	0.7653%	3.1806%		11,560	231	11,792	17,136	5,430	22,566	5,576	5,198	10,774
Tacoma	336 Roads, Railroads and Bridges	400,241		1.3029%	0.0261%	1.3290%	2.1618%	0.6712%	2.8330%		5,215	104	5,319	8,652	2,686	11,339	3,438	2,582	6,020
Tacoma	Total	22,362,801		1.4875%	0.0297%	1.5173%	2.8222%	0.9012%	3.7233%		332,652	6,652	339,304	631,115	201,526	832,642	298,463	194,875	493,338
Total Hydraulic Production		146,629,970									1,989,667	112,744	2,102,411	3,788,589	1,352,654	5,141,243	1,798,922	1,239,910	3,038,832

Public Service of Colorado Comparison of Depreciation Rates and Annual Amounts January 1, 2018																		
			Approved (1)				Proposed			Approved			Proposed			Difference		
		Estimated Plant Balance 1/1/2018	Life Depr	COR Depr	Tot Depr	Life Depr	COR Depr	Tot Depr		Life	COR	Total	Life	COR	Total	Life	COR	Total
Unit or Account Number	Account Number and / or Description		Notes	Rate	Rate	Rate	Rate	Rate	Notes	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp
OTHER PRODUCTION PLANT																		
Alamosa	341 Structures and Improvements	560,558		4.4734%	0.1566%	4.6300%		3.6169%	0.2220%	3.8389%		25,076	878	25,954		20,275	1,244	21,519
Alamosa	342 Fuel Holders, Producers, and Accessories	355,948		1.0058%	0.0352%	1.0410%		1.4287%	0.0894%	1.5181%		3,580	125	3,705		5,085	318	5,404
Alamosa	343 Prime Movers	-				0.0000%		2.4741%	0.1539%	2.6280%	(3)	-	-	-		-	-	-
Alamosa	344 Generators	8,040,994		1.5633%	0.0547%	1.6180%		1.7030%	0.1062%	1.8092%		125,705	4,398	130,103		136,938	8,540	145,478
Alamosa	345 Accessory Electric Equipment	1,080,614		3.6184%	0.1266%	3.7450%		6.7815%	0.4222%	7.2037%		39,101	1,368	40,469		73,282	4,562	77,844
Alamosa	345.2 Computers and Peripherals	-						2.4741%	0.1539%	2.6280%	(3)	-	-	-		-	-	-
Alamosa	346 Miscellaneous Power Plant Equipment	280,376		0.9430%	0.0330%	0.9760%		7.0300%	0.4331%	7.4631%		2,644	93	2,736		19,710	1,214	20,925
Alamosa	Total	10,318,489		1.9005%	0.0665%	1.9670%		2.4741%	0.1539%	2.6280%		196,106	6,862	202,968		255,291	15,879	271,169
Blue Spruce	341 Structures and Improvements	-	(7)	2.5000%	0.1887%	2.6887%		2.5394%	0.0637%	2.6031%	(3)	-	-	-		-	-	-
Blue Spruce	342 Fuel Holders, Producers, and Accessories	-	(7)	2.5000%	0.1887%	2.6887%		2.5394%	0.0637%	2.6031%	(3)	-	-	-		-	-	-
Blue Spruce	343 Prime Movers	-	(7)	2.5000%	0.1887%	2.6887%		2.5394%	0.0637%	2.6031%	(3)	-	-	-		-	-	-
Blue Spruce	344 Generators	220,437,349	(7)	2.5000%	0.1887%	2.6887%		2.5388%	0.0637%	2.6025%		5,510,934	415,965	5,926,899		5,596,463	140,419	5,736,882
Blue Spruce	344 Generators	-	(7)	2.5000%	0.1887%	2.6887%		2.5388%	0.0637%	2.6025%		(1,022,383)	(77,169)	(1,099,552)		-	-	-
Blue Spruce	345 Accessory Electric Equipment	511,171	(7)	2.5000%	0.1887%	2.6887%		2.7919%	0.0685%	2.8604%		12,779	965	13,744		14,271	350	14,622
Blue Spruce	345.2 Computers and Peripherals	-	(7)	2.5000%	0.1887%	2.6887%		2.5394%	0.0637%	2.6031%	(3)	-	-	-		-	-	-
Blue Spruce	346 Miscellaneous Power Plant Equipment	-	(7)	2.5000%	0.1887%	2.6887%		2.5394%	0.0637%	2.6031%	(3)	-	-	-		-	-	-
Blue Spruce	Total	220,948,520		2.0373%	0.1538%	2.1910%		2.5394%	0.0637%	2.6031%		4,501,330	339,760	4,841,091		5,610,735	140,769	5,751,504
Cherokee 5-7	341 Structures and Improvements	130,501,920	(12)	2.5213%	0.0485%	2.5698%		2.4925%	0.0433%	2.5358%		3,290,345	63,293	3,353,638		3,252,760	56,507	3,309,268
Cherokee 5-7	342 Fuel Holders, Producers, and Accessories	5,303,272	(12)	2.5213%	0.0485%	2.5698%		2.6878%	0.0645%	2.7523%		133,711	2,572	136,283		142,541	3,421	145,962
Cherokee 5-7	343 Prime Movers	126,330,612	(12)	2.5213%	0.0485%	2.5698%		2.6659%	0.0794%	2.7453%		3,185,174	61,270	3,246,444		3,367,848	100,307	3,468,154
Cherokee 5-7	344 Generators	236,015,776	(12)	2.5213%	0.0485%	2.5698%		2.5712%	0.0595%	2.6307%		5,950,666	114,468	6,065,133		6,068,438	140,429	6,208,867
Cherokee 5-7	345 Accessory Electric Equipment	60,019,980	(12)	2.5213%	0.0485%	2.5698%		2.5624%	0.0576%	2.6200%		1,513,284	29,110	1,542,393		1,537,952	34,572	1,572,523
Cherokee 5-7	345.2 Computers and Peripherals	-	(12)	2.5213%	0.0485%	2.5698%		2.5717%	0.0595%	2.6312%	(3)	-	-	-		-	-	-
Cherokee 5-7	346 Miscellaneous Power Plant Equipment	26,049,450	(12)	2.5213%	0.0485%	2.5698%		2.5142%	0.0472%	2.5614%		656,785	12,634	669,419		654,935	12,295	667,231
Cherokee 5-7	Total	584,221,010		2.5213%	0.0485%	2.5698%		2.5717%	0.0595%	2.6312%		14,729,964	283,347	15,013,312		15,024,474	347,531	15,372,005
Fruita	340 Land Rights	452		2.0000%	0.0000%	2.0000%		1.1052%	0.0000%	1.1052%		9	-	9		5	-	5
Fruita	341 Structures and Improvements	92,002		0.8302%	0.0548%	0.8850%		1.3754%	0.1859%	1.5613%		764	50	814		1,265	171	1,436
Fruita	342 Fuel Holders, Producers, and Accessories	599,152		0.9756%	0.0644%	1.0400%		2.6759%	0.3649%	3.0408%		5,845	386	6,231		16,033	2,186	18,219
Fruita	343 Prime Movers	-				0.0000%		2.0930%	0.2848%	2.3778%	(3)	-	-	-		-	-	-
Fruita	344 Generators	2,512,252		0.9653%	0.0637%	1.0290%		1.5847%	0.2158%	1.8005%		24,251	1,600	25,851		39,812	5,421	45,233
Fruita	345 Accessory Electric Equipment	74,773		3.9428%	0.2602%	4.2030%		3.7143%	0.5053%	4.2196%		2,948	195	3,143		2,777	378	3,155
Fruita	345.2 Computers and Peripherals	-						2.0930%	0.2848%	2.3778%	(3)	-	-	-		-	-	-
Fruita	346 Miscellaneous Power Plant Equipment	184,511		1.0610%	0.0700%	1.1310%		6.8247%	0.9241%	7.7488%		1,958	129	2,087		12,592	1,705	14,297
Fruita	Total	3,463,143		1.0330%	0.0682%	1.1012%		2.0930%	0.2848%	2.3778%		35,775	2,360	38,135		72,484	9,862	82,346
Ft Saint Vrain Unit 1	341 Structures and Improvements	24,174,374		1.3811%	0.0539%	1.4350%		1.5866%	0.0322%	1.6188%		333,872	13,030	346,902		383,551	7,784	391,335
Ft Saint Vrain Unit 1	342 Fuel Holders, Producers, and Accessories	3,889,738		2.3879%	0.0931%	2.4810%		2.1025%	0.0513%	2.1538%		92,883	3,621	96,504		81,782	1,995	83,777
Ft Saint Vrain Unit 1	343 Prime Movers	1,121,784		2.1280%	0.0830%	2.2110%		3.2570%	0.0911%	3.3481%		23,872	931	24,803		36,537	1,022	37,558
Ft Saint Vrain Unit 1	344 Generators	81,854,830		1.3705%	0.0535%	1.4240%		2.1523%	0.0512%	2.2035%		1,121,820	43,792	1,165,613		1,761,762	41,910	1,803,671
Ft Saint Vrain Unit 1	345 Accessory Electric Equipment	21,140,984		1.3831%	0.0539%	1.4370%		2.0495%	0.0479%	2.0974%		292,401	11,395	303,796		433,284	10,127	443,411
Ft Saint Vrain Unit 1	345.2 Computers and Peripherals	102,108		1.6487%	0.0643%	1.7130%		1.8258%	0.0363%	1.8621%		1,683	66	1,749		1,864	37	1,901
Ft Saint Vrain Unit 1	346 Miscellaneous Power Plant Equipment	4,031,347		1.4379%	0.0561%	1.4940%		1.6312%	0.0345%	1.6657%		57,967	2,262	60,228		65,759	1,391	67,150
Ft Saint Vrain Unit 1	Total	136,315,165		1.4118%	0.0551%	1.4669%		2.0280%	0.0471%	2.0752%		1,924,498	75,097	1,999,595		2,764,538	64,266	2,828,804

Public Service of Colorado Comparison of Depreciation Rates and Annual Amounts January 1, 2018																			
			Approved (1)				Proposed			Approved			Proposed			Difference			
		Estimated Plant Balance 1/1/2018		Life Depr	COR Depr	Tot Depr	Life Depr	COR Depr	Tot Depr		Life	COR	Total	Life	COR	Total	Life	COR	Total
Unit or Account Number	Account Number and / or Description		Notes	Rate	Rate	Rate	Rate	Rate	Rate	Notes	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp
Ft Saint Vrain Unit 2	341 Structures and Improvements	15,446	(4)	2.1005%	0.2395%	2.3400%	3.6857%	0.0450%	3.7307%		324	37	361	569	7	576	245	(30)	215
Ft Saint Vrain Unit 2	342 Fuel Holders, Producers, and Accessories	125,344		2.7469%	0.1071%	2.8540%	2.8171%	0.0459%	2.8630%		3,443	134	3,577	3,531	58	3,589	88	(77)	11
Ft Saint Vrain Unit 2	343 Prime Movers	2,355,725		2.2281%	0.0869%	2.3150%	3.6789%	0.0731%	3.7520%		52,488	2,047	54,535	86,665	1,722	88,387	34,177	(325)	33,852
Ft Saint Vrain Unit 2	344 Generators	90,401,430		2.3272%	0.0908%	2.4180%	2.4775%	0.0389%	2.5164%		2,103,822	82,084	2,185,907	2,239,695	35,166	2,274,862	135,873	(46,918)	88,955
Ft Saint Vrain Unit 2	345 Accessory Electric Equipment	1,073,745	(4)	1.9838%	0.2262%	2.2100%	3.5243%	0.0539%	3.5782%		21,301	2,429	23,730	37,842	579	38,421	16,541	(1,850)	14,691
Ft Saint Vrain Unit 2	345.2 Computers and Peripherals	-	(4)	1.9838%	0.2262%	2.2100%	2.5208%	0.0399%	2.5607%	(3)	-	-	-	-	-	-	-	-	-
Ft Saint Vrain Unit 2	346 Miscellaneous Power Plant Equipment	61,699	(4)	1.6876%	0.1924%	1.8800%	3.3213%	0.0433%	3.3646%		1,041	119	1,160	2,049	27	2,076	1,008	(92)	916
Ft Saint Vrain Unit 2	Total	94,033,390		2.3209%	0.0924%	2.4133%	2.5208%	0.0399%	2.5607%		2,182,420	86,850	2,269,270	2,370,352	37,558	2,407,910	187,932	(49,292)	138,640
Ft Saint Vrain Unit 3	341 Structures and Improvements	-		0.0000%	0.0000%	0.0000%	3.2335%	0.1895%	3.4230%	(3)	-	-	-	-	-	-	-	-	-
Ft Saint Vrain Unit 3	342 Fuel Holders, Producers, and Accessories	334,847		2.7825%	0.1085%	2.8910%	3.5225%	0.2047%	3.7272%		9,317	363	9,680	11,795	685	12,480	2,478	322	2,800
Ft Saint Vrain Unit 3	343 Prime Movers	4,898,752	(4)	1.8582%	0.2118%	2.0700%	3.6882%	0.2274%	3.9156%		91,029	10,376	101,404	180,676	11,140	191,816	89,647	764	90,411
Ft Saint Vrain Unit 3	344 Generators	14,579,156		2.6237%	0.1023%	2.7260%	3.0574%	0.1758%	3.2332%		382,513	14,914	397,428	445,743	25,630	471,373	63,230	10,716	73,945
Ft Saint Vrain Unit 3	345 Accessory Electric Equipment	674,312	(4)	1.9838%	0.2262%	2.2100%	3.5355%	0.2019%	3.7374%		13,377	1,525	14,902	23,840	1,361	25,202	10,463	(164)	10,299
Ft Saint Vrain Unit 3	345.2 Computers and Peripherals	-	(4)	1.9838%	0.2262%	2.2100%	3.2335%	0.1895%	3.4230%	(3)	-	-	-	-	-	-	-	-	-
Ft Saint Vrain Unit 3	346 Miscellaneous Power Plant Equipment	116,912	(4)	1.6876%	0.1924%	1.8800%	3.5679%	0.1957%	3.7636%		1,973	225	2,198	4,171	229	4,400	2,198	4	2,202
Ft Saint Vrain Unit 3	Total	20,603,979		2.4180%	0.1330%	2.5510%	3.2335%	0.1895%	3.4230%		498,209	27,404	525,613	666,225	39,046	705,271	168,016	11,642	179,658
Ft Saint Vrain Unit 4	341 Structures and Improvements	3,072,750		2.3994%	0.0936%	2.4930%	1.5949%	0.0153%	1.6102%		73,728	2,876	76,604	49,007	470	49,477	(24,720)	(2,406)	(27,126)
Ft Saint Vrain Unit 4	342 Fuel Holders, Producers, and Accessories	29,420,436		2.4321%	0.0949%	2.5270%	2.5204%	0.0346%	2.5550%		715,534	27,920	743,454	741,513	10,179	751,692	25,978	(17,741)	8,238
Ft Saint Vrain Unit 4	343 Prime Movers	600,015	(4)	1.8582%	0.2118%	2.0700%	3.8255%	0.0661%	3.8916%		11,149	1,271	12,420	22,954	397	23,350	11,804	(874)	10,930
Ft Saint Vrain Unit 4	344 Generators	78,395,499		2.5881%	0.1009%	2.6890%	2.5464%	0.0334%	2.5798%		2,028,954	79,101	2,108,055	1,996,263	26,184	2,022,447	(32,691)	(52,917)	(85,608)
Ft Saint Vrain Unit 4	345 Accessory Electric Equipment	7,925,262		2.4456%	0.0954%	2.5410%	2.4845%	0.0316%	2.5161%		193,820	7,561	201,381	196,903	2,504	199,408	3,083	(5,056)	(1,973)
Ft Saint Vrain Unit 4	345.2 Computers and Peripherals	-		2.5178%	0.0333%	2.5511%	2.5178%	0.0333%	2.5511%	(3)	-	-	-	-	-	-	-	-	-
Ft Saint Vrain Unit 4	346 Miscellaneous Power Plant Equipment	18,497		2.4283%	0.0947%	2.5230%	2.4453%	0.0256%	2.4709%		449	18	467	452	5	457	3	(13)	(10)
Ft Saint Vrain Unit 4	Total	119,432,459		2.5317%	0.0994%	2.6311%	2.5178%	0.0333%	2.5511%		3,023,635	118,746	3,142,381	3,007,092	39,739	3,046,831	(16,543)	(79,007)	(95,550)
Ft Saint Vrain Unit 5	341 Structures and Improvements	7,455,257	(6)	2.3680%	0.1940%	2.5620%	2.4549%	0.0225%	2.4774%		176,540	14,463	191,004	183,019	1,677	184,697	6,479	(12,786)	(6,307)
Ft Saint Vrain Unit 5	342 Fuel Holders, Producers, and Accessories	2,201,944	(6)	2.3680%	0.1940%	2.5620%	2.5857%	0.0381%	2.6238%		52,142	4,272	56,414	56,936	839	57,775	4,794	(3,433)	1,361
Ft Saint Vrain Unit 5	343 Prime Movers	1,160,629	(6)	2.3680%	0.1940%	2.5620%	3.0961%	0.0606%	3.1567%		27,484	2,252	29,735	35,934	703	36,638	8,451	(1,548)	6,902
Ft Saint Vrain Unit 5	344 Generators	60,241,900	(6)	2.3680%	0.1940%	2.5620%	2.5081%	0.0350%	2.5431%		1,426,528	116,869	1,543,397	1,510,927	21,085	1,532,012	84,399	(95,785)	(11,386)
Ft Saint Vrain Unit 5	345 Accessory Electric Equipment	12,510,593	(6)	2.3680%	0.1940%	2.5620%	2.5029%	0.0336%	2.5365%		296,251	24,271	320,521	313,128	4,204	317,331	16,877	(20,067)	(3,190)
Ft Saint Vrain Unit 5	345.2 Computers and Peripherals	-		2.3680%	0.1940%	2.5620%	2.5127%	0.0341%	2.5468%	(3)	-	-	-	-	-	-	-	-	-
Ft Saint Vrain Unit 5	346 Miscellaneous Power Plant Equipment	645,106	(6)	2.3680%	0.1940%	2.5620%	2.5141%	0.0260%	2.5401%		15,276	1,252	16,528	16,219	168	16,386	942	(1,084)	(141)
Ft Saint Vrain Unit 5	Total	84,215,429		2.3680%	0.1940%	2.5620%	2.5128%	0.0341%	2.5468%		1,994,221	163,378	2,157,599	2,116,162	28,676	2,144,838	121,941	(134,702)	(12,761)
Ft Saint Vrain Unit 6	341 Structures and Improvements	7,368,631	(6)	2.3680%	0.1940%	2.5620%	2.4548%	0.0234%	2.4782%		174,489	14,295	188,784	180,885	1,724	182,609	6,396	(12,571)	(6,175)
Ft Saint Vrain Unit 6	342 Fuel Holders, Producers, and Accessories	2,479,260	(6)	2.3680%	0.1940%	2.5620%	2.5856%	0.0390%	2.6246%		58,709	4,810	63,519	64,104	967	65,071	5,395	(3,843)	1,552
Ft Saint Vrain Unit 6	343 Prime Movers	1,169,307	(6)	2.3680%	0.1940%	2.5620%	3.0961%	0.0617%	3.1578%		27,689	2,268	29,958	36,203	721	36,924	8,514	(1,547)	6,967
Ft Saint Vrain Unit 6	344 Generators	59,918,767	(6)	2.3680%	0.1940%	2.5620%	2.5081%	0.0359%	2.5440%		1,418,876	116,242	1,535,119	1,502,823	21,511	1,524,333	83,946	(94,732)	(10,785)
Ft Saint Vrain Unit 6	345 Accessory Electric Equipment	9,202,734	(6)	2.3680%	0.1940%	2.5620%	2.5032%	0.0344%	2.5376%		217,921	17,853	235,774	230,363	3,166	233,529	12,442	(14,688)	(2,245)
Ft Saint Vrain Unit 6	345.2 Computers and Peripherals	-		2.3680%	0.1940%	2.5620%	2.5133%	0.0350%	2.5483%	(3)	-	-	-	-	-	-	-	-	-
Ft Saint Vrain Unit 6	346 Miscellaneous Power Plant Equipment	632,061	(6)	2.3680%	0.1940%	2.5620%	2.4697%	0.0263%	2.4960%		14,967	1,226	16,193	15,610	166	15,776	643	(1,060)	(417)
Ft Saint Vrain Unit 6	Total	80,770,760		2.3680%	0.1940%	2.5620%	2.5133%	0.0350%	2.5483%		1,912,652	156,695	2,069,347	2,029,987	28,255	2,058,243	117,336	(128,440)	(11,104)
Ft Saint Vrain Common	341 Structures and Improvements	10,998,253		1.6554%	0.0646%	1.7200%	1.7335%	0.3510%	2.0845%		182,065	7,105	189,170	190,655	38,604	229,259	8,590	31,499	40,089
Ft Saint Vrain Common	342 Fuel Holders, Producers, and Accessories	2,033,953		1.6391%	0.0639%	1.7030%	1.9238%	0.4002%	2.3240%		33,339	1,300	34,638	39,129	8,140	47,269	5,791	6,840	12,631
Ft Saint Vrain Common	343 Prime Movers	912,972		2.6266%	0.1024%	2.7290%	2.6166%	0.5569%	3.1735%		23,980	935	24,915	23,889	5,084	28,973	(91)	4,149	4,058
Ft Saint Vrain Common	344 Generators	45,789,538		2.5881%	0.1009%	2.6890%	1.9139%	0.3966%	2.3105%		1,185,079	46,202	1,231,281	876,366	181,601	1,057,967	(308,713)	135,400	(173,313)
Ft Saint Vrain Common	345 Accessory Electric Equipment	14,639,796		2.5958%	0.1012%	2.6970%	1.9259%	0.3981%	2.3240%		380,020	14,815	394,835	281,948	58,281	340,229	(98,072)	43,466	(54,606)
Ft Saint Vrain Common	345.2 Computers and Peripherals	1,215,605		2.1193%	0.0827%	2.2020%	2.7009%	0.5453%	3.2462%		25,762	1,005	26,768	32,832	6,629	39,461	7,070	5,623	12,693
Ft Saint Vrain Common	346 Miscellaneous Power Plant Equipment	984,731		2.5303%	0.0987%	2.6290%	2.5710%	0.5235%	3.0945%		24,917	972	25,889	25,317	5,155	30,472	401	4,183	4,584
Ft Saint Vrain Common	Total	76,574,849		2.4227%	0.0945%	2.5171%	1.9199%	0.3963%											

Public Service of Colorado Comparison of Depreciation Rates and Annual Amounts January 1, 2018																			
Unit or Account Number	Account Number and / or Description	Estimated Plant Balance 1/1/2018	Approved (1)				Proposed			Approved			Proposed			Difference			
			Life Depr	COR Depr	Tot Depr	Life Depr	COR Depr	Tot Depr	Life	COR	Total	Life	COR	Total	Life	COR	Total		
			Notes	Rate	Rate	Rate	Rate	Rate	Rate	Rate	Notes	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp
<u>DISTRIBUTION PLANT</u>																			
360.20	Land Rights	38,790,186		1.0900%	0.0000%	1.0900%	0.9898%	0.0000%	0.9898%		422,813	-	422,813	383,949	-	383,949	(38,864)	-	(38,864)
361.00	Structures and Improvements	77,174,622		1.7100%	0.0000%	1.7100%	1.5080%	0.0754%	1.5834%		1,319,686	-	1,319,686	1,163,776	58,189	1,221,965	(155,910)	58,189	(97,721)
362.00	Station Equipment	660,394,109		1.7826%	0.2674%	2.0500%	1.7199%	0.1720%	1.8919%		11,772,185	1,765,894	13,538,079	11,358,013	1,135,801	12,493,814	(414,173)	(630,093)	(1,044,265)
364.00	Poles, Towers and Fixtures	291,089,376		2.8077%	0.8423%	3.6500%	1.8013%	0.9007%	2.7020%		8,172,916	2,451,846	10,624,762	5,243,395	2,621,697	7,865,092	(2,929,522)	169,851	(2,759,670)
365.00	Overhead Conductors and Devices	345,551,518		2.3643%	0.9457%	3.3100%	1.9571%	0.7829%	2.7400%		8,169,875	3,267,881	11,437,755	6,762,934	2,705,174	9,468,108	(1,406,940)	(562,707)	(1,969,647)
366.00	Underground Conduit	380,777,422		1.9135%	0.0765%	1.9900%	1.3998%	0.3499%	1.7497%		7,286,176	291,295	7,577,471	5,329,978	1,332,494	6,662,472	(1,956,198)	1,041,200	(914,998)
367.00	Underground Conductors and Devices	1,824,579,253		1.8636%	0.1864%	2.0500%	2.0776%	0.1039%	2.1815%		34,002,859	3,401,016	37,403,875	37,907,943	1,895,397	39,803,341	3,905,084	(1,505,619)	2,399,466
368.00	Line Transformers	508,368,612		2.2100%	0.0000%	2.2100%	2.0545%	0.2055%	2.2600%		11,234,946	-	11,234,946	10,444,526	1,044,453	11,488,978	(790,421)	1,044,453	254,032
369.00	Services	24,404,882		1.9580%	0.3720%	2.3300%	1.6569%	0.4971%	2.1540%		477,848	90,786	568,634	404,374	121,312	525,687	(73,473)	30,526	(42,947)
369.10	Services-Overhead	46,739,929		1.9580%	0.3720%	2.3300%	1.8728%	0.5619%	2.4347%		915,168	173,873	1,089,040	875,367	262,610	1,137,977	(39,801)	88,738	48,937
369.20	Services-Underground	221,507,889		1.9580%	0.3720%	2.3300%	1.8700%	0.5610%	2.4311%		4,337,124	824,009	5,161,134	4,142,283	1,242,685	5,384,968	(194,841)	418,676	223,835
370.00	Meters	148,065,110		3.9700%	0.0000%	3.9700%	3.8122%	0.0000%	3.8122%		5,878,185	-	5,878,185	5,644,596	-	5,644,596	(233,589)	-	(233,589)
370.20	Automated Meter Reading Equipment	68,769,058		8.8100%	0.0000%	8.8100%	7.5908%	0.0000%	7.5908%		6,058,554	-	6,058,554	5,220,113	-	5,220,113	(838,441)	-	(838,441)
371.00	Installation on Customer Premises	7,154,178		0.8333%	0.1667%	1.0000%	3.6796%	0.7359%	4.4155%		59,616	11,926	71,542	263,243	52,649	315,891	203,627	40,723	244,349
373.00	Street Lighting and Signal Systems	166,707,410		2.4583%	0.4917%	2.9500%	2.3593%	0.5898%	2.9492%		4,098,168	819,700	4,917,869	3,933,162	983,290	4,916,452	(165,006)	163,590	(1,416)
Total Distribution		4,810,073,555									104,206,119	13,098,225	117,304,345	99,077,653	13,455,752	112,533,404	(5,128,467)	357,527	(4,770,940)
<u>ELECTRIC GENERAL PLANT</u>																			
389.20	Land Rights	-		0.0000%	0.0000%	0.0000%	1.6667%	0.0000%	1.6667%		-	-	-	-	-	-	-	-	-
390.00	Structures and Improvements	6,784,142	(13)	4.1833%	0.0000%	4.1833%	2.1449%	0.1072%	2.2521%		283,803	-	283,803	145,512	7,276	152,787	(138,292)	7,276	(131,016)
391.00	Office Furniture and Equipment	4,201,607		4.7500%	0.0000%	4.7500%	4.5583%	0.0000%	4.5583%		199,576	-	199,576	191,523	-	191,523	(8,053)	-	(8,053)
391.20	Computer Hardware	21,915,953		20.0000%	0.0000%	20.0000%	16.2260%	0.0000%	16.2260%		4,383,191	-	4,383,191	3,556,073	-	3,556,073	(827,118)	-	(827,118)
392.10	Transportation Equipment-Autos	579,942		9.0000%	0.0000%	9.0000%	7.1923%	0.0000%	7.1923%		52,195	-	52,195	41,711	-	41,711	(10,483)	-	(10,483)
392.20	Transportation Equipment-Light Trucks	13,610,915		9.0000%	0.0000%	9.0000%	7.0136%	0.0000%	7.0136%		1,224,982	-	1,224,982	954,610	-	954,610	(270,373)	-	(270,373)
392.30	Transportation Equipment-Trailers	5,575,044		9.0000%	0.0000%	9.0000%	3.1247%	0.0000%	3.1247%		501,754	-	501,754	174,206	-	174,206	(327,548)	-	(327,548)
392.40	Transportation Equipment-Heavy Trucks	50,520,332		9.0000%	0.0000%	9.0000%	5.8937%	0.0000%	5.8937%		4,546,830	-	4,546,830	2,977,534	-	2,977,534	(1,569,296)	-	(1,569,296)
393.00	Stores Equipment	244,023		3.1700%	0.0000%	3.1700%	3.1640%	0.0000%	3.1640%		7,736	-	7,736	7,721	-	7,721	(15)	-	(15)
394.00	Tools, Shop and Garage Equipment	37,773,323		3.8000%	0.0000%	3.8000%	3.8445%	0.0000%	3.8445%		1,435,386	-	1,435,386	1,452,203	-	1,452,203	16,816	-	16,816
395.00	Laboratory Equipment	3,620,211		9.5000%	0.0000%	9.5000%	10.0000%	0.0000%	10.0000%		343,920	-	343,920	362,021	-	362,021	18,101	-	18,101
396.00	Power Operated Equipment	11,036,290		9.0000%	0.0000%	9.0000%	5.6340%	0.0000%	5.6340%		993,266	-	993,266	621,785	-	621,785	(371,481)	-	(371,481)
397.00	Communication Equipment	106,376,473		6.6700%	0.0000%	6.6700%	6.3007%	0.0000%	6.3007%		7,095,311	-	7,095,311	6,702,438	-	6,702,438	(392,872)	-	(392,872)
398.00	Miscellaneous Equipment	1,588,039		5.0000%	0.0000%	5.0000%	4.5977%	0.0000%	4.5977%		79,402	-	79,402	73,013	-	73,013	(6,389)	-	(6,389)
Total Electric General		263,826,295									21,147,352	-	21,147,352	17,260,350	7,276	17,267,625	(3,887,002)	7,276	(3,879,727)
Total Electric Plant		12,601,088,206									276,546,070	22,976,791	299,522,861	302,914,090	29,163,782	332,077,872	26,368,020	6,186,991	32,555,011
<u>COMMON INTANGIBLE PLANT</u>																			
301.00	Organization Costs										-	-	-	-	-	-	-	-	-
302.00	Franchises and Consents	3,383,421	(9)	Various	0.0000%	Various					-	-	-	-	-	-	-	-	-
303.00	Misc Computer Software-3 Year	-		33.3333%	0.0000%	33.3333%	33.3333%	0.0000%	33.3333%		-	-	-	-	-	-	-	-	-
303.04	Misc Computer Software-7 Year	117,738,242		20.0000%	0.0000%	20.0000%	14.2857%	0.0000%	14.2857%		23,547,648	-	23,547,648	16,819,749	-	16,819,749	(6,727,900)	-	(6,727,900)
303.04	Misc Computer Software-10 Year	5,785,234		10.0000%	0.0000%	10.0000%	10.0000%	0.0000%	10.0000%		578,523	-	578,523	578,523	-	578,523	-	-	-
303.04	Misc Computer Software-15 Year	156,941,548		10.0000%	0.0000%	10.0000%	6.6667%	0.0000%	6.6667%		15,694,155	-	15,694,155	10,462,822	-	10,462,822	(5,231,333)	-	(5,231,333)
Total Common Intangible		283,848,445									39,820,327	-	39,820,327	27,861,094	-	27,861,094	(11,959,232)	-	(11,959,232)

Public Service of Colorado Comparison of Depreciation Rates and Annual Amounts January 1, 2018																			
Unit or Account Number	Account Number and / or Description	Estimated Plant Balance 1/1/2018	Approved (1)			Proposed			Notes	Approved			Proposed			Difference			
			Life Depr	COR Depr	Tot Depr	Life Depr	COR Depr	Tot Depr		Life	COR	Total	Life	COR	Total	Life	COR	Total	
			Notes	Rate	Rate	Rate	Rate	Rate		Rate	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	
COMMON GENERAL PLANT																			
389.20	Land Rights	-		0.0000%	0.0000%	0.0000%	1.6667%	0.0000%	1.6667%		-	-	-	-	-	-	-	-	-
390.00	Structures and Improvements	166,089,841	(13)	2.0774%	0.3082%	2.3855%	2.1992%	0.2199%	2.4191%		3,450,286	511,832	3,962,118	3,652,607	365,261	4,017,867	202,321	(146,571)	55,750
390.07	Structures and Improvements - Leasehold Improvements	2,109,398	(10)	Various	0.0000%	Various					-	-	-	-	-	-	-	-	-
390.85	Structures and Improvements - 1800 Larimer	15,388,552	(8)	Various	0.0000%	Various					-	-	-	-	-	-	-	-	-
391.00	Office Furniture and Equipment	27,532,039		4.7500%	0.0000%	4.7500%	4.9019%	0.0000%	4.9019%		1,307,772	-	1,307,772	1,349,594	-	1,349,594	41,822	-	41,822
391.04	Computer Hardware	119,617,785		20.0000%	0.0000%	20.0000%	16.3559%	0.0000%	16.3559%		23,923,557	-	23,923,557	19,564,578	-	19,564,578	(4,358,979)	-	(4,358,979)
391.05	Computer Hardware - 3 Year Life	610,356		33.3300%	0.0000%	33.3300%	32.6080%	0.0000%	32.6080%		203,432	-	203,432	199,025	-	199,025	(4,407)	-	(4,407)
392.10	Transportation Equipment - Automobiles	1,225,016		9.0000%	0.0000%	9.0000%	7.4233%	0.0000%	7.4233%		110,251	-	110,251	90,936	-	90,936	(19,315)	-	(19,315)
392.20	Transportation Equipment - Light Trucks	6,518,325		9.0000%	0.0000%	9.0000%	7.3603%	0.0000%	7.3603%		586,649	-	586,649	479,765	-	479,765	(106,884)	-	(106,884)
392.30	Transportation Equipment - Trailers	959,396		9.0000%	0.0000%	9.0000%	3.1677%	0.0000%	3.1677%		86,346	-	86,346	30,391	-	30,391	(55,955)	-	(55,955)
392.40	Transportation Equipment - Heavy Trucks	3,477,330		9.0000%	0.0000%	9.0000%	6.1716%	0.0000%	6.1716%		312,960	-	312,960	214,607	-	214,607	(98,352)	-	(98,352)
393.00	Stores Equipment	511,651		3.1700%	0.0000%	3.1700%	3.1640%	0.0000%	3.1640%		16,219	-	16,219	16,189	-	16,189	(30)	-	(30)
394.00	Tools and Shop Equipment	6,272,608		3.8000%	0.0000%	3.8000%	3.9186%	0.0000%	3.9186%		238,359	-	238,359	245,798	-	245,798	7,439	-	7,439
395.00	Laboratory Equipment	34,168		9.5000%	0.0000%	9.5000%	9.9572%	0.0000%	9.9572%		3,246	-	3,246	3,402	-	3,402	156	-	156
396.00	Power Operated Equipment	3,796,576		9.0000%	0.0000%	9.0000%	5.8982%	0.0000%	5.8982%		341,692	-	341,692	223,928	-	223,928	(117,763)	-	(117,763)
397.00	Communication Equipment	16,682,543		6.6700%	0.0000%	6.6700%	5.4453%	0.0000%	5.4453%		1,112,726	-	1,112,726	908,416	-	908,416	(204,310)	-	(204,310)
398.00	Miscellaneous Equipment	1,036,207		5.0000%	0.0000%	5.0000%	4.6394%	0.0000%	4.6394%		51,810	-	51,810	48,074	-	48,074	(3,737)	-	(3,737)
Total Common General Plant		371,861,792									31,745,305	511,832	32,257,136	27,027,309	365,261	27,392,570	(4,717,996)	(146,571)	(4,864,567)
Total Common Plant		655,710,237									71,565,631	511,832	72,077,463	54,888,403	365,261	55,253,664	(16,677,228)	(146,571)	(16,823,799)
Total Electric and Common		13,256,798,443									348,111,701	23,488,623	371,600,324	357,802,493	29,529,043	387,331,536	9,690,792	6,040,420	15,731,212

- Notes:
- (1) Approved Rates for Electric utility are from Docket No. 06S-234EG and Common utility are from Docket No. 02S-315EG, unless specified in the Notes column.
- (2) Intentionally left blank
- (3) There is currently no balance in these accounts. In the event plant is added to these accounts, PSCo requests authorization to use the depreciation rate listed, which represents the composite depreciation rate for each unit.
- (4) Depreciation rates from Docket 02S-315EG. These units were not addressed in 06S-234EG Rate Case.
- (5) Depreciation rates were utilized from Non-utility Wind prior to transfer to Electric Utility.
- (6) Depreciation rates for Comanche 3, FSV GT 5 and FSV GT 6 were approved in Docket 08S-520E.
- (7) Depreciation rates for Blue Spruce and Rocky Mountain were approved in CPUC Docket 11AL-947E. FERC subsequently required the Company to record an acquisition adjustment, resulting in depreciation calculated at net plant, plus amortization of the acquisition adjustment, per FERC Docket ER11-2853-000.
- (8) Amortized to the end of the lease term 6/2025.
- (9) Amortized over the terms of the franchise agreements or license.
- (10) Amortized over the lease term.
- (11) Individual amounts may not total to balance due to rounding.
- (12) Depreciation rates for Cherokee Other Production Unit 5, 6, 7, and Common were approved in Docket No. 15A-0916E.
- (13) Composite depreciation accrual rate for General Account 390 Structures and Improvements.

APPENDIX C - Depreciation Parameter Comparison

Public Service of Colorado
Comparison of Depreciation Parameters
January 1, 2018

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Account			Approved (1)			Proposed			Difference	
			Net Salvage			Net Salvage			Net Salvage	
Number	Description	Notes	Curve	ASL	Percent	Curve	ASL	Percent	Life	Percent
<u>ELECTRIC INTANGIBLE PLANT</u>										
301.00	Organization Costs									
302.00	Franchises and Consents	(2)								
303.00	Miscellaneous Intangible Plant	(2)	Various			Various				
303.40	Misc Computer Software - 3 Year		SQ	3	0%	SQ	3	0%	0	0%
303.40	Misc Computer Software - 7 Year		SQ	5	0%	SQ	7	0%	2	0%
303.40	Misc Computer Software - 10 Year		SQ	10	0%	SQ	10	0%	0	0%
303.40	Misc Computer Software - 15 Year		SQ	10	0%	SQ	15	0%	5	0%
<u>COMMON INTANGIBLE PLANT</u>										
301.00	Organization Costs									
302.00	Franchises and Consents	(2)								
303.00	Miscellaneous Computer Software - 3 Year		SQ	3	0%	SQ	3	0%	0	0%
303.04	Misc Computer Software - 7 Year		SQ	5	0%	SQ	7	0%	2	0%
303.04	Miscellaneous Computer Software - 10 Year		SQ	10	0%	SQ	10	0%	0	0%
303.04	Miscellaneous Computer Software - 15 Year		SQ	10	0%	SQ	15	0%	5	0%
<u>PRODUCTION PLANT</u>										
312.20	Coal Cars			20	0%		24	0%	4	0%
<u>TRANSMISSION PLANT</u>										
350.20	Land Rights		R5	100	0%	R5	100	0%	0	0%
352.00	Structures and Improvements		S6	70	-5%	S2	88	-5%	18	0%
353.00	Station Equipment		R2.5	60	-5%	R2	58	-15%	-2	-10%
354.00	Towers and Fixtures		R4	70	0%	R4	81	-20%	11	-20%
355.00	Poles and Fixtures		R3	50	5%	R2.5	62	-40%	12	-45%
356.00	OH Conductors and Devices		R1.5	50	0%	R2	70	-25%	20	-25%
357.00	UG Conduit		R3	50	0%	R3	60	0%	10	0%
358.00	UG Conductors and Devices		R3	50	0%	R3	50	0%	0	0%
359.00	Roads and Trails		S6	85	0%	S5	92	0%	7	0%
<u>DISTRIBUTION PLANT</u>										
360.20	Land Rights		R4	90	0%	R4	100	0%	10	0%
361.00	Structures and Improvements		R1.5	50	0%	R2	65	-5%	15	-5%
362.00	Station Equipment		R1.5	50	-5%	R1.5	57	-10%	7	-5%
364.00	Poles, Towers and Fixtures		L2	45	-25%	S0	54	-50%	9	-25%
365.00	OH Conductors and Devices		R1	45	-25%	R0.5	50	-40%	5	-15%
366.00	UG Conduit		R2	79	-4%	R3	70	-25%	-9	-21%
367.00	UG Conductors and Devices		R2.5	50	0%	R1.5	47	-5%	-3	-5%
368.00	Line Transformers		R0.5	35	5%	R1.5	47	-10%	12	-15%
369.00	Services		R3	45	-9%	R5	50	-30%	5	-21%
369.10	Services-Overhead		R3	45	-9%	R5	50	-30%	5	-21%
369.20	Services-Underground		R3	45	-9%	R5	50	-30%	5	-21%
370.00	Meters		R0.5	25	0%	R1.5	24	0%	-1	0%
370.20	Automated Meter Reading Equipment		S6	10	5%	S6	10	0%	0	-5%
371.00	Installation on Customer Premises		L0	20	-20%	L0.5	25	-20%	5	0%
373.00	Street Lighting and Signal Systems		R0.5	35	-20%	R0.5	41	-25%	6	-5%
<u>ELECTRIC GENERAL PLANT</u>										
389.20	Land Rights					R4	60	0%	60	0%
390.06	Structures and Improvements (390B General Buildings)	(3)	R2	50	0%	R1.5	45	-5%	-5	-5%
390.00	Structures and Improvements	(3)	L1.5	20	0%	R1.5	45	-5%	25	-5%
390.08	Partitions	(3) (4)	R4	25	0%	R1.5	45	-5%	20	-5%
391.00	Office Furniture and Equipment		SQ	20	5%	SQ	20	0%	0	-5%
391.20	Computer Hardware		SQ	5	0%	SQ	6	0%	1	0%
392.10	Transportation Equipment - Automobiles		SQ	10	10%	SQ	12	10%	2	0%
392.20	Transportation Equipment - Light Trucks		SQ	10	10%	SQ	12	10%	2	0%
392.30	Transportation Equipment - Trailers		SQ	10	10%	SQ	25	20%	15	10%
392.40	Transportation Equipment - Heavy Trucks		SQ	10	10%	SQ	14	10%	4	0%
393.00	Stores Equipment		SQ	30	5%	SQ	30	0%	0	-5%
394.00	Tools, Shop and Garage Equipment		SQ	25	5%	SQ	25	0%	0	-5%
395.00	Laboratory Equipment		SQ	10	5%	SQ	10	0%	0	-5%
396.00	Power Operated Equipment		SQ	10	10%	SQ	14	15%	4	5%
397.00	Communication Equipment		SQ	15	0%	SQ	15	0%	0	0%
398.00	Miscellaneous Equipment		SQ	20	0%	SQ	20	0%	0	0%

Public Service of Colorado
Comparison of Depreciation Parameters
January 1, 2018

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Account			Approved (1)			Proposed			Difference	
			Net Salvage			Net Salvage			Net Salvage	
Number	Description	Notes	Curve	ASL	Percent	Curve	ASL	Percent	Life	Percent
COMMON GENERAL PLANT										
389.20	Land Rights					R4	60	0%	60	0%
390.06	Structures and Improvements (390B General Buildings)	(3)	L1	50	-10%	R1.5	45	-10%	-5	0%
390.00	Structures and Improvements	(3)	R1.5	35	-10%	R1.5	45	-10%	10	0%
390.08	Structures and Improvements - Partitions	(3) (5)	R4	25	5%	R1.5	45	-10%	20	-15%
390.07	Structures and Improvements - Leasehold Improvements	(6)								
390.85	Structures and Improvements - 1800 Larimer	(7)								
391.00	Office Furniture and Equipment		SQ	20	5%	SQ	20	0%	0	-5%
391.04	Computer Hardware		SQ	5	0%	SQ	6	0%	1	0%
391.05	Computer Hardware - 3 Year Life		SQ	3	0%	SQ	3	0%	0	0%
391.09	Office Equipment - Partition Lease Facilities	(8)	SQ	20	0%	SQ	20	0%	0	0%
392.10	Transportation Equipment - Automobiles		SQ	10	10%	SQ	12	10%	2	0%
392.20	Transportation Equipment - Light Trucks		SQ	10	10%	SQ	12	10%	2	0%
392.30	Transportation Equipment - Trailers		SQ	10	10%	SQ	25	20%	15	10%
392.40	Transportation Equipment - Heavy Trucks		SQ	10	10%	SQ	14	10%	4	0%
393.00	Stores Equipment		SQ	30	5%	SQ	30	0%	0	-5%
394.00	Tools and Shop Equipment		SQ	25	5%	SQ	25	0%	0	-5%
395.00	Laboratory Equipment		SQ	10	5%	SQ	10	0%	0	-5%
396.00	Power Operated Equipment		SQ	10	10%	SQ	14	15%	4	5%
397.00	Communication Equipment		SQ	15	0%	SQ	15	0%	0	0%
398.00	Miscellaneous Equipment		SQ	20	0%	SQ	20	0%	0	0%

Notes:

- (1) Approved Rates for Electric are from Docket No. 06S-234EG and Common are from Docket No. 02S-315EG, unless specified in the Notes column.
- (2) Amortized over the terms of the franchise agreements or license.
- (3) Accounts 390 Structures and Improvements subaccounts will be combined into one 390 Structures and Improvements account in future filings.
- (4) Account 390.08 Electric Partitions is fully accrued. Future additions to this account will be booked in Electric account 390.0 Structures and Improvements
- (5) Account 390.08 Common Partitions is almost fully accrued. Future additions to this account will be booked in Common account 390.0 Structures and Improvements
- (6) Amortized over the lease term.
- (7) Amortized to the end of the lease term 6/2025.
- (8) Account 391.09 Common Office - Partitions Leased Facilities is almost fully accrued. Future additions to this account will be booked in Common account 390.07 Structures and Improvements - Leasehold Improvements and amortized over the lease term.

APPENDIX F-2 - Summary of Reserve Reallocation Non Production Plant

Public Service Company of Colorado
Comparison of Book vs Allocated Reserve
Intangible, Transmission, Distribution, General, and Common Plant
At January 1, 2018

FERC Acct	Description	Estimated	Estimated Book			Proposed Reallocation			Difference		
		Plant Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance
ELECTRIC INTANGIBLE PLANT											
301.0	Organization Costs	-	-	-	-	-	-	-	-	-	-
302.0	Franchises and Consents	17,102,114	5,056,088	-	5,056,088	5,056,088	-	5,056,088	-	-	-
303.0	Miscellaneous Intangible Plant	8,762,060	6,869,982	(5,082)	6,864,900	6,869,982	(5,082)	6,864,900	-	-	-
303.4	Misc Computer Software - 3 Year	-	-	-	-	-	-	-	-	-	-
303.4	Misc Computer Software - 5 Year	53,141,490	17,989,656	(22,000)	17,967,656	17,989,656	(22,000)	17,967,656	-	-	-
303.4	Misc Computer Software - 10 Year	-	-	-	-	-	-	-	-	-	-
303.4	Misc Computer Software - 15 Year	-	-	-	-	-	-	-	-	-	-
	Total Electric Intangible Plant	79,005,664	29,915,726	(27,082)	29,888,644	29,915,726	(27,082)	29,888,644	-	-	-
TRANSMISSION PLANT											
350.1	Land	19,468,842	-	-	-	-	-	-	-	-	-
350.2	Land Rights	77,137,901	15,368,127	(129,157)	15,238,970	14,498,557	-	14,498,557	(869,570)	129,157	(740,413)
352.0	Structures and Improvements	79,240,594	15,058,958	(112,154)	14,946,803	10,312,301	515,615	10,827,916	(4,746,657)	627,770	(4,118,887)
353.0	Station Equipment	1,050,103,042	197,876,090	(813,528)	197,062,562	180,546,064	27,081,910	207,627,973	(17,330,026)	27,895,438	10,565,412
354.0	Towers and Fixtures	189,264,961	94,628,420	(819,979)	93,808,442	63,208,315	12,641,663	75,849,978	(31,420,105)	13,461,642	(17,958,463)
355.0	Poles and Fixtures	421,418,577	55,298,353	(489,767)	54,808,586	60,905,313	24,362,125	85,267,438	5,606,959	24,851,892	30,458,851
356.0	OH Conductors and Devices	299,581,242	95,211,976	(826,696)	94,385,280	61,839,609	15,459,902	77,299,511	(33,372,367)	16,286,598	(17,085,770)
357.0	UG Conduit	35,592,625	9,200,801	(80,336)	9,120,465	7,653,673	-	7,653,673	(1,547,128)	80,336	(1,466,792)
358.0	UG Conductors and Devices	64,752,789	14,721,229	(128,810)	14,592,419	15,568,363	-	15,568,363	847,134	128,810	975,944
359.0	Roads and Trails	4,318,793	2,023,339	(17,542)	2,005,796	1,375,915	-	1,375,915	(647,424)	17,542	(629,881)
	Total Transmission	2,240,879,367	499,387,293	(3,417,969)	495,969,324	415,908,109	80,061,215	495,969,324	(83,479,184)	83,479,184	0
DISTRIBUTION PLANT											
360.1	Land	29,817,147	-	-	-	-	-	-	-	-	-
360.2	Land Rights	38,790,186	4,811,480	(2,369)	4,809,112	4,446,666	-	4,446,666	(364,815)	2,369	(362,446)
361.0	Structures and Improvements	77,174,622	19,599,867	203,083	19,802,950	15,644,446	782,222	16,426,668	(3,955,421)	579,139	(3,376,282)
362.0	Station Equipment	660,394,109	163,334,938	1,695,983	165,030,922	133,056,840	13,305,684	146,362,524	(30,278,098)	11,609,701	(18,668,397)
364.0	Poles, Towers and Fixtures	291,089,376	140,302,807	(1,747,702)	138,555,106	75,942,566	37,971,283	113,913,849	(64,360,241)	39,718,984	(24,641,257)
365.0	OH Conductors and Devices	345,551,518	113,059,463	(1,421,092)	111,638,371	74,622,231	29,848,892	104,471,124	(38,437,232)	31,269,985	(7,167,247)
366.0	UG Conduit	380,777,422	101,322,162	(1,281,730)	100,040,432	78,302,112	19,575,528	97,877,640	(23,020,051)	20,857,258	(2,162,793)
367.0	UG Conductors and Devices	1,824,579,253	354,827,707	(4,545,014)	350,282,693	424,176,284	21,208,814	445,385,098	69,348,577	25,753,828	95,102,405
368.0	Line Transformers	508,368,612	210,127,238	5,853,514	215,980,751	157,230,116	15,723,012	172,953,128	(52,897,122)	9,869,498	(43,027,624)
369.0	Services	24,404,882	23,245,508	630,686	23,876,194	17,664,459	5,299,338	22,963,796	(5,581,050)	4,668,652	(912,398)
369.1	Services-Overhead	46,739,929	18,035,859	504,070	18,539,928	21,627,940	6,488,382	28,116,323	3,592,082	5,984,312	9,576,394
369.2	Services-Underground	221,507,889	124,055,294	3,414,157	127,469,451	103,314,437	30,994,331	134,308,769	(20,740,857)	27,580,174	6,839,317
370.0	Meters	148,065,110	59,263,632	1,653,389	60,917,021	79,812,535	-	79,812,535	20,548,903	(1,653,389)	18,895,514
370.2	AMR Equipment	68,769,058	63,230,141	520	63,230,661	65,089,394	-	65,089,394	1,859,253	(520)	1,858,733
371.0	Installation on Customer Premises	7,154,178	7,381,273	199,950	7,581,223	3,739,840	747,968	4,487,808	(3,641,433)	548,018	(3,093,415)
373.0	Street Lighting and Signal Systems	166,707,410	92,573,499	(1,572,470)	91,001,028	49,712,418	12,428,104	62,140,522	(42,861,081)	14,000,575	(28,860,506)
	Total Distribution	4,839,890,702	1,495,170,867	3,584,976	1,498,755,843	1,304,382,284	194,373,559	1,498,755,843	(190,788,583)	190,788,583	0
ELECTRIC GENERAL PLANT											
389.0	Land	114,647	-	-	-	-	-	-	-	-	-
390.0	Structures and Improvements	6,784,142	2,628,930	(366,168)	2,262,762	1,839,477	91,974	1,931,451	(789,453)	458,141	(331,311)
391.0	Office Furniture and Equipment	5,639,525	3,155,534	-	3,155,534	3,581,433	-	3,581,433	425,898	-	425,898
391.2	Computer Hardware	22,643,181	5,709,556	(7,505)	5,702,051	5,560,708	-	5,560,708	(148,849)	7,505	(141,343)
392.10	Transportation Equipment - Automobiles	620,535	130,824	-	130,824	196,350	-	196,350	65,525	-	65,525
392.20	Transportation Equipment - Light Trucks	16,140,689	7,710,113	-	7,710,113	7,478,383	-	7,478,383	(231,730)	-	(231,730)
392.30	Transportation Equipment - Trailers	5,575,044	1,634,144	-	1,634,144	933,620	-	933,620	(700,523)	-	(700,523)
392.40	Transportation Equipment - Heavy Trucks	54,012,176	31,142,658	(229)	31,142,430	25,707,140	-	25,707,140	(5,435,519)	229	(5,435,290)
393.0	Stores Equipment	410,989	268,819	(430)	268,389	253,779	-	253,779	(15,040)	430	(14,610)

FERC Acct	Description	Estimated	Estimated Book			Proposed Reallocation			Difference		
		Plant Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance
394.0	Tools, Shop, and Garage Equipment	40,956,498	12,051,505	(35,521)	12,015,984	14,767,287	-	14,767,287	2,715,782	35,521	2,751,303
395.0	Laboratory Equipment	8,444,002	6,637,312	(10,617)	6,626,695	6,185,493	-	6,185,493	(451,819)	10,617	(441,202)
396.0	Power Operated Equipment	11,359,725	5,359,204	-	5,359,204	4,545,310	-	4,545,310	(813,894)	-	(813,894)
397.0	Communication Equipment	108,345,858	37,456,909	(339,072)	37,117,838	41,881,208	-	41,881,208	4,424,299	339,072	4,763,370
398.0	Miscellaneous Equipment	1,607,864	687,575	(1,100)	686,475	790,283	-	790,283	102,708	1,100	103,808
	Total Electric General	282,654,875	114,573,084	(760,641)	113,812,444	113,720,470	91,974	113,812,444	(852,614)	852,614	(0)
COMMON INTANGIBLE PLANT											
301	Organization Costs										
302	Franchises and Consents	3,383,421	2,519,092	-	2,519,092	2,519,092	-	2,519,092	-	-	-
303	Misc Computer Software-3 Year	-	-	-	-	0	-	-	-	-	-
303.04	Misc Computer Software-5 Year	117,738,242	55,889,987	-	55,889,987	55,889,987	-	55,889,987	-	-	-
303.04	Misc Computer Software-10 Year	5,785,234	3,537,208	-	3,537,208	3,537,208	-	3,537,208	-	-	-
303.04	Misc Computer Software-15 Year	156,941,548	9,784,810	-	9,784,810	9,784,810	-	9,784,810	-	-	-
	Total Common Intangible	283,848,445	71,731,097	-	71,731,097	71,731,097	-	71,731,097	-	-	-
COMMON GENERAL PLANT											
389.01	Land Owned in Fee	6,040,785	-	-	-	-	-	-	-	-	-
390.00	Structures and Improvements	166,089,841	44,703,245	6,282,088	50,985,333	43,786,252	4,378,625	48,164,877	(916,993)	(1,903,463)	(2,820,455)
390.07	Structures and Improvements - Leasehold Improvements	2,109,398	2,351,088	4,788	2,355,876	2,351,088	4,788	2,355,876	-	-	-
390.85	Structures and Improvements - 1800 Larimer	15,388,552	7,546,723	(5,082)	7,541,641	7,546,723	(5,082)	7,541,641	-	-	-
391.00	Office Furniture and Equipment	45,812,474	28,176,569	(18,613)	28,157,956	30,965,936	-	30,965,936	2,789,367	18,613	2,807,980
391.04	Computer Hardware	150,563,663	88,611,525	(565,413)	88,046,112	84,520,808	-	84,520,808	(4,090,717)	565,413	(3,525,304)
391.05	Computer Hardware - 3 Year Life	1,505,288	812,292	-	812,292	1,192,237	-	1,192,237	379,944	-	379,944
392.10	Transportation Equipment - Automobiles	2,277,049	1,148,020	-	1,148,020	1,284,376	-	1,284,376	136,356	-	136,356
392.20	Transportation Equipment - Light Trucks	12,017,199	7,686,535	-	7,686,535	7,526,741	-	7,526,741	(159,794)	-	(159,794)
392.30	Transportation Equipment - Trailers	959,396	377,751	-	377,751	232,801	-	232,801	(144,950)	-	(144,950)
392.40	Transportation Equipment - Heavy Trucks	4,089,552	2,099,111	-	2,099,111	2,553,915	-	2,553,915	454,804	-	454,804
393.00	Stores Equipment	869,668	685,082	(1,353)	683,729	722,546	-	722,546	37,464	1,353	38,817
394.00	Tools, Shop, and Garage Equipment	10,768,341	6,512,231	(46,841)	6,465,389	7,454,993	-	7,454,993	942,762	46,841	989,604
395.00	Laboratory Equipment	435,435	428,312	(846)	427,466	406,564	-	406,564	(21,748)	846	(20,902)
396.00	Power Operated Equipment	4,873,837	3,406,033	-	3,406,033	2,711,186	-	2,711,186	(694,847)	-	(694,847)
397.00	Communication Equipment	29,705,789	25,659,423	(5,275)	25,654,148	28,128,485	-	28,128,485	2,469,062	5,275	2,474,336
398.00	Miscellaneous Equipment	1,153,011	831,355	(2,692)	828,663	913,075	-	913,075	81,720	2,692	84,412
	Total Common General Plant	454,659,278	221,035,296	5,640,760	226,676,056	222,297,725	4,378,331	226,676,056	1,262,429	(1,262,429)	0

EXHIBIT NO. XES – 205

**Public Service Company of Colorado – Electric and Common Utility
Plant Depreciation Rate Study at January 1, 2018, conducted by
Alliance Consulting, CoPUC Proceeding No. 16A-0231E,
Supplemental (“Depreciation Rate Study”) (portions affecting
transmission rates)**

**PUBLIC SERVICE COMPANY OF
COLORADO
ELECTRIC AND COMMON UTILITY PLANT
DEPRECIATION RATE STUDY
AT JANUARY 1, 2018**



<http://www.utilityalliance.com>

**PUBLIC SERVICE COMPANY OF COLORADO
ELECTRIC AND COMMON UTILITY PLANT
DEPRECIATION RATE STUDY
EXECUTIVE SUMMARY**

Public Service Company of Colorado (“PSCo” or “Company”) engaged Alliance Consulting Group to conduct a depreciation study of the Company’s Electric and Common utility plant depreciable assets using actual plant asset balances as of September 30, 2015 and projected plant and depreciation reserve balances as of January 1, 2018 (“Study”). To determine depreciation rates for the projected time period of January 1, 2018, the following process occurred: 1) historic data through September 30, 2015 and judgment are used to estimate life and net salvage parameters; 2) the Company provided Alliance a walk-forward of projected plant and depreciation reserve activity from October 1, 2015 to January 1, 2018; 3) additions are projected as the transaction year the asset went into service; 4) retirements are based on a last-in, first out approach where the oldest vintages were retired; and 5) the projected vintage balances and reserves at January 1, 2018 are used to compute the proposed depreciation accrual. The total proposed increase in depreciation expense in this Study is \$49.2 million based on plant balances as of January 1, 2018.

This Study uses the straight-line, broad (average) life group, remaining life depreciation system with changes directed by PSCo concerning certain plant-related regulatory assets. In addition, this Study performs a reallocation of the accumulated reserve for depreciation for electric Steam Production plant, which at the request of the Company, included the regulatory assets recorded in FERC Account 182.2, Regulatory Assets, for soon-to-be retired or recently retired generating units as of January 1, 2018, (i.e., Arapahoe Units 1 through 4, Cameo Units 1 and 2, Cherokee Units 1 through 4, Valmont Unit 5, and Zuni Units 1 and 2, called the “Retired Generating Units”). The Company also instructed that additional depreciation reserve be allocated to Ponnequin Wind from other generating units to

ensure full recovery of the plant investment and its estimated dismantling costs. The net salvage analysis in this Study parallels the approach previously used in developing the depreciation rates adopted by the Colorado Public Utilities Commission (“Commission”) in PSCo’s electric rate case in Proceeding No. 06S-234EG. For electric production plant, this Study uses the site-specific and generic decommissioning costs estimates developed in a 2016 Decommissioning Cost Study conducted by Burns & McDonnell Engineering Company, Inc. (“Burns & McDonnell”).

For Production accounts, the Company provided the current terminal retirement dates for generating units consistent with current expectations, environmental legislation, resource plans and the Company’s instructions as to the Retired Generating Units. Terminal demolition costs were obtained from the 2016 Decommissioning Cost Study for all production facilities. Adopting the cost estimates reflected in the 2016 Decommissioning Cost Study results in changes in depreciation rates related to the cost of removal for all production facilities. The changes in proposed depreciation expense in the production area are mainly due to the terminal retirement dates, additional investment in the generating units, the reallocation of reserve to the Retired Generating Units, updated dismantling estimates related to electric production plant facilities, and the correction of the historically under-accrued reserve position. The proposed increases in depreciation expense by function within electric production are \$43.1 million, \$3.2 million, and \$3.3 million for Steam, Hydro, and Other production groups, respectively, based on projected account balances as of January 1, 2018. The total proposed increases in depreciation expense in electric production are \$49.6 million. Appendix B demonstrates the change in depreciation expense for the various accounts based on projected plant balances as of January 1, 2018.

For Transmission, Distribution, General and Common accounts, the lives of the accounts and net salvage parameters are reviewed in this Study. This Study recommends changes in depreciation for Transmission, Distribution, General and Common accounts for each function based on estimated account balances as of

January 1, 2018 as follows: an increase of \$7.3 million for Transmission, a decrease of \$2.8 million for Distribution, a decrease of \$2.7 million for General, and an increase of \$3.0 million for Common General. For Electric Intangible Plant, there is no change in proposed expense. For Common Intangible Plant, a decrease of \$5.2 million is estimated based on projected account balances as of January 1, 2018. The total proposed change in depreciation expense for Transmission, Distribution, General, and Common is a decrease of \$0.4 million based on projected account balances as of January 1, 2018.

For Transmission, Distribution, General and Common accounts (excluding Intangibles), there are 32 accounts that have increasing lives and six accounts that have decreasing lives, while 19 had no change. There is a trend toward slightly higher negative net salvage (where the projected cost of removal exceeds projected salvage value) with 36 accounts increasing their negative net salvage (i.e., more negative or a simply decrease in net salvage) and with two accounts increasing their positive net salvage.

PUBLIC SERVICE COMPANY OF COLORADO
ELECTRIC AND COMMON UTILITY PLANT
DEPRECIATION RATE STUDY
AT JANUARY 1, 2018
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PURPOSE OF THE STUDY

The purpose of this Study is to develop depreciation rates for the depreciable property of Public Service Company of Colorado's ("PSCo" or "Company") based on projected plant balances at January 1, 2018. Historic data at September 30, 2015 and judgment are used to estimate life and net salvage. The account-based depreciation rates are designed to recover the total remaining undepreciated investment, adjusted for net salvage, over the remaining life of PSCo's property on a straight-line basis. This Study includes the Company's depreciable electric and common plant assets. Non-depreciable property and property that is amortized, such as intangible software, are excluded from the analysis of this Study but are reported in the total plant and reserve data for a complete report of plant assets at the Study date.

The Study includes investment and reserves for the projected plant balances at January 1, 2018 for all Steam production units, Hydro production units, and Other production units, incorporating current retirement dates and dismantling costs for the Company's electric production assets. The depreciation rates were designed to recover the total remaining undepreciated investment, adjusted for net salvage, over the remaining life of PSCo's property on a straight-line basis.

PSCo is a regulated electric utility principally engaged in the generation, purchase, transmission, distribution and sale of electricity in Colorado. PSCo provides the essential service of generating and delivering electricity safely, reliably and economically to end-use consumers through its generation, transmission and distribution systems.

I. STUDY RESULTS

Overall depreciation rates for all PSCo depreciable property are shown in Appendix A. As shown in Appendix B, these rates translate into an annual depreciation expense of \$418.8 million based on PSCo's depreciable investment for the projected plant balances as of January 1, 2018. This reflects an increase of \$49.2 million as compared to the equivalent annual depreciation expense of \$369.5 million calculated using the currently approved rates. The proposed depreciation rates translate into an annual depreciation accrual for Steam Production (excluding regulatory assets) of \$109.5 million, Hydro Production of \$5.3 million, Other Production of \$48.2 million, Transmission of \$44.3 million, Distribution of \$114.6 million, General Plant of \$18.4 million, Intangible Plant \$10.6 million and Common General and Intangible Plant of \$67.9 million (unallocated). The changes in proposed depreciation expense in the production area are mainly due to the terminal retirement dates, additional investment in the generating units, the reallocation of reserve to the Retired Generating Units, updated dismantling estimates related to electric production plant facilities, and the correction of the historically under-accrued reserve position.

Appendix A shows the development of the annual depreciation rates and accruals. Appendix B presents a comparison of approved rates versus proposed rates by account. Appendix C presents a summary of average service lives and net salvage estimates by account. Appendix D presents the terminal retirement dates and interim retirement ratios and net salvage percentages for production facilities. Appendix E presents the net salvage analysis for all accounts. Appendix F presents a comparison between the proposed book reserve reallocation and the forecasted book reserve.

II. GENERAL DISCUSSION OF THE DEPRECIATION RATE STUDY PROCESS

A. Definition of Depreciation

The term "depreciation" as used in this Study is considered in the accounting sense; that is, depreciation is a system of accounting that distributes the cost of assets, less net salvage (if any), over the estimated useful life of the assets in a systematic and rational manner. It is a process of allocation, not valuation. This expense is systematically allocated to accounting periods over the life of the properties. The amount allocated to any one accounting period does not necessarily represent the loss or decrease in value that will occur during that particular period. The Company accrues depreciation on the basis of the original cost of all depreciable property included in each functional property group. On retirement, the full cost of depreciable property, less the net salvage value, is charged to the depreciation reserve.

B. Basis of Depreciation Estimates

1. Overview of the Depreciation Method, Procedure and Technique

The Straight-Line, Broad (Average) Life Group, Remaining Life depreciation system is employed to calculate annual and accrued depreciation in this Study. In this system, the annual depreciation accrual for each plant account or sub-account is computed by dividing the original cost of the asset, less allocated depreciation reserve less estimated net salvage, by its respective average life group remaining life. The resulting annual accrual amounts of all depreciable property within a functional group¹ are accumulated, and that total is divided by the original cost of all functional depreciable property to determine the depreciation rate. The calculated remaining lives and annual depreciation accrual rates are based on attained ages of plant in service and the estimated service life and salvage characteristics of each

¹ Function or function group refers to different categories of plant. Specifically, the functions analyzed in this study are: Steam Production, Hydro Production, Other Production, Transmission, Distribution, General, and Common General.

depreciable group. The computations of the annual depreciation rates are shown in Appendix A.

For production property specifically, annual and accrued depreciation are calculated by the Straight-Line, Broad (Average Life) Group, Life Span (which incorporates the Remaining Life technique) depreciation system. In this system, the depreciation accrual uses an allocation of the accumulated provision for depreciation based on each unit/account's theoretical depreciation reserve to determine the net investment needed to be recovered over each unit's remaining life (along with its estimated net salvage). The computations of accrual rates for production property are shown in Appendix A, and the allocation of the accumulated provision for depreciation is found in Appendix F.

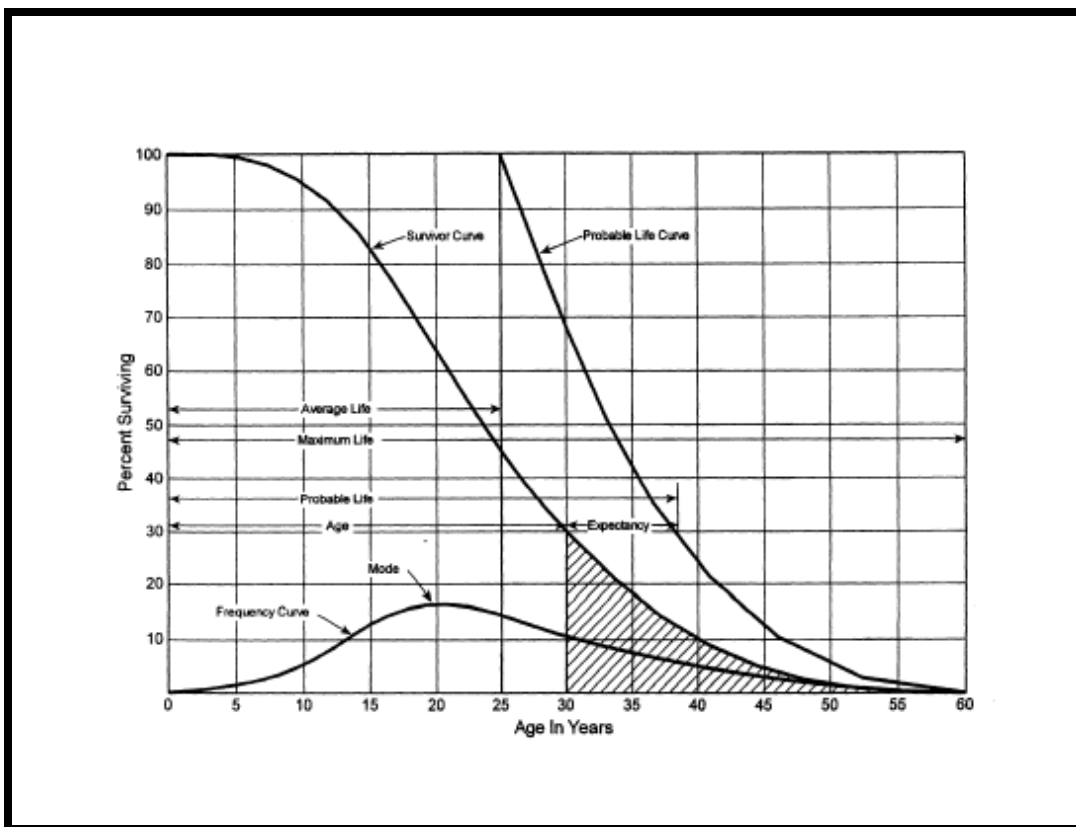
The Life Span estimation approach was incorporated into the analyses of PSCo production data. This method was used to develop the depreciation rates last approved by the Commission in the Company's electric rate case in Proceeding No. 06S-234EG and is generally used to determine depreciation rates for electric utility production property. This approach is more fully described in the next section.

For Transmission, Distribution, General and Common General Plant, actuarial analysis is used for each account within a functional group where sufficient data is available. Judgment is used to some degree on all accounts.

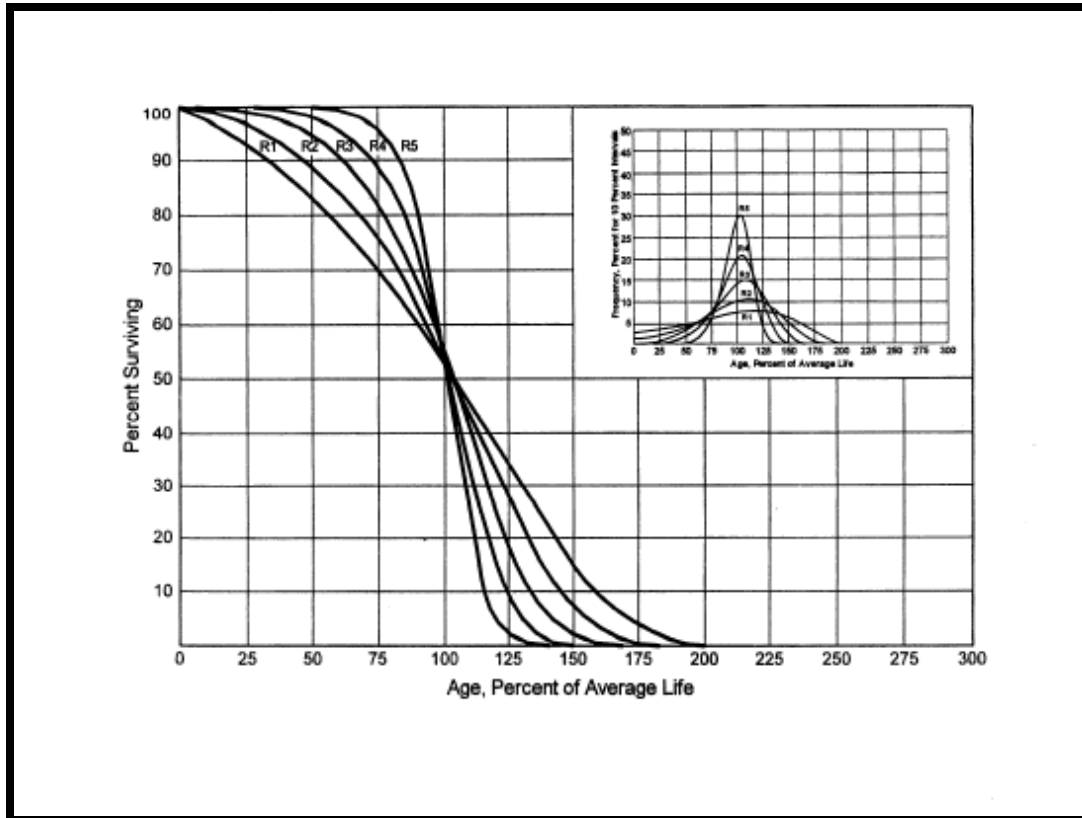
2. Survivor Curves

To fully understand depreciation projections in a regulated utility setting, there must be a basic understanding of survivor curves. Individual property units within a group do not normally have identical lives or investment amounts. The average life of a group can be determined by first constructing a survivor curve, which is plotted as a percentage of the units surviving at each age. A survivor curve represents the percentage of property remaining in service at various age intervals. The Iowa Curves are the result of an extensive investigation of life characteristics of physical property made at Iowa State College Engineering Experiment Station in the first half of the prior century. Through common usage, revalidation and regulatory

acceptance, the Iowa Curves have become a descriptive standard for the life characteristics of industrial property. An example of an Iowa Curve is shown below.



There are four families in the Iowa Curves that are distinguished by the relation of the age at the retirement mode (largest annual retirement frequency) and the average life. For distributions with the mode age greater than the average life, an “R” designation (i.e., Right modal) is used. The family of “R” moded curves is shown below.



Similarly, an “S” designation (i.e., Symmetric modal) is used for the family whose mode age is symmetric about the average life. An “L” designation (i.e., Left modal) is used for the family whose mode age is less than the average life. A special case of left modal dispersion is the “O” or origin modal curve family. Within each curve family, numerical designations are used to describe the relative magnitude of the retirement frequencies at the mode. A “6” indicates that the retirements are not greatly dispersed from the mode (i.e., high mode frequency), while a “1” indicates a large dispersion about the mode (i.e., low mode frequency). For example, a curve with an average life of 30 years and an “L3” dispersion is a moderately dispersed, left modal curve that can be designated as a 30 L3 Curve. An SQ, or square, survivor curve occurs where no dispersion is present (i.e., units of common age retire simultaneously).

Most property groups can be closely fitted to one Iowa Curve with a unique average service life. The blending of judgment concerning current conditions and

future trends along with the matching of historical data permits the depreciation analyst to make an informed selection of an account's average life and retirement dispersion pattern.

3. Life Span Procedure

The Life Span calculation is used for production facilities for which most components are expected to have a retirement date concurrent with the planned retirement date of the generating unit. The terminal retirement date refers to the year that each unit will cease operations. The terminal retirement date, along with the interim retirement characteristics of the assets that will retire prior to the facility ceasing operation, describe the pattern of retirement of the assets that comprise a generating unit. The estimated terminal retirement dates for the various generating units start with the retirement dates used to develop the depreciation rates last approved by the Commission in the Company's electric rate case in Proceeding No. 06S-234EG. These dates are then updated based on the terminal retirement dates provided by the Company for the current estimated retirement dates of specific generation units. At the direction of PSCo, regulatory assets related to unrecovered production plant for the Retired Generating Units are included in the steam reserve reallocation. In the other production function, Ponnequin Wind Farm (retired in 2015) is fully reserved for life and cost of removal in the other production reserve reallocation. The estimated terminal retirement dates are shown in Appendix D-1.

4. Interim Retirement Rates

Interim retirement rates are used to model the retirement of individual assets within primary plant accounts for each generating unit prior to the terminal retirement of the facility. The Life Span calculation assumes all assets are depreciated (straight-line) for the same number of periods and retire at the same time (the terminal retirement date). Adding interim retirement rates to the procedure reflects the fact that some of the assets at a power plant will not survive to the end of the life of the facility and should be depreciated (straight-line) more quickly and retired earlier than the terminal life of the overall facility. The goal of interim retirement rates is to project how many of the assets that are currently in service will retire each year in the future using historical analysis and judgment. The interim retirement methodology was used in the development of the depreciation rates approved in Proceeding No. 06S-234EG, and the proposed interim retirement ratios were used in the calculation of PSCo production depreciation rates. The interim retirement ratios recommended for production accounts are shown in Appendix D-2. By applying interim retirements, recognition is given to the obvious fact that generating units will have retirements of depreciable property before the end of their lives.

The assets that are being modeled for interim retirement are already reflected in the Company's plant accounts. Depreciation rates using interim retirements are known and measurable in the same way that setting depreciation rates for transmission or distribution property using Iowa Curves is known and measurable. There is no depreciable asset that is expected to live forever. All assets at a power plant will retire at some point. Interim retirements simply model when those retirements will occur in the same way that is followed for transmission or distribution assets.

Interim retirements are modeled by examining retirement activity by plant account from transaction years 2004-2015. Terminal retirement transactions, including retirements, gross salvage, and removal cost, are excluded from the analysis to arrive at the interim retirement transactions related to units continuing to

operate. Averages are computed over that period for interim retirement rates and used in analyzing production plant activity. Also, net salvage experienced for those assets over the same period is analyzed. Interim net salvage for those retirements occurring prior to a plant's terminal retirement date is modeled prospectively.

5. Actuarial Analysis

For Transmission, Distribution, General, and Common property, actuarial analysis ("Retirement Rate" method) is used in evaluating historical asset retirement experience where vintage data are available and sufficient retirement activity is present. In actuarial analysis, interval exposures (total property subject to retirement at the beginning of the age interval, regardless of vintage) and age interval retirements are calculated. The complement of the ratio of interval retirements to interval exposures establishes a survivor ratio. The survivor ratio is the fraction of property surviving to the end of the selected age interval, given that it has survived to the beginning of that age interval. Survivor ratios for all of the available age intervals are computed by successive multiplications to establish a series of survivor factors, collectively known as an observed life table. The observed life table shows the experienced mortality characteristic of the account and may be compared to standard mortality curves, such as the Iowa Curves. Where data is available, accounts are analyzed using this method. Placement bands are used to illustrate the composite history over a specific era, and experience bands are used to focus on retirement history for all vintages during a set period. The results from the analyses for the accounts having data sufficient to be analyzed using this method are shown in the Life Analysis section of this Study.

6. Judgment

Any depreciation study requires informed judgment by the analyst conducting the study. A knowledge of the property being studied, company policies and procedures, general trends in technology and industry practice, and a sound basis of understanding in depreciation theory are needed to apply this informed judgment.

Judgment is used in areas such as survivor curve modeling and selection, depreciation method selection, simulated plant record method analysis, and actuarial analysis.

Judgment is not used in cases where there are specific, significant pieces of information that influence the choice of a life or curve. Those cases would simply be a reflection of applying specific facts to the relevant analysis. Where there are multiple factors, activities, actions, property characteristics, statistical inconsistencies, implications of applying certain curves, property mix in accounts or a multitude of other considerations that impact the analysis (potentially in various directions), judgment is used to take all of these factors and synthesize them into a general direction or understanding of the characteristics of the property. Individually, no one factor in these cases may have a substantial impact on the analysis, but overall, may shed light on the utilization and characteristics of assets. Judgment also may include deduction, inference, wisdom, common sense, or the ability to make sensible decisions. Statistical analysis is a tool in life estimation; and all facets of selecting a life estimate require judgment. At the very least, as an example, any analysis requires choosing upon which bands to place more emphasis.

The establishment of appropriate average service lives and retirement dispersions for the Transmission, Distribution, General and Common Plant accounts requires judgment to incorporate the understanding of the operation of the system with the available accounting information analyzed using the Retirement Rate actuarial methods. The appropriateness of lives and curves depends not only on statistical analyses, but also on how well future retirement patterns will match past retirements.

Current applications and trends in use of the equipment also need to be factored into life and survivor curve choices in order for appropriate mortality characteristics to be chosen.

7. Broad (Average Life) Group Depreciation Procedure

PSCo's current depreciation rates, as authorized by the Commission in Proceeding No. 06S-234EG for electric Transmission, Distribution and General Plant and in Proceeding No. 02S-315EG for Common Plant, were developed using the Broad (Average Life) Group ("ALG") depreciation procedure. At the request of PSCo, this Study continues to use the ALG depreciation procedure to group the assets within each account. After an average service life and dispersion are selected for each account, those parameters are used to estimate what portion of the surviving investment of each vintage is expected to retire. The depreciation of the group continues until all investment in the vintage group is retired. ALG is defined by each group's respective account dispersion, life, and salvage estimates. A straight-line rate for each ALG is calculated by computing a composite remaining life for each group across all vintages within the group, dividing the remaining investment to be recovered by the remaining life to find the annual depreciation expense and then dividing the annual depreciation expense by the surviving investment. The resulting rate for each account using the ALG procedure is designed to recover all retirements less net salvage when the last unit retires. The ALG procedure recovers net estimated book cost over the life of each account by averaging many components.

8. Theoretical Depreciation Reserve – Production Accounts

The book accumulated provision for depreciation within the production functions – Steam, Hydro and Other – is allocated among units and accounts through the use of the theoretical depreciation reserve model. This Study uses a reserve model that relies on a prospective concept relating future retirement and accrual patterns for property, given current life and salvage estimates. This theoretical reserve calculation is the same calculation used in developing the depreciation rates approved by the Commission in the Company's electric rate case in Proceeding No. 06S-234EG.

The theoretical reserve of a property group (in this case, a generating unit and account) is developed from the estimated remaining life of the group, the total life of the group, and estimated net salvage. The theoretical reserve represents the portion of the group cost that would have been accrued if current expectations were used throughout the life of the group for future depreciation accruals. The computation involves multiplying the vintage balances within the group by the theoretical reserve ratio for each vintage. The straight-line, remaining life theoretical reserve ratio at any given age (RR) is calculated as:

$$RR = 1 - \frac{(\text{Average Remaining Life})}{(\text{Average Service Life})} * (1 - \text{Net Salvage Ratio})$$

At the request of the Company, regulatory assets recorded in FERC Account 182.2, Regulatory Assets, for the Retired Generating Units are included in the reserve reallocation process. Also at the request of the Company, the Ponnequin Wind Farm, retired in 2015, is included in the other production reserve reallocation and is fully reserved for life and cost of removal through the reserve reallocation.

In Appendices A-1, A-2, and A-3, a theoretical reserve is computed for each unit and account at January 1, 2018 using the proposed retirement date, dismantling amount, interim retirement percentage and current age of each unit and account combination. For generating units in-service, the theoretical reserve for each unit is computed using the unit's original in-service date, plant balance, estimated dismantling costs, and accumulated depreciation for each generating unit at the Study date of January 1, 2018, as well as the remaining period to recover costs (life and cost of removal) associated with these assets (usually the retirement date). For generating units already retired and recorded as regulatory assets in FERC Account 182.2 as of January 1, 2018 (the Retired Generating Units), the same calculation is utilized, and a four-year amortization period to recover the costs are modeled, assuming full recovery at year end 2021. For each unit account, the theoretical reserve is broken into both a life component and a cost of removal component. After the theoretical reserve was computed for each unit account, each

such theoretical reserve was then multiplied by a proration factor to re-establish the estimated book reserve for each unit account for purposes of then determining the proposed depreciation rates. The proration factor is computed by developing a ratio of the total book reserve to the total theoretical reserve for Steam, Hydro and Other production, respectively. The result of those allocations is shown in Appendix F-1. Detailed computations with formulae intact are shown in the workpapers.

9. Theoretical Depreciation Reserve – Transmission, Distribution, General, and Common Property

The book depreciation reserve is derived from Company records and is reallocated from a functional level to individual accounts. This Study uses a reserve model that relies on a prospective concept relating future retirement and accrual patterns for property, given current life and salvage estimates. The theoretical reserve of a group is developed from the estimated remaining life, total life of the property group, and estimated net salvage. The theoretical reserve represents the portion of the group cost that would have been accrued if current expectations were used throughout the life of the group for future depreciation accruals. The computation involves multiplying the vintage balances within the group by the theoretical reserve ratio for each vintage. The ALG method requires an estimate of dispersion and service life to establish how much of each vintage is expected to be retired in each year until all property within the group is retired. Estimated average service lives and dispersion determine the amount within each average life group. The straight-line, remaining life theoretical reserve ratio at any given age (RR) is calculated as:

$$RR = 1 - \frac{(\text{Average Remaining Life})}{(\text{Average Service Life})} * (1 - \text{Net Salvage Ratio})$$

In the workpapers, a theoretical reserve is computed for each account as of January 1, 2018, using the proposed life and net salvage percentage. For each account, the theoretical reserve is broken into a life component and a cost of removal component. The proration factor is computed by developing a ratio of the total book reserve to the total theoretical reserve for Transmission, Distribution, General and Common General. After each theoretical reserve is computed, each amount is then multiplied by the proration factor to re-establish the book reserve for each account for purposes of then determining proposed depreciation rates. The result of those allocations is shown in Appendix F-2.

III. THE DETAILS OF THIS DEPRECIATION RATE STUDY

A. The Four Phases of the Depreciation Study Process

This Study encompasses four distinct phases. The first phase involves data collection and field interviews. The second phase is where the initial data analysis occurs. The third phase is where the information and analysis is evaluated. Once the first three stages are complete, the fourth phase begins. This fourth phase involves the calculation of depreciation rates and documentation of the corresponding recommendations.

During the Phase I data collection process, historical data is compiled from property records and general ledger systems. Data is validated for accuracy by extracting and comparing to multiple financial system sources. Audit of this data is validated against historical data from prior periods, historical general ledger sources, and field personnel discussions. This data is reviewed extensively to put it in the proper format for the Study. Further discussion on data review and adjustment is found in the Salvage Considerations section of this Study. Also as part of the Phase I data collection process, numerous discussions are conducted with engineers and field operations personnel to obtain information that will assist in formulating life and salvage recommendations in this Study. One of the most important elements of performing a proper depreciation study is to understand how the Company utilizes assets and the environment of those assets. Interviews with engineering and operations personnel are important ways to allow the analyst to obtain information that is beneficial when evaluating the output from the life and net salvage programs in relation to the Company's actual asset utilization and environment. Information regarding these discussions is found in the life analysis and salvage analysis discussions below in this Section IV of the Study and also in workpapers.

Phase 2 is where the actuarial analysis is performed. Phase 2 and 3 overlap to a significant degree. The detailed property records information is used in Phase 2 to develop observed life tables for life analysis. These tables are visually compared to industry standard tables to determine historical life characteristics. It is

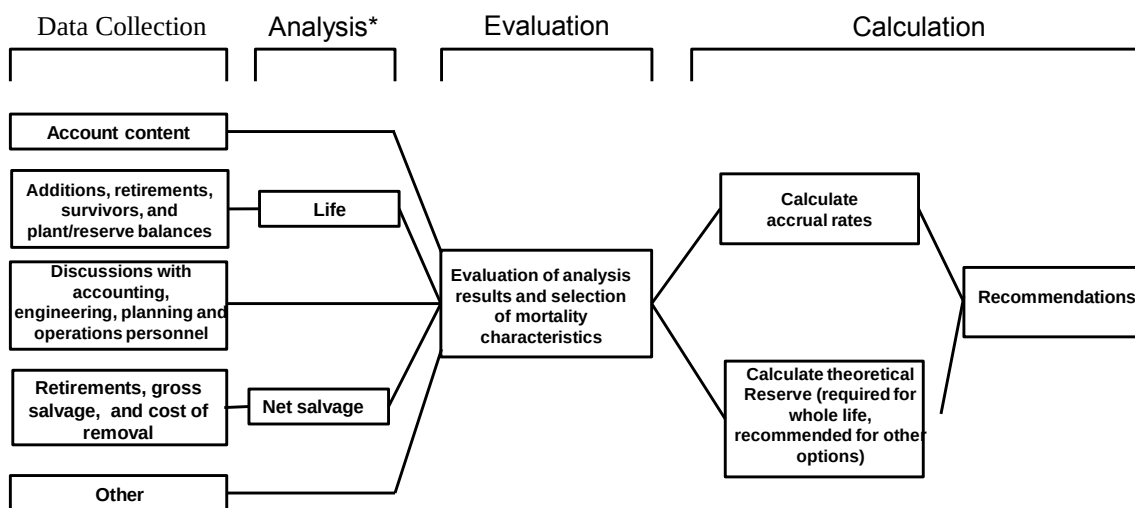
possible that the analyst will cycle back to this Phase 2 based on the evaluation process performed in Phase 3. Net salvage analysis consists of compiling historical salvage and removal data by functional group to determine values and trends in gross salvage and removal cost. This information is then carried forward into Phase 3 for the evaluation process.

Phase 3 is the evaluation process, which synthesizes analyses, interviews, and operational characteristics into a final selection of asset lives and net salvage parameters. The historical analysis from Phase 2 is further enhanced by the incorporation of recent or future changes in the characteristics or operations of assets that were revealed in Phase 1. Phases 2 and 3 allow the depreciation analyst to validate the asset characteristics as seen in the accounting transactions with actual Company operational experience.

Finally, Phase 4 involves the calculation of accrual rates, making recommendations and documenting the conclusions in the Study. The calculation of accrual rates is found in Appendix A. Recommendations for the various accounts are contained within this Section IV of this Study. The depreciation study flow diagram shown as Figure 1² below also documents the steps used in conducting this Study. DEPRECIATION SYSTEMS³, at page 289, documents the same basic processes in performing a depreciation study which are: statistical analysis, evaluation of statistical analysis, discussions with management, forecast assumptions, and document recommendations.

²INTRODUCTION TO DEPRECIATION FOR PUBLIC UTILITIES & OTHER INDUSTRIES, AGA EEI (2013).

³ W. C. Fitch and F.K.Wolf, DEPRECIATION SYSTEMS, Iowa State Press, at page 289 (1994).



Source: Introduction to Depreciation for Public Utilities and Other Industries, AGA EEL , 2013.

*Although not specifically noted, the mathematical analysis may need some level of input from other sources (for example, to determine analysis bands for life and adjustments to data used in all analysis).

Figure 1

PSCo DEPRECIATION STUDY PROCESS

B. Depreciation Rate Calculation for Production

1. The Standard Process

Annual depreciation expense amounts for the Steam Production, Hydro Production and Other Production accounts are calculated by the Straight-Line, Average Life Group, Life Span procedure as in the Staff spreadsheets used in the calculation of the approved production depreciation rates in Proceeding No. 06S-234EG. As background, in a whole-life representation, the annual accrual rate is computed by the following equation:

$$\text{AnnualAccrualRate} = \frac{(100\% - \text{NetSalvagePercent})}{\text{AverageServiceLife}}$$

In the case of production facilities with a terminal life and terminal net salvage, the account/unit combination will determine the annual depreciation accrual rate as follows:

Annual Accrual Rate = [Plant Balance + Interim Additions over Life of the Unit – Terminal Retirement – Terminal and Interim Net Salvage – Accumulated Depreciation Reserve] / $\sum$ Average Plant Balance over the remaining life of the unit.

In this Study, there are no interim additions beyond January 1, 2018 considered in developing depreciation rates. Interim retirements reduce the average plant balance over the remaining life of the unit, while interim net salvage increases the total net salvage of the unit. The inclusion of terminal retirement value and terminal net salvage ensure full recovery of the cost of each unit account as shown in Appendix A. At the direction of PSCo, certain steam generating units retired by January 1, 2018, (recorded to Account 182.2 Regulatory Assets) are assigned terminal retirement dates of 2022 for the purpose of calculating the theoretical reserve and reserve reallocation. The estimated terminal retirement dates are shown in Appendix D-1.

2. Special Situations

The existing lives for Steam production units are established in Proceeding No. 06S-234G. However, subsequent to that proceeding, circumstances arose that caused the Company to re-evaluate the lives and fuel source for selected Steam production units, along with making some additional Steam production plant additions. Below is a brief discussion of these circumstances that resulted in re-evaluation:

- Certain Commission proceedings, including the Company's approved plan in compliance with the Colorado Clean Air Clean Jobs Act ("CACJA") and PSCo's approved Electric Resource Plans, resulted in the Company modifying the existing life for selected Steam production units. The following steam production units have been retired or will soon be retired; their unrecovered costs (both life and cost of removal) are being accounted for in FERC Account 182.2 – Regulatory Assets. These plants are included in the reserve reallocation process in this Study and have been referred to as the "Retired Generating Units" throughout the Study:

Arapahoe Unit 1	2002
Arapahoe Unit 2	2002
Arapahoe Unit 3	2013
Arapahoe Unit 4	2013
Cameo Unit 1	2010
Cameo Unit 2	2010
Cherokee Unit 1	2012
Cherokee Unit 2	2011
Cherokee Unit 3	2015
Cherokee 4 (Coal-related)	2017
Valmont 5	2017

Zuni Unit 1 2010

Zuni Unit 2 2015

- At Cherokee Unit 2, a synchronous condenser was installed in 2012. This equipment is expected to last for 15 years from the installation date. Proposed depreciation rates (for each applicable account) for the Cherokee Unit 2 synchronous condenser are developed in this Study.
- Per the Company's direction due to the early retirement, Alliance recalculated the depreciation rates for Craig Unit 1 using a terminal retirement date of 2025 and for Craig Common using a terminal retirement date of 2039 and reran the reserve reallocation for all operating Steam Production plant including the regulatory assets for the Retired Generating Units, only this time with Craig Unit 1 excluded from the reserve reallocation.

The unrecovered costs of these Steam production units are being accounted for in FERC Account 182.2, Regulatory Assets, upon their retirement. The Company's proposal is to amortize these regulatory assets through 2022. With regard to Other Production, the Ponnequin Wind Farm was retired in 2015. Additional depreciation reserve is allocated to this facility from other generating units to ensure full recovery of the plant investment and its estimated dismantling costs. The changes in retirement dates and recovery of regulatory assets are reflected in Appendix D-1.

Certain assets associated with the Company's Air Quality Improvement Rider ("AQIR") recorded in Account 312 were given a 15-year life in Proceeding No. 02S-485E. All of these investments had an installed date of 2003 and are set to be fully recovered at the end of 2018. For those plants with AQIR equipment, the approved 15-year life is continued to be used as the proposed depreciation rate. Another group of assets within Account 312, Coal Cars, is modeled somewhat differently than other assets within Steam production. These assets are not tied to any particular generating station, so Company history is used to develop a service life

recommendation. The Study recommends a 24-year life for this account. The current approved depreciation rate for Account 312 – Coal Cars is 3.1667% with 5 percent positive net salvage, equating to a 30-year life.

Depreciation accrual rates and interim retirement percentages use the same methodology as were used in developing the depreciation rates approved by the Commission in Proceeding No. 06S-234EG. Depreciation expense computations by generating unit and account are found in Appendices A-1, A-2, and A-3, for Steam production, Hydro production, and Other production, respectively. Proposed terminal lives are found in Appendix D-1, proposed interim retirement percentages are found in Appendix D-2, and dismantling costs are found in Appendix G-1 through G-3.

C. Depreciation Rate Calculation for Transmission, Distribution, General and Common

1. Overview of Calculation

Annual depreciation expense amounts for accounts other than production are calculated by the Average Life, Straight-Line, Remaining Life system.

In a whole-life representation, the annual accrual rate is computed by the following equation:

$$\text{Annual Accrual Rate} = \frac{(100\% - \text{Net Salvage Percent})}{\text{Average Service Life}}$$

Use of the remaining life depreciation system adds a self-correcting mechanism, which accounts for any differences between theoretical and book depreciation reserve over the remaining life of the group. With the straight-line, remaining life, system using Iowa Curves, composite remaining lives are calculated according to standard broad group expectancy techniques, noted in the formula below:

$$\text{Composite Remaining Life} = \frac{\sum \text{Original Cost} - \text{Theoretical Reserve}}{\sum \text{Whole Life Annual Accrual}}$$

For each FERC plant account, the difference between the surviving investment, adjusted for estimated net salvage, and the allocated projected book depreciation reserve as of January 1, 2018, is divided by the composite remaining life to yield the annual depreciation expense as noted in this equation.

$$\text{Annual Depr Expense} = \frac{\text{Orig Cost} - \text{Allocated Reserve} - (\text{Orig Cost}) * (1 - \text{Net Salv \%})}{\text{Composite Remaining Life}}$$

In the equation above the Net Salv% represents future net salvage.

Within a group, the sum of the group annual depreciation expense amounts, as a percentage of the depreciable original cost investment summed, gives the annual depreciation rate as shown below:

$$\text{Annual Depreciation Rate} = \frac{\sum \text{Annual Depreciation Expense}}{\sum \text{Original Cost}}$$

These calculations are shown in Appendix A. The calculations of the theoretical depreciation reserve values and the corresponding remaining life calculations are shown in workpapers. Projected book depreciation reserves as of January 1, 2018 are allocated from a functional level to individual accounts and the theoretical reserve computation is used to compute a composite remaining life for each account.

The calculation of the accrual rates are shown in Appendix A. The book reserve allocations by functional level are shown in Appendix F.

2. Remaining Life Calculation

The establishment of appropriate average service lives and retirement dispersions for each account within a functional group is based on engineering judgment that incorporates available accounting information analyzed using the Retirement Rate actuarial methods. After establishment of appropriate average service lives and retirement dispersion, remaining life is computed for each account.

Theoretical depreciation reserve is calculated using theoretical reserve ratios as defined in the theoretical reserve portion of Section III of this Study. The difference between plant balance and theoretical reserve is then spread over the ALG depreciation accruals for each plant account. Remaining life computations are found for each account in workpapers.

3. Life Analysis

The Retirement Rate actuarial analysis method is applied to all non-production accounts for PSCo. For each account, an actuarial retirement rate analysis is made with placement and experience bands of varying width. The historical observed life table is plotted and compared with various Iowa Curves to obtain the most appropriate match. A selected Iowa Curve for each account is shown in Section V (Determination of the Lives) below. The observed life tables for all analyzed placement and experience bands are provided in workpapers.

For each account on the overall band (i.e., placement from earliest vintage year available for each account through 2015), survivor curves underlying the depreciation rates approved in Proceeding No. 06S-234EG for electric plant and Proceeding No. 02S-315EG for Common plant, as modified by subsequent orders, are used as a starting point. Using the same average life, various dispersion curves are then plotted. Frequently, visual matching confirms one specific dispersion pattern (i.e., L, S, or R) as an obviously better match than others. The next step is to determine the most appropriate life using that dispersion pattern. After looking at the overall experience band, different experience bands are then plotted and analyzed as follows: in increments from the overall band to a middle-range band, then the most recent bands with increments of approximately 20 years, such as 1939-2015, 1966-2015, 1986-2015, and 2001-2015. Next, placement bands of varying width are plotted within each experience band discussed above. Repeated matching usually points to a focus on one dispersion family and small range of service lives. The goal of visual matching is to minimize the differential between the

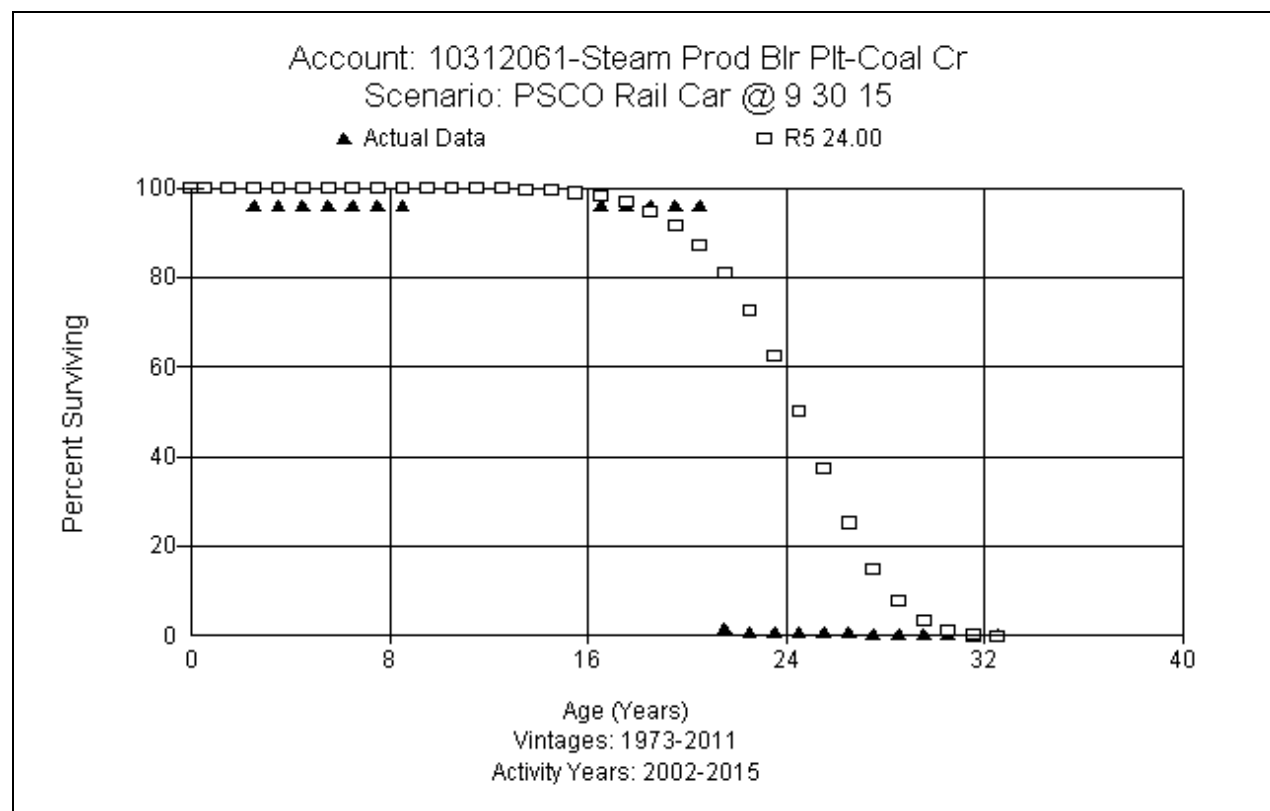
observed life table and Iowa Curve in the top- and mid-range of the plots. These results are used in conjunction with all other factors that may influence asset lives.

IV. DETERMINATION OF THE LIVES

A. Production Plant

FERC Account 312.2 Coal Cars 24 R5

This account includes the cost of coal cars used in producing electricity. At September 30, 2015, there was approximately \$20.4 million in this account and \$23.1 million is projected to be in the account as of January 1, 2018. The current approved life is 30 years, based on an approved depreciation rate of 3.1667% and a positive 5 percent net salvage. Based on judgment and the type of assets in this account, this Study recommends moving to a 24-year life and an R5 dispersion. A graph of the observed life table versus the proposed 24-year life is shown below.

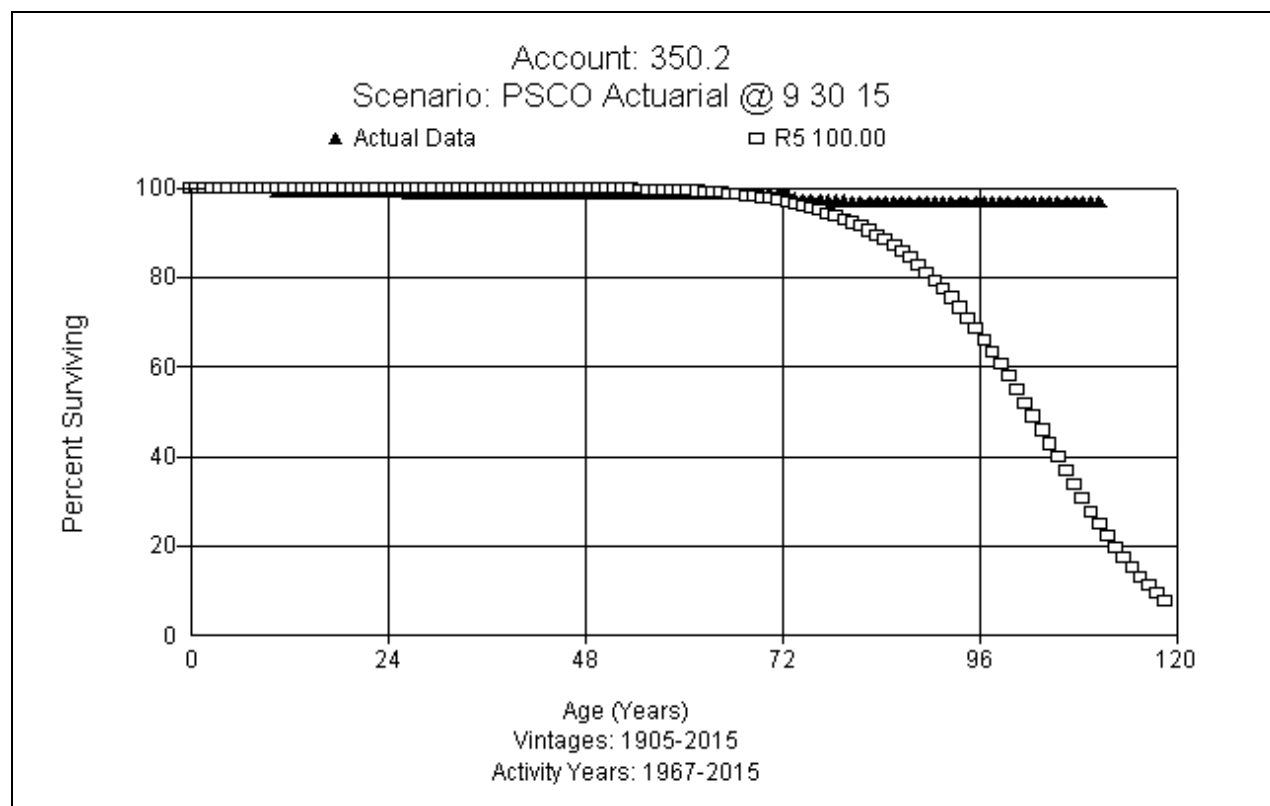


B. Transmission Plant

Transmission Accounts, FERC Accounts 350.2–359.0

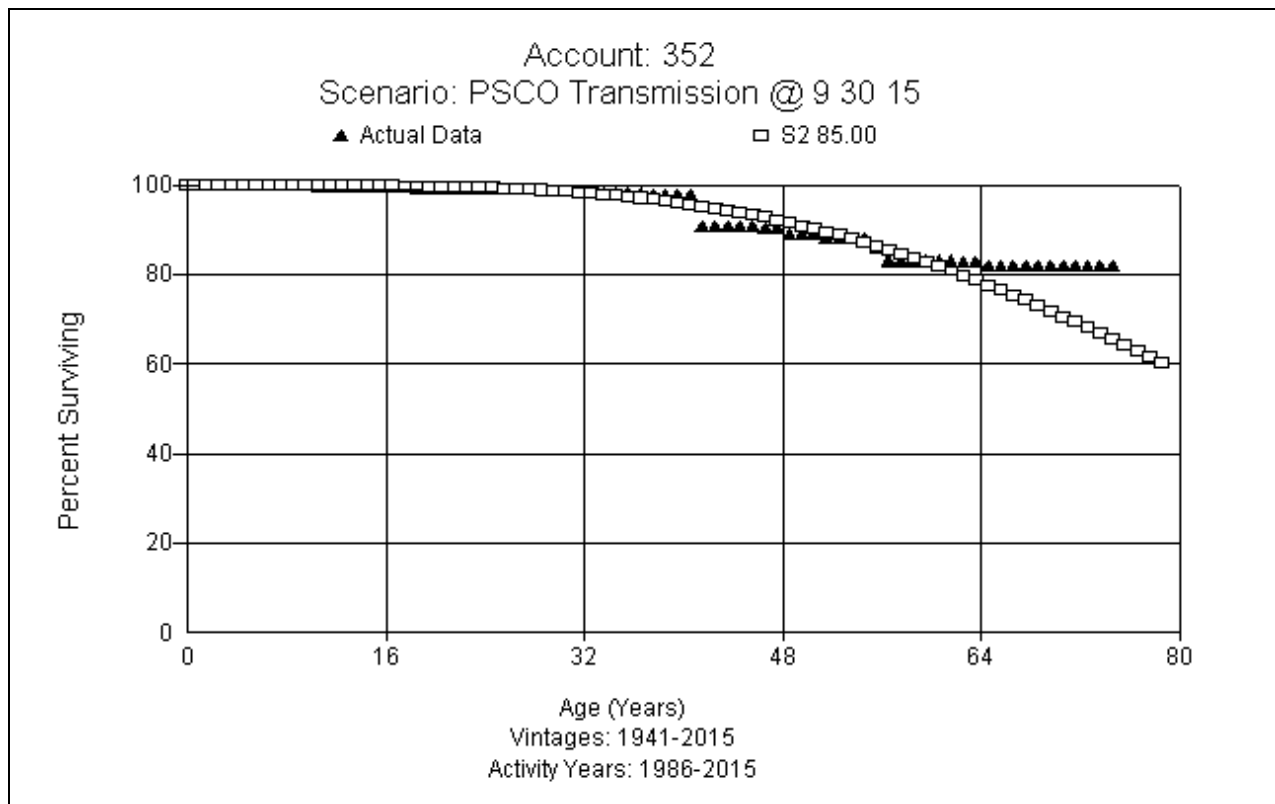
FERC Account 350.2 Land Rights 100 R5

This account includes the cost of rights of way in connection with transmission plant. At September 30, 2015, there was approximately \$67.7 million in this account, and \$77.1 million is projected to be in the account as of January 1, 2018. Currently, the life for this account is 100 years with an R5 dispersion. There is limited information on which to perform actuarial analysis. Based on judgment and the type of assets in this account, this Study recommends retaining the 100-year life and the R5 dispersion. A graph of the observed life table versus the proposed curve is shown below.



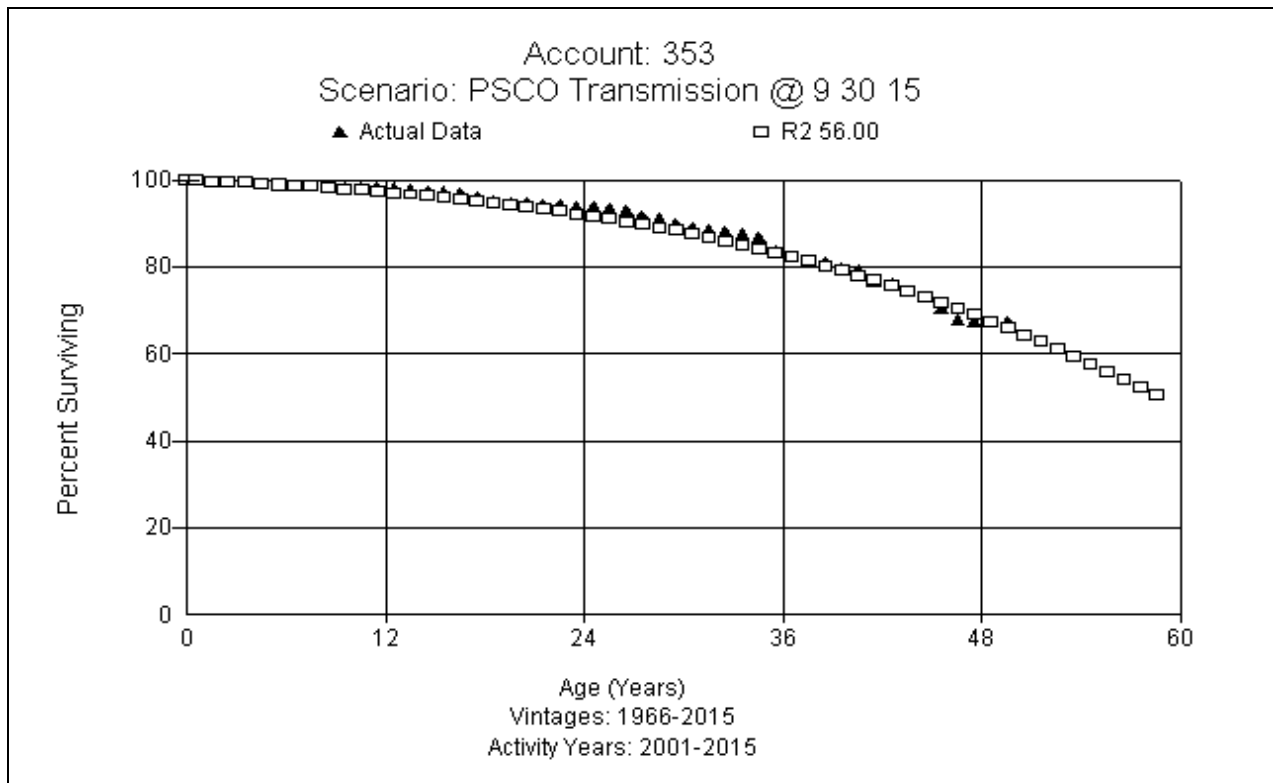
FERC Account 352.0 Structures and Improvements 85 S2

This account includes the cost of structures and improvements in connection with building station control, security systems, yard improvements, protective fencing and other structures for transmission plant. At September 30, 2015, there was approximately \$65.1 million in this account, and \$79.2 million is projected to be in the account as of January 1, 2018. The current approved life for this account is 70 years with a S6 dispersion. The limited actuarial analysis on this account and judgment shows a slightly longer life and flatter dispersion pattern across most of the bands analyzed. Based on the limited indications from the actuarial analysis, judgment, and the type of assets in this account, this Study recommends increasing the life to 85 years and moving the dispersion to S2. A graph of the observed life table versus the proposed curve is shown below.



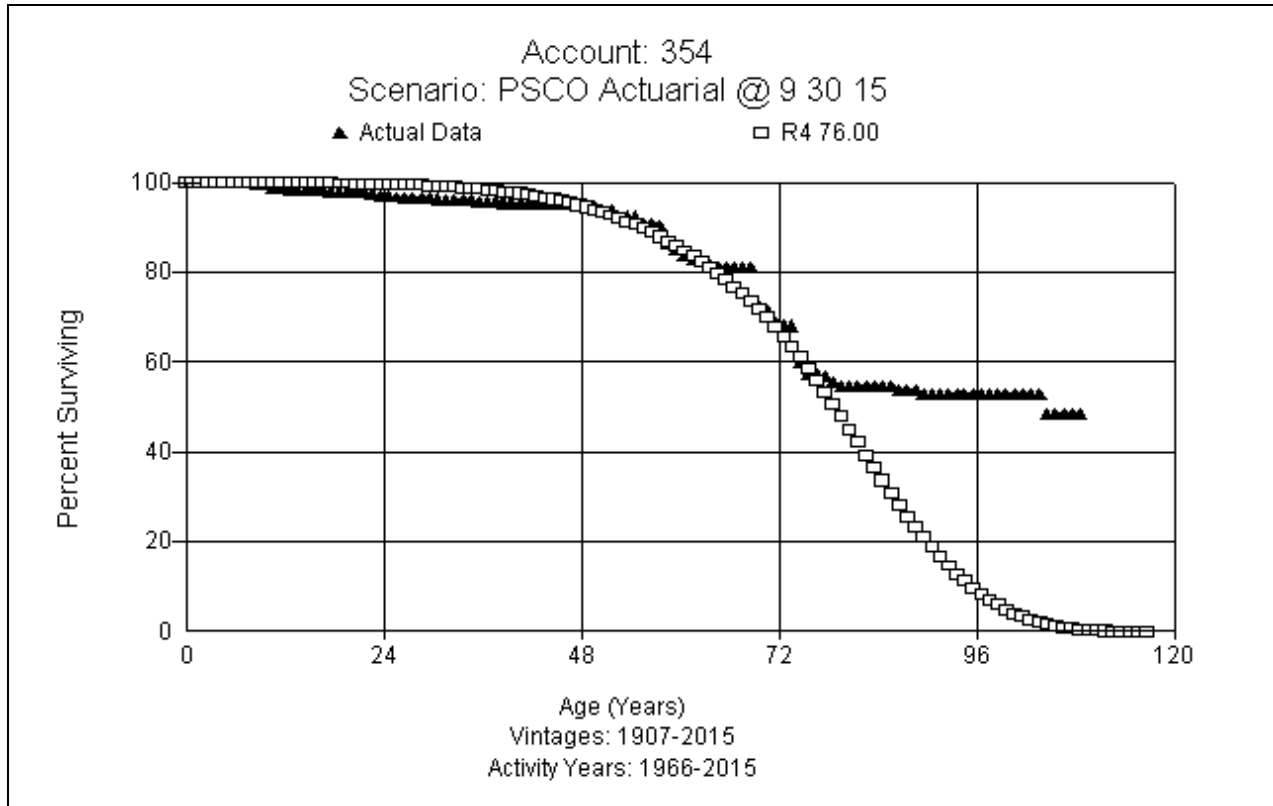
FERC Account 353.0 Station Equipment 56 R2

This account includes the cost of transformers, capacitor banks, circuit breakers, cubicle switchgear, equipment foundation, station controls and station wiring for transmission plant. At September 30, 2015, there was approximately \$872.6 million in this account, and \$1.1 billion is projected to be in the account as of January 1, 2018. The current approved life for this account is 60 years with an R2.5 dispersion. Discussions with Company personnel indicate installation of a large number of static VAR equipment (circuit breakers), which have a shorter life and are the standard design now. The SF6 circuit breakers associated with the static VAR equipment will have a 10-year life, which is much shorter than the normal SF6 circuit breaker life of 48 years. There are 793 circuit breakers and 250 of those circuit breakers are normal SF6. The capacitor banks have a life of around 35 years. Oil circuit breakers may last 50 years but many have been replaced due to current interruption criteria. Actuarial analysis indicates a slightly shorter life, which supports the information from Company personnel noted above. Based on the actuarial analysis, type and mix of assets, input from Company, and judgment, this Study recommends decreasing the life to 56 years while moving to the R2 dispersion. A graph of the observed life table versus the proposed curve is shown below.



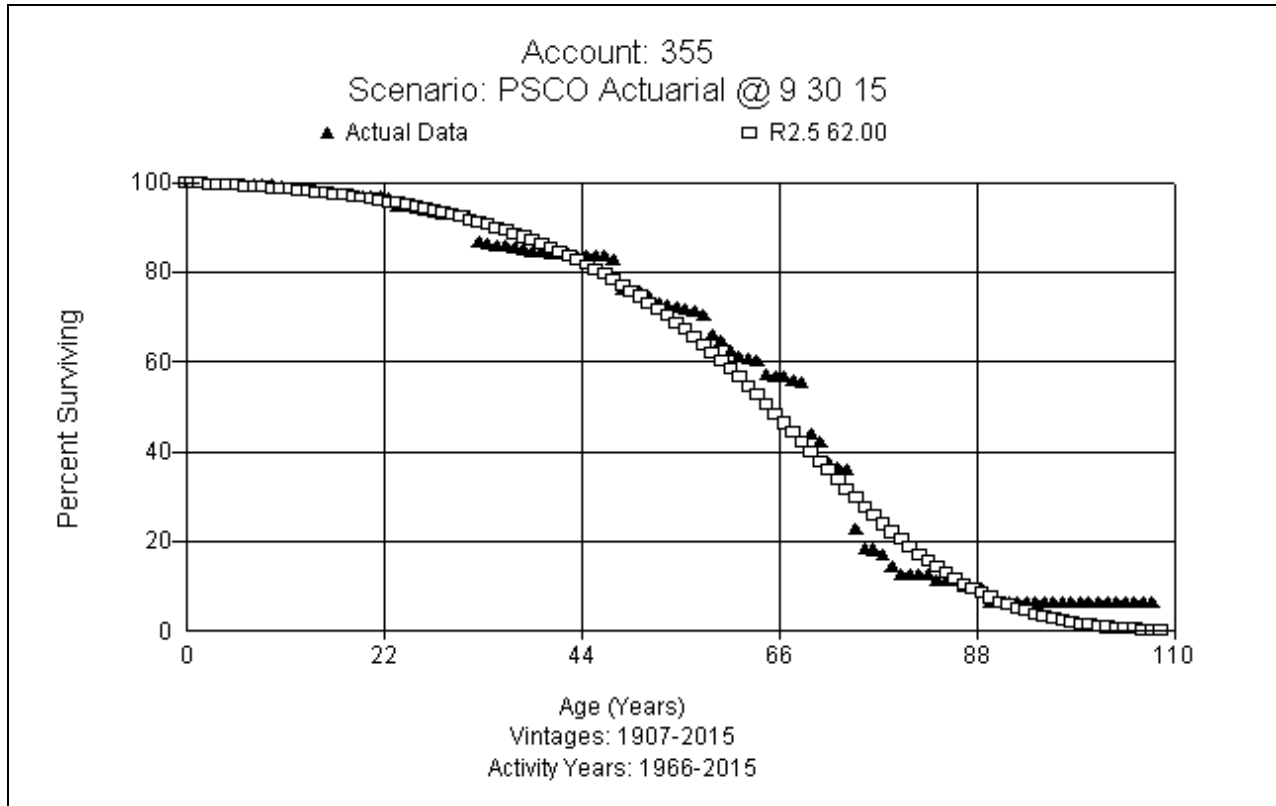
FERC Account 354.0 Towers & Fixtures 76 R4

This account includes towers and non-wood poles for transmission plant. At September 30, 2015, there was approximately \$164.6 million in this account and \$189.3 million is projected to be in the account as of January 1, 2018. The current approved life for this account is 70 years with an R4 dispersion. Discussions with Company personnel indicate few failures in towers. The Company has several older lattice towers still in service. Primary concerns for towers are with the foundations and subsurface conditions. The Company would not expect a life shorter than 70 years. The fuller placement bands provide better indication of expected life. In the fuller placement and experience, the life is increasing from the existing life. Based on the actuarial analysis, Company input, judgment, and the type of assets in this account, this Study recommends an increase in the life to 76 years while retaining the R4 dispersion. A graph of the observed life table versus the proposed curve is shown below.



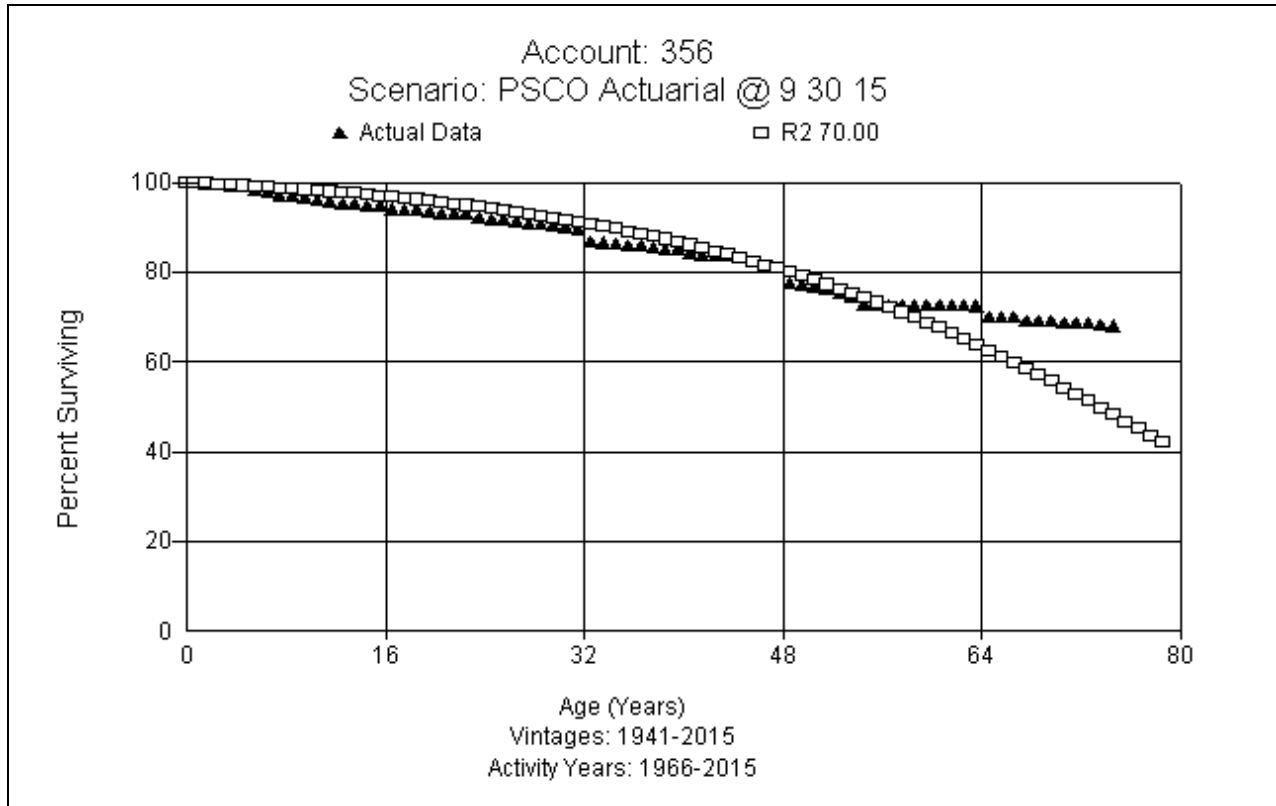
FERC Account 355.0 Poles & Fixtures 62 R2.5

This account includes equipment foundation and many kinds of poles for transmission plant. At September 30, 2015, there is approximately \$365.7 million in this account and \$421.4 million is projected to be in the account as of January 1, 2018. The current approved life for this account is 50 years with an R3 dispersion. The Company is prioritizing retirement and replacement of the oldest pole areas first. The Company would expect to see a life longer than the existing 50 years on the replaced poles and new poles. The actuarial analysis indicates a life longer than the existing life across the bands analyzed. The full placement and experience band provide a good fit with the 62 R2.5. Based on the actuarial analysis, Company input, judgment, and the type of assets in this account, this Study recommends increasing the life to 62 years and moving to a slightly flatter R2.5 dispersion. A graph of the observed life table versus the proposed curve is shown below.



FERC Account 356.0 OH Conductors & Devices 70 R2

This account includes overhead conductors and devices for transmission plant. At September 30, 2015, there is approximately \$260.2 million in this account and \$299.6 million is projected to be in the account as of January 1, 2018. The current approved life for this account is 50 years with an R1.5 dispersion. Discussions with Company personnel indicate they do not have the significant strand and reconductoring issues seen by other utilities. The Company expects a life longer than the existing 50 years. The actuarial analysis supports Company information and expectations with longer life are indicated across the bands analyzed. Based on the actuarial analysis, Company input, judgment, and the type of assets in this account, this Study recommends increasing the life to 70 years and moving to a R2 dispersion. A graph of the observed life table versus the proposed curve is shown below.



FERC Account 357.0 UG Conduit 60 R3

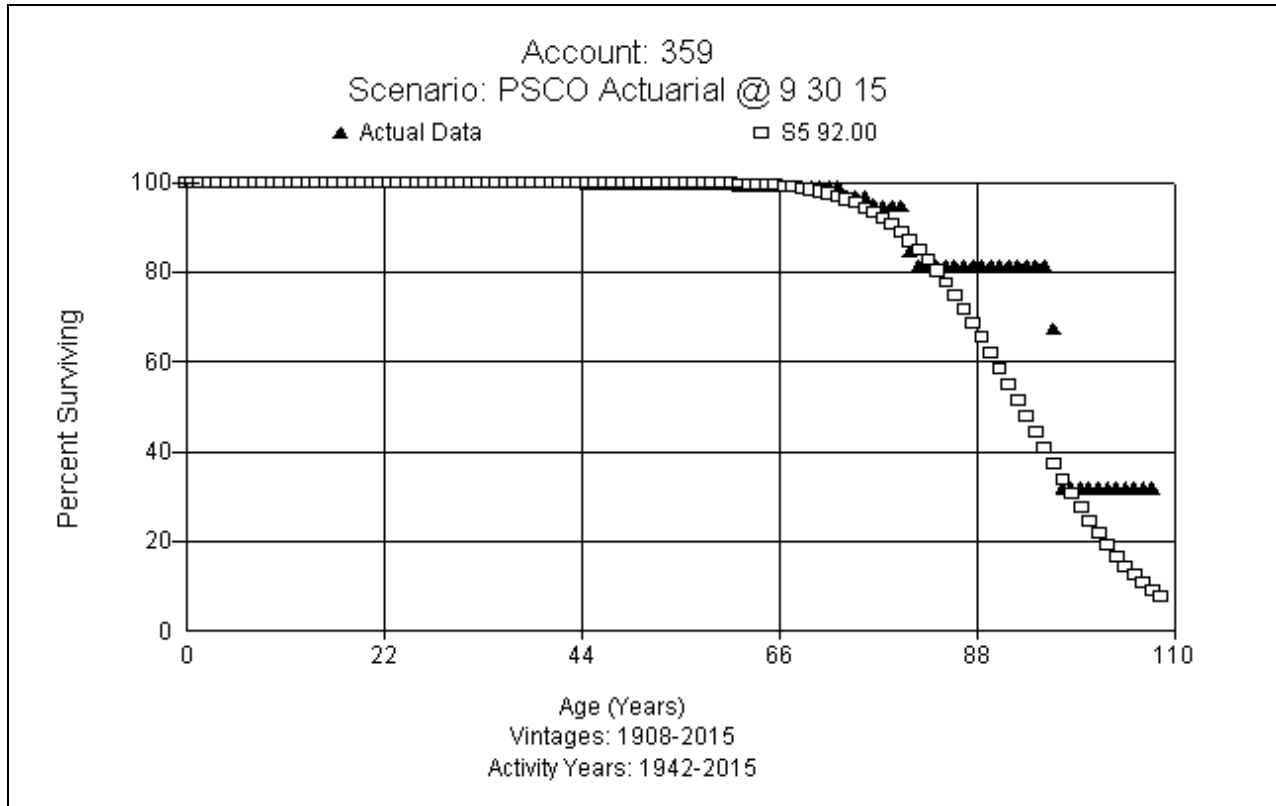
This account includes underground conduit for transmission plant. At September 30, 2015, there is approximately \$31.0 million in this account, and \$35.6 million is projected to be in the account as of January 1, 2018. The current approved life for this account is 50 years with an R3 dispersion. The retirement activity in this account has been limited. Discussions with Company personnel indicate underground conductor had been in oil filled pipe, but newer conductor is in conduit. Oil filled conduit has at least a 50-year life expectancy and there is some expectation that newer (non-oil filled) conduit will have a longer life. The actuarial analysis has limited data for analysis. Based on Company input, analysis indications, judgment, and the type of assets in this account, this Study recommends moving to a 60-year life and retaining the R3 dispersion. No graph of the observed life table versus the proposed curve is shown, since there is little transactional data to compare the proposed curve and life to.

FERC Account 358.0 UG Conductors & Devices 50 R3

This account includes underground conductors and devices for transmission plant. At September 30, 2015, there was approximately \$56.2 million in this account, and \$64.8 million is projected to be in the account as of January 1, 2018. The current approved life for this account is 50 years with an R3 dispersion. There is limited data on which to perform life analysis. Currently, the Company installs conductor in conduit, which has not been through a full life-cycle but is expected to have a lower expected life. All new conductors are going in conduit, which is not oil-filled. Company has used XLP (cross-linked polyethylene) conductor for the last 20 or more years. Based on the judgment and the type of assets in this account, this Study recommends retaining the 50-year life and R3 dispersion. No graph of the observed life table versus the proposed curve is shown, since there is little transactional data to compare the proposed curve and life to.

FERC Account 359.0 Roads & Trails 92 S5

This account includes bridges, roads and yard improvements for transmission plant. At September 30, 2015, there was approximately \$3.8 million in this account and \$4.3 million is projected to be in the account as of January 1, 2018. The current approved life for this account is 85 years with the S6 dispersion. Based on actuarial analysis, this Study recommends moving to a 92-year life and the S5 dispersion. A graph of the observed life table versus the proposed curve is shown below.

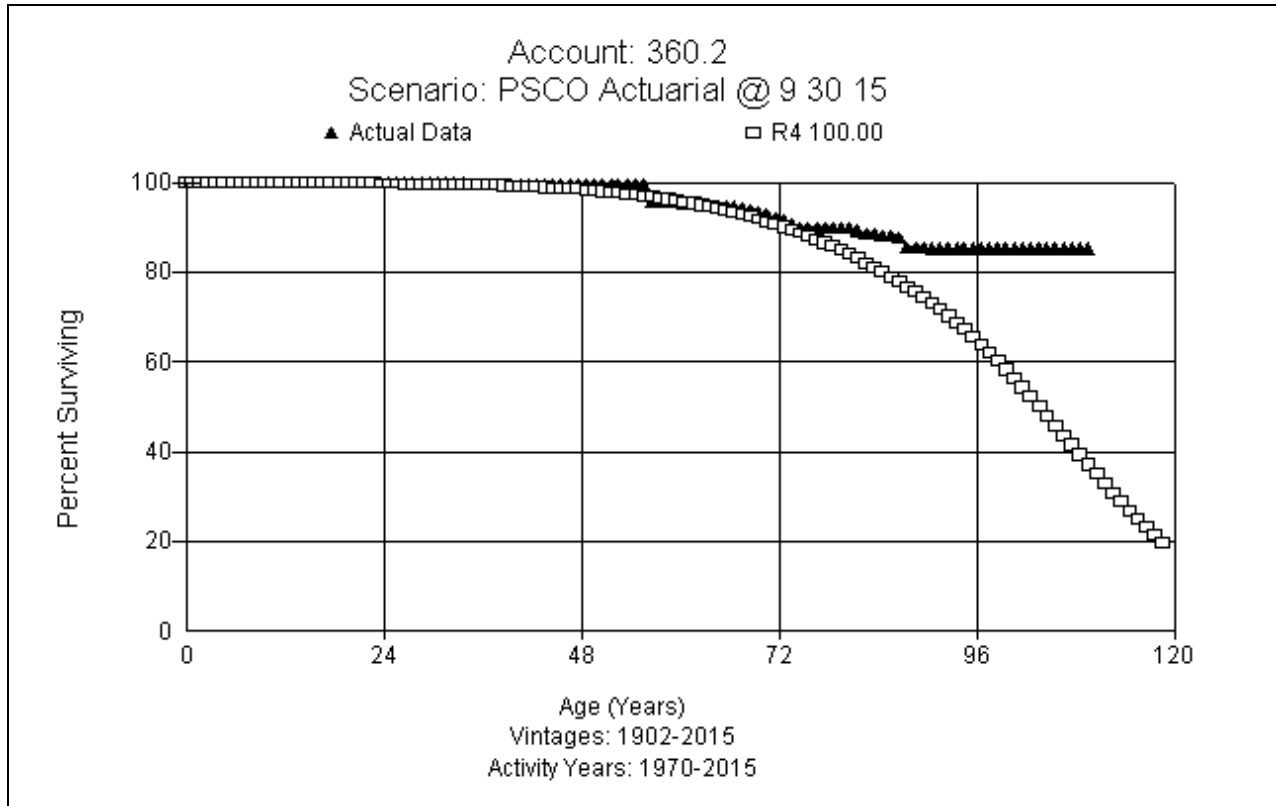


C. Distribution Plant

Distribution Accounts, FERC Accounts 360.2–373.0

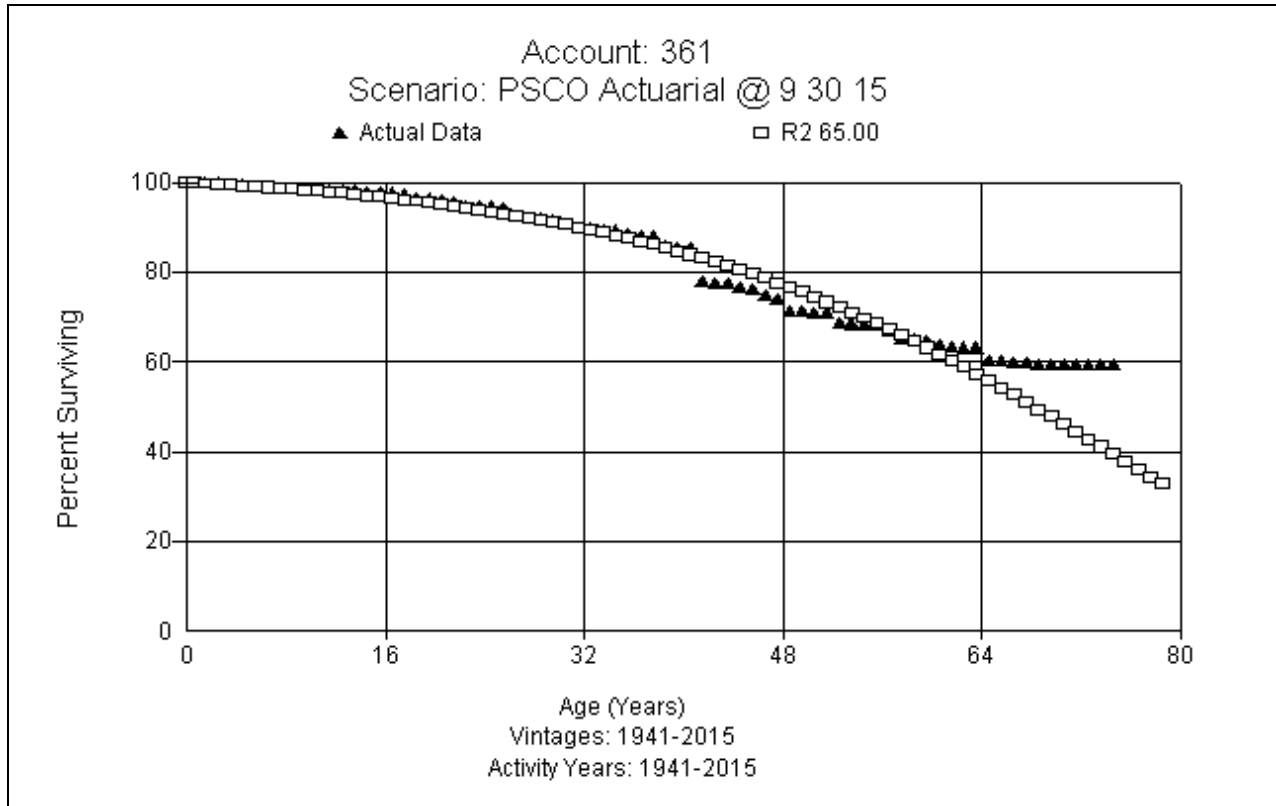
FERC Account 360.2 Land Rights 100 R4

This account contains right of way for distribution plant. At September 30, 2015, there was approximately \$33.1 million in this account and \$38.8 million is projected to be in the account as of January 1, 2018. The current approved life for this account is 90 years with an R4 dispersion. Based on the limited actuarial analysis, the type of assets in this account, and judgment, this Study recommends increasing the life to 100 years, while retaining the R4 dispersion. A graph of the observed life table versus the proposed curve is shown below.



FERC Account 361.0 Structures & Improvements 65 R2

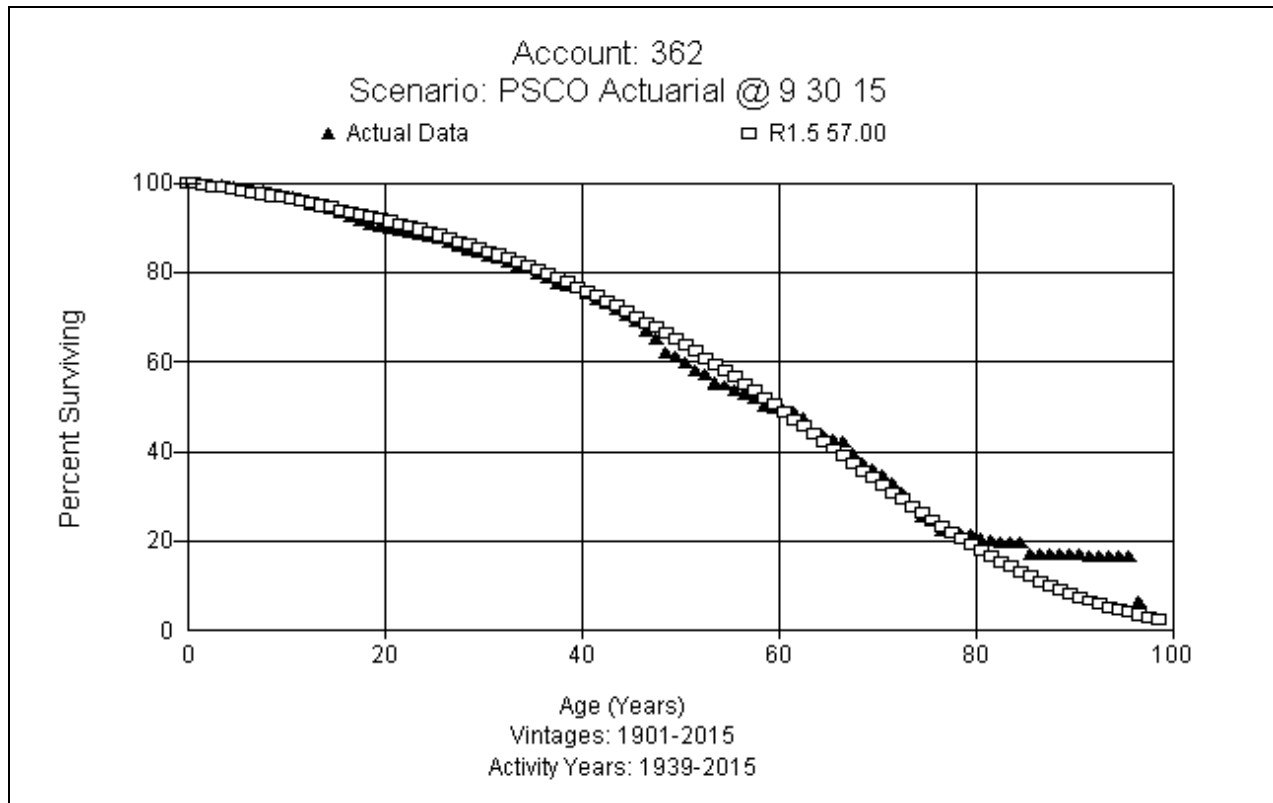
This grouping contains facilities, such as building station control, fencing, yard improvements and other structures for distribution plant. At September 30, 2015, there was approximately \$65.0 million in this account and \$77.2 million is projected to be in the account as of January 1, 2018. The approved life and curve is 50 R1.5. Based on the actuarial analysis, the type of assets in this account, and judgment, this Study recommends increasing the life to 65 years and moving to an R2 dispersion. A graph of the observed life table versus the proposed curve is shown below.



FERC Account 362.0 Station Equipment 57 R1.5

This grouping contains switchboards, station wiring, transformers and a wide variety of other equipment, from circuit breakers to switchgear for distribution plant. At September 30, 2015, there was approximately \$560.6 million in this account and \$660.4 million is projected to be in the account as of January 1, 2018. The existing approved life is 50 years with an R1.5 dispersion curve. Discussions with Company personnel indicate there are approximately 1700 circuit breakers and 450 power transformers. Less than 44 KV would be considered distribution substations from an operational standpoint. Load growth over the last 50 years that has required successive upgrades in transmission has not impacted distribution substations, resulting in fewer upgrades to the distribution facilities. The fuller to mid-range bands indicate a life of 55-65 years and an excellent fit with the 57 Average Service Life and R1.5 dispersion. Based on the analysis, type of assets and Company input, this Study recommends moving to a life of 57 years and retaining the R1.5

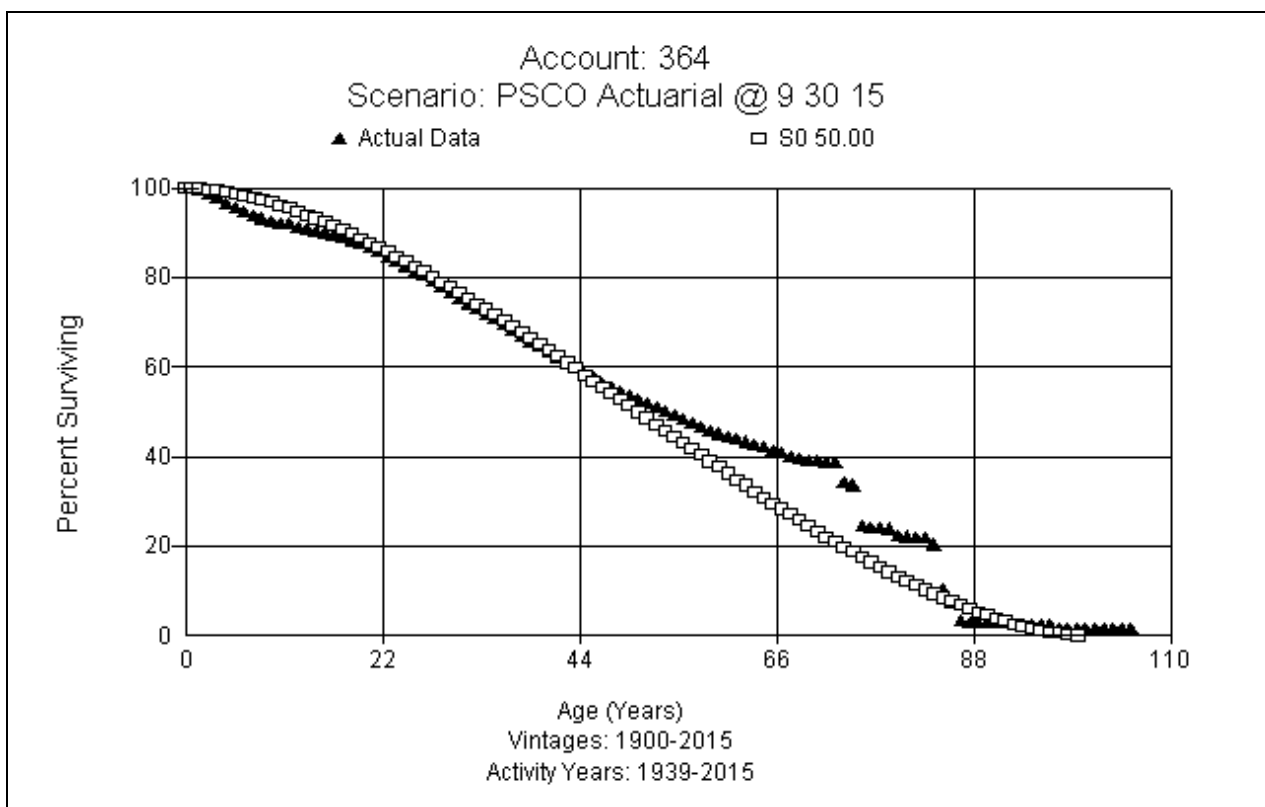
dispersion curve. A graph of the observed life table versus the proposed curve is shown below.



FERC Account 364.0 Poles, Towers & Fixtures 50 S0

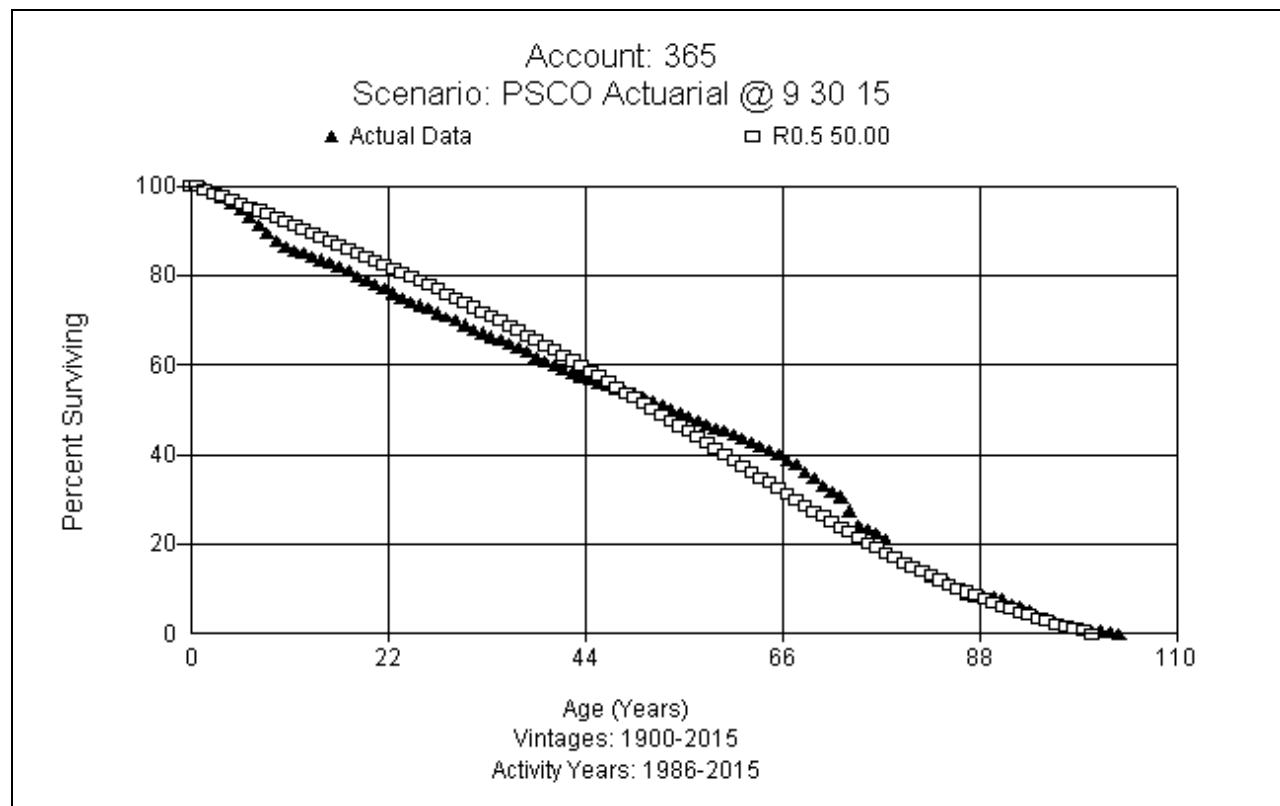
This account contains poles, towers and fixtures for distribution plant which are predominantly made of wood. At September 30, 2015, there was approximately \$255.4 million in this account and \$291.1 million is projected to be in the account as of January 1, 2018. The currently approved average service life is 45 years with an L2 dispersion pattern. Discussion with Company personnel indicate that a 45-year life for poles is reasonable. There are very few steel or concrete poles. In approximately 2012 -2013, the Company changed the method used to treat wood poles it purchases from creosote to penta treatment and is uncertain of the long-term effect of this change on the life of poles as more of this type of pole is added to the system. The Company has an inspection process in place. There are more than 10,000 poles and a very low failure rate. The main causes for retirements are public

damage, relocation, and some physical issues. Often the poles being replaced are approximately 50 years old. Based on the actuarial analysis, Company input, the type of assets in this account, and judgment, this Study recommends moving to a 50-year life with the S0 dispersion. A graph of the observed life table versus the proposed curve is shown below.



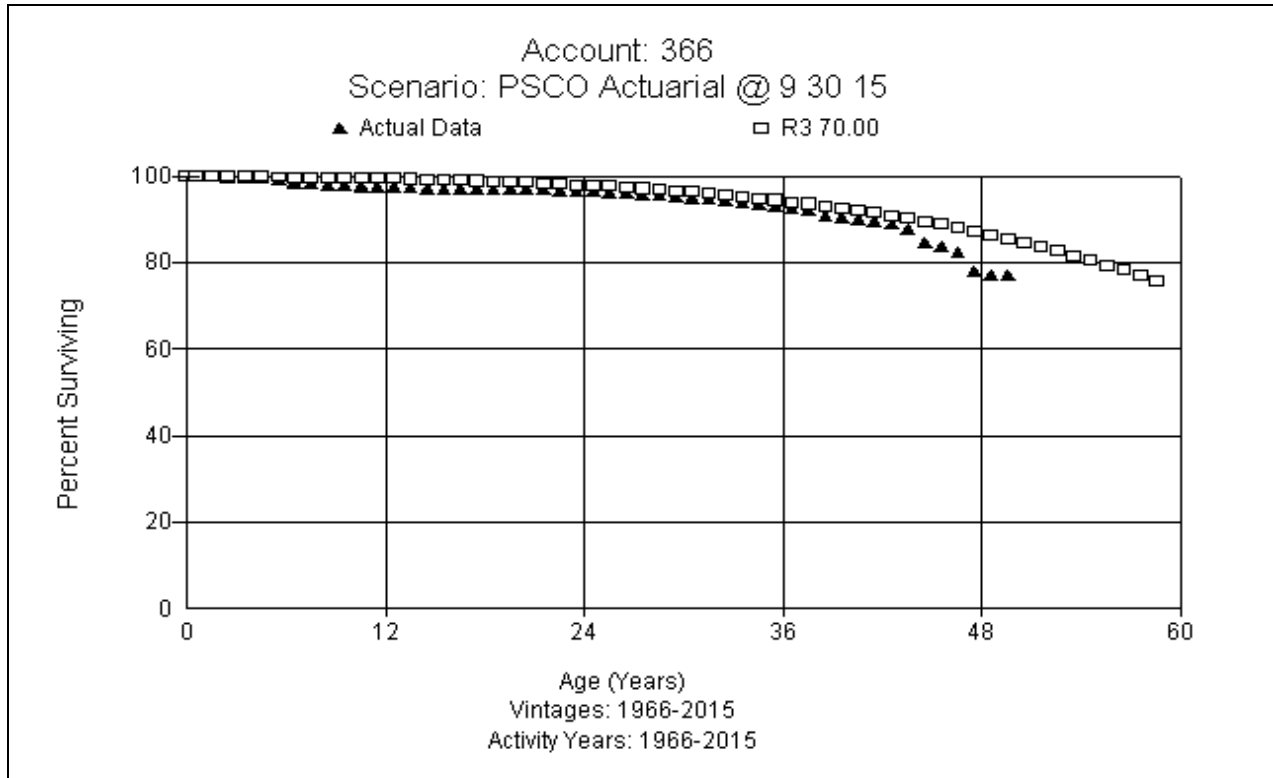
FERC Account 365.0 OH Conductor & Devices 50 R0.5

This account consists of overhead (OH) conductor of various thickness, as well as various switches and reclosers. At September 30, 2015, there was approximately \$303.8 million in this account and \$345.6 million is projected to be in the account as of January 1, 2018. The approved rate assumes an average service life of 45 years with the R1 dispersion curve. Discussions with Company personnel indicate conductor should last as long as the poles. Major causes for replacement are load driven and OH/UG conversion. The actuarial analysis indicates a life as long as 57 years, but most bands and fits were between 45-55 years. Based on the actuarial analysis, Company input, the type of assets in this account, and judgment, this Study recommends moving to the R0.5 dispersion curve and increasing the life to 50 years. A graph of the observed life table versus the proposed curve is shown below.



FERC Account 366.0 Underground Conduit 70 R3

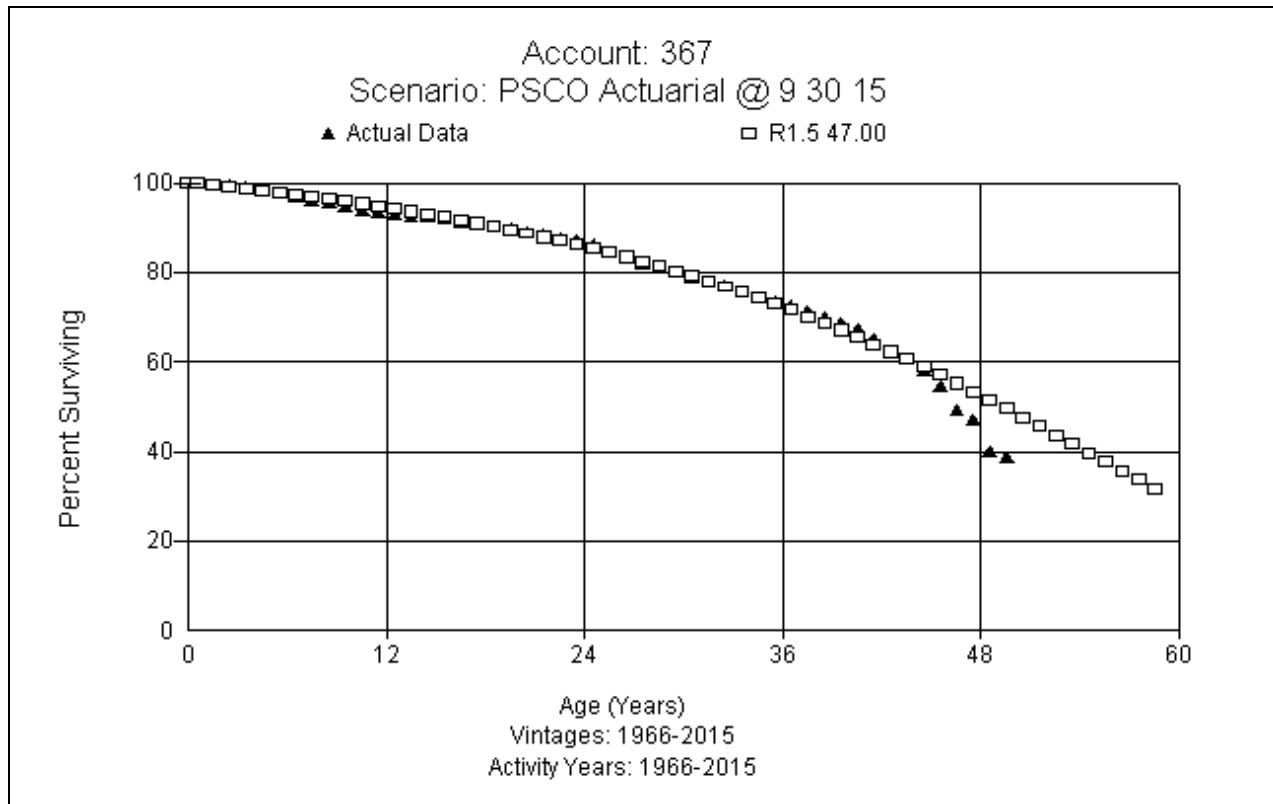
This account consists of underground conduit, duct banks, vaults, and ventilating system equipment. At September 30, 2015, there was approximately \$334.0 million in this account and \$380.8 million is projected to be in the account as of January 1, 2018. The approved life is 79 years with an R2 dispersion pattern. Discussions with Company personnel indicate there is not much conduit but primarily PVC or PE pipe, and occasionally transite pipe in the downtown area, which is always encased in concrete. Many of the assets in this account are located in downtown areas. Company expects conduit to last longer than conductor. Damage and relocation are the primary causes of retirement. In the last 7-8 years, a few new feeders have been installed in the existing conduit. The limited actuarial analysis indicates a much shorter life than existing and a steeper dispersion pattern. The majority of fits across the bands analyzed indicate a life between 55-60 years. Company personnel recommend moving to a shorter life than the current 79 years. However, Company experts do not believe a 60 year life is reasonable for the conduit currently in the system and recommended not moving all the way to 60 years as shown in the longest bands. Based on indications from the actuarial analysis, the type of assets in this account, and judgment, this Study recommends decreasing to a 70-year life and moving to the R3 dispersion. A graph of the observed life table versus the proposed curve is shown below.



FERC Account 367.0 Underground Conductors & Devices 47 R1.5

This account consists of underground conductor, switches, and switchgear for distribution plant. At September 30, 2015, there was approximately \$1.6 billion in this account and \$1.8 billion is projected to be in the account as of January 1, 2018. The currently approved life estimate is 50 years with the R2.5 dispersion curve. Generally underground conduit is installed in PVC or PE pipe. Some transite pipe is found in the downtown area and is always encased in concrete. Damage and relocation are the primary causes of retirement. Conductor is not removed and is retired in place. In the last 7-8 years, a few new feeders were installed in the existing conduit. With more pipe, the Company may see more relocations than in the past. In some locations, UG conductors cannot be removed, but when possible, the Company typically pulls new cables in the old conduit. The 47 R1.5 is a good fit across majority of the bands. A sharp drop in percent surviving at age 44-52 can be seen. Based on actuarial analysis, the types of assets in this account, and judgment, this Study recommends a slight decrease in life to 47 years

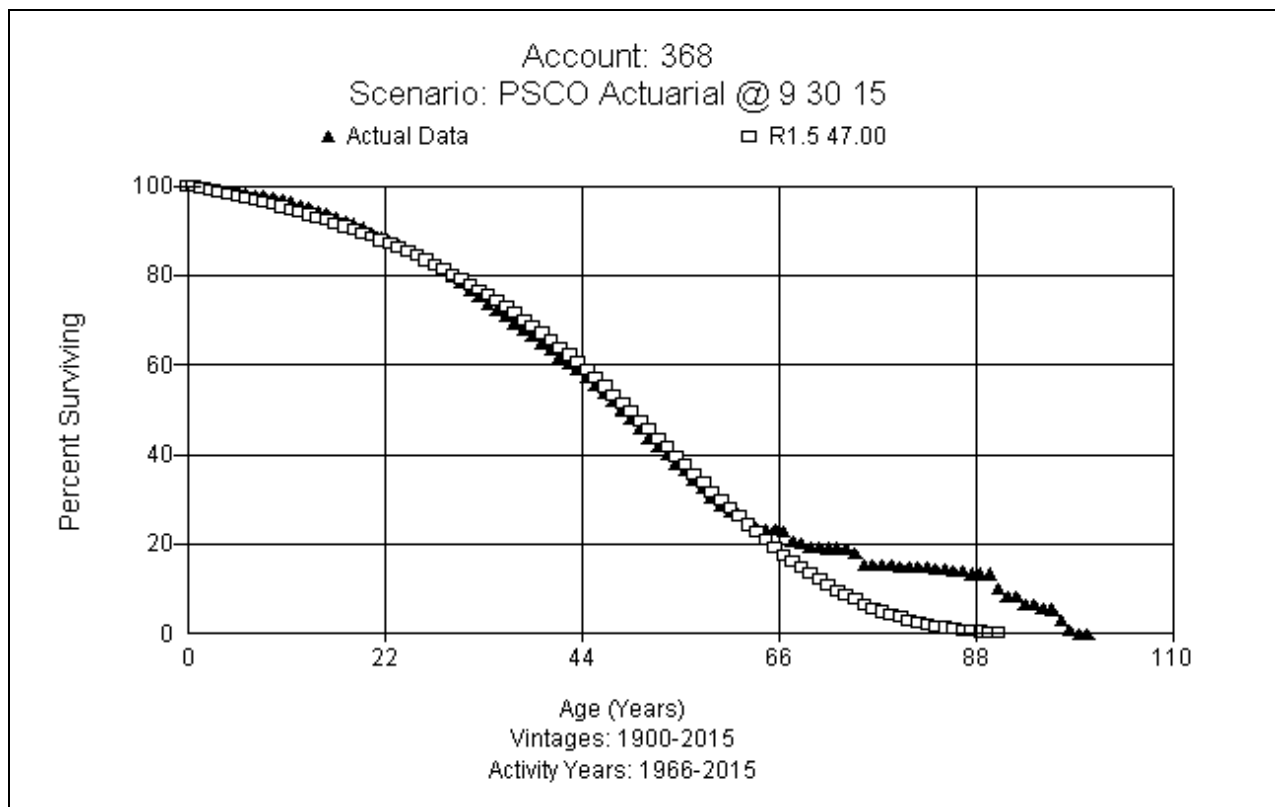
and an R1.5 dispersion shift. A graph of the observed life table versus the proposed curve is shown below.



FERC Account 368.0 Line Transformers 47 R1.5

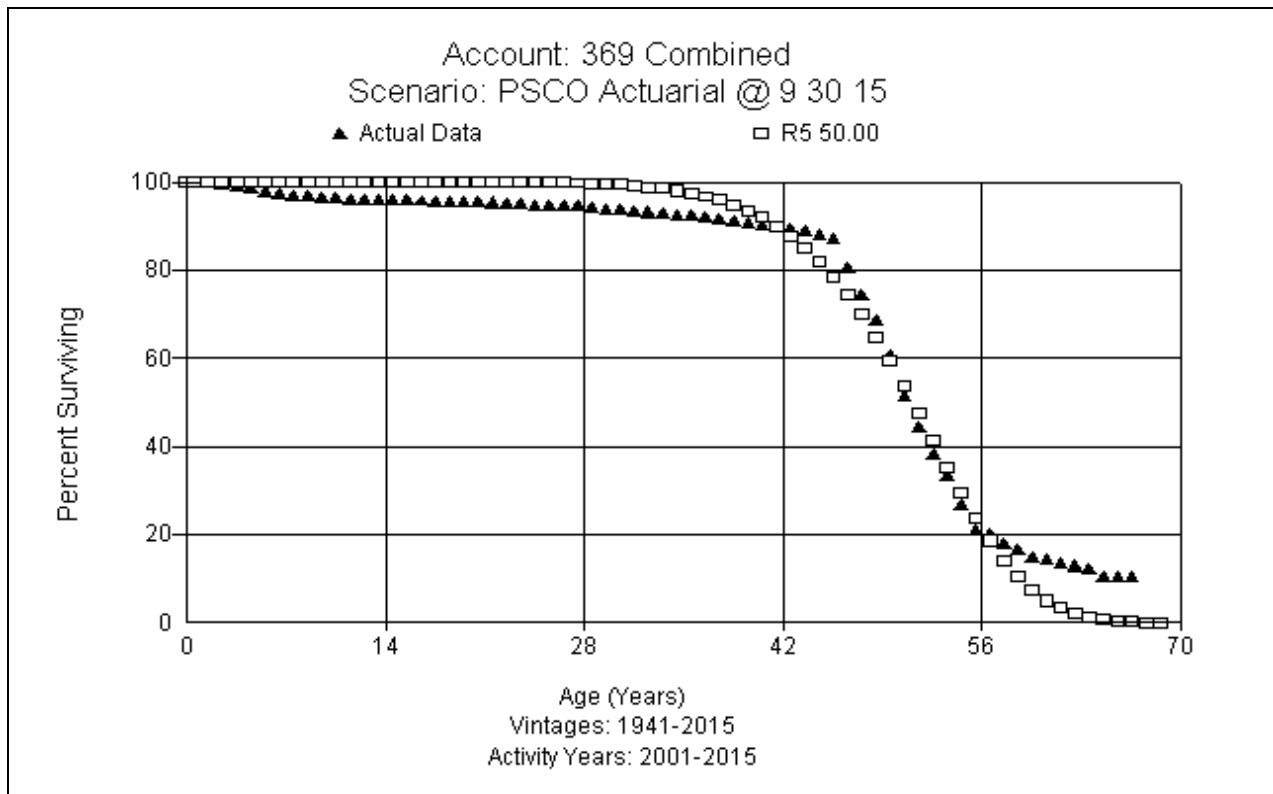
This account consists of line transformers, regulators, and capacitors. At September 30, 2015, there was approximately \$481.9 million in this account and \$508.4 million is projected to be in the account as of January 1, 2018. The current approved life for this account is 35 years with an R0.5 dispersion pattern. Discussions with Company personnel indicate they started buying more efficient transformers in recent years. In approximately 2010, the Company started purchasing soy oil filled transformers, which may last a little longer than previous generations of transformers. Soy oil holds water better without losing insulating strength and handles overloads better. Company personnel do not believe Department of Energy efficiency requirements adhered to in last year will have an impact in transformer life. The Company was already purchasing line transformers

that were nearly as efficient as before, so they do not anticipate that newer equipment will have a significantly different life than slightly earlier purchases. The actuarial analysis indicates the majority of fits between 44-50 years old, which is longer when compared to the existing life of 35 years. The actuarial analysis shows an excellent fit in the fuller bands of 47 R1.5. Based on the actuarial analysis, Company input, judgment, and the type of assets in this account, the Study recommends an increase to a 47-year life and R1.5 dispersion. A graph of the observed life table versus the proposed curve is shown below.



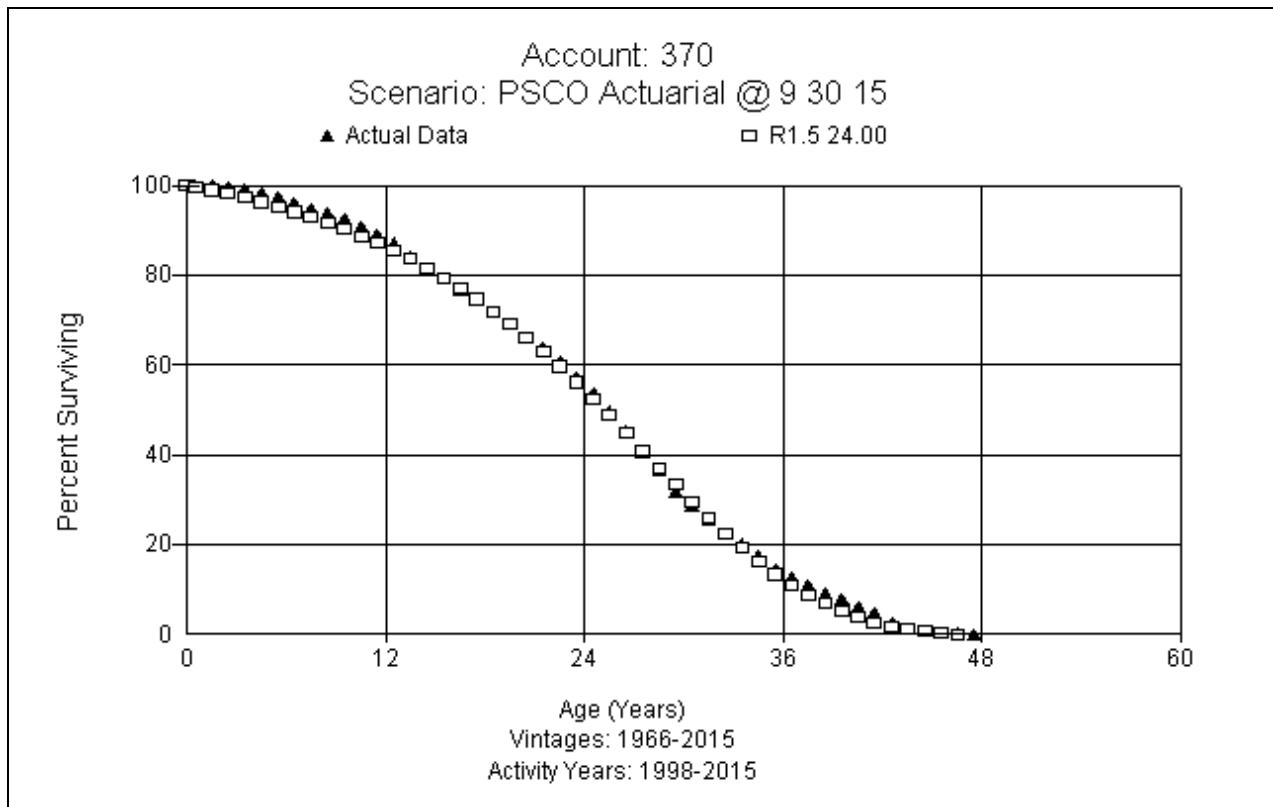
FERC Account 369.0, 369.1 and 369.2 Services 50 R5

These accounts include electric services in buildings, both overhead and underground. At September 30, 2015, the combined balance in these accounts was approximately \$277.7 million and \$292.7 million is projected to be in these accounts as of January 1, 2018. The current approved life for these accounts is 45 years with the R3 dispersion curve. There is insufficient data to perform life analysis for accounts 369.0, 369.1 and 369.2, separately. Discussions with Company personnel indicate underground services are probably 60-70% of the total services currently. The Company expects an average life around 45 years to be reasonable for the combined account. Installation defects, load, relocations, and damage from third parties are drivers of replacement for underground services. Load and relocations are the primary drivers of retirement for overhead services. Analysis shows an increase in life with a sharp decline in survivors around ages 45-56, as shown in the graph below. After combining data from the three accounts, a slightly longer life with the R5 dispersion is a good fit. Based on actuarial analysis, the type of assets in the account, and judgment, the Study recommendation is to move to a 50 life and a R5 dispersion curve. A graph of the observed life table versus the proposed curve is shown below.



FERC Account 370.0 Meters 24 R1.5

This account includes all distribution meters, excluding Automatic Meter Reading (“AMR”) Meters. At September 30, 2015, there was approximately \$139.9 million in this account and \$148.1 million is projected to be in the account as of January 1, 2018. The current approved life is 25 years with an R0.5 dispersion curve. Discussions with Company personnel indicate the only types of meters currently being purchased are electronic or solid state meters. There are around 700,000 electro-mechanical meters (some over 30 years old) out of 1.33 million meters. Based on experience, the Company expects a 20-year life for solid state meters. The Company expects 25 years for electro-mechanical meters. Actuarial analysis across multiple bands shows a slight decrease in the life. Based on actuarial analysis, the mix of assets, Company input, and judgment, the Study recommendation is to slightly decrease the approved life to 24 years and change the dispersion curve to a steeper R1.5. A graph of the observed life table versus the proposed curve is shown below.



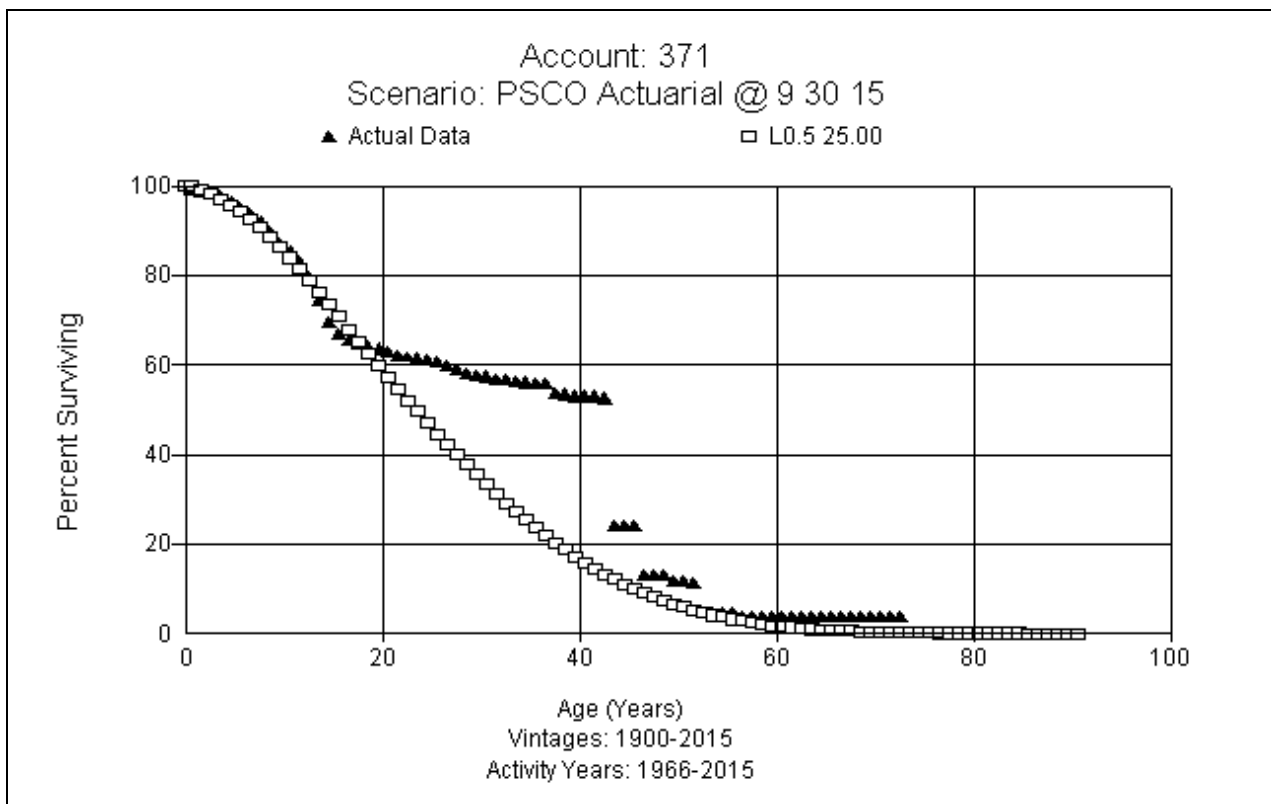
FERC Account 370.2 AMR Equipment 10 S6

This account includes AMR equipment. At September 30, 2015, there was approximately \$68.6 million in this account and \$68.8 million is projected to be in the account as of January 1, 2018. The current approved life is 10 years with the S6 dispersion curve. The Company began installing AMR in 1995-1996, as an attachment to existing electro-mechanical electric meters. If an electric meter was over 10 years old at time of retrofit, it was replaced with a new electric meter. Beginning in approximately 2002, the Company began installing solid state/electronic electric meters. The standard practice since 2002 has been that if an electro-mechanical electric meter goes to the meter shop (even if only 11 years old), those meters are replaced with an electronic electric meter. The Company is proposing a plan to deploy Advanced Grid Intelligence and Security (“AGIS”) across the PSCo service territory. With the proposed technology change for the equipment in this account, the Company instructed that the life of this account should remain at

10 years given that these assets are expected to soon be replaced with AMI meters.
 No graph is shown.

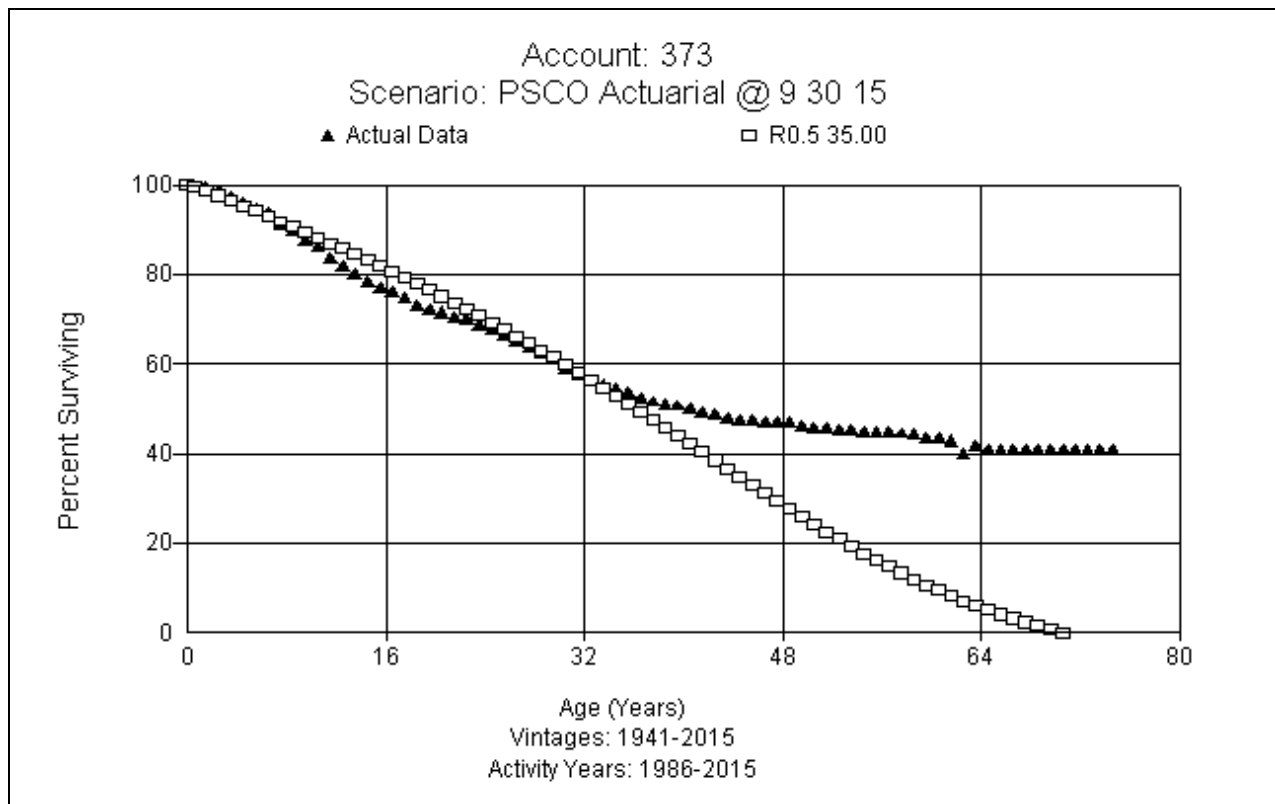
FERC Account 371.0 Installation on Customer Premises 25 L0.5

This account consists of luminaire, pedestals and wood poles. At September 30, 2015, there was approximately \$6.8 million in this account and \$7.2 million is projected to be in the account as of January 1, 2018. The current approved life for this account is 20 years with the L0 dispersion pattern. Actuarial analysis and interviews with Company personnel support a longer life for this account. Based on actuarial analysis, the type of assets in this account, and judgment, the current Study recommendation is to increase the approved life to 25 years and move to the L0.5 dispersion pattern. A graph of the observed life table versus the proposed curve is shown below.



FERC Account 373.0 Street Lighting & Signal Systems 35 R0.5

This account includes all distribution streetlights, conductor, conduit, luminaire, and standards. At September 30, 2015, there was approximately \$157.2 million in this account and \$166.7 million is projected to be in the account as of January 1, 2018. The current approved life for this account is 35 years with the R0.5 dispersion curve. The Company has recently initiated a 5-year program where it will replace existing high-pressure sodium cobra head fixtures with LED fixtures. Fuller band indication is 30-35 years. More recent bands suggest life is decreasing to around 20 years. Based on fuller bands, the type of assets in this account, and judgment, the current Study recommendation is to retain the 35-year life and R0.5 dispersion curve. A graph of the observed life table versus the proposed curve is shown below.



D. Electric Intangible and General Plant

General Intangible Plant

General Intangible Plant Accounts, FERC Accounts 303.00–303.14

General FERC Account 303.04 Miscellaneous Computer Software – 3 SQ

This account consists of miscellaneous computer software. There is currently no investment. The current approved life of 3 SQ should be retained.

General FERC Account 303.04 Miscellaneous Computer Software – 5 SQ

This account consists of miscellaneous computer software. The projected investment as of January 1, 2018 is \$53.1 million. The current approved life of 5 SQ should be retained.

General FERC Account 303.04 Miscellaneous Computer Software – 10 SQ

This account consists of miscellaneous computer software. The projected investment as of January 1, 2018 is \$0. The current approved life of 10 SQ should be retained.

General FERC Account 303.04 Miscellaneous Computer Software – 15 SQ

This account consists of miscellaneous computer software. The projected investment as of January 1, 2018 is \$0. If assets are added to this account, this Study recommends a 15 SQ for this account.

Electric General Accounts, FERC Accounts 389.0–398.0

FERC Account 389.20 Land Rights 60 R4

This account consists of land rights associated with office buildings, garages, warehouses, service centers and other buildings used for general utility service. At September 30, 2015, there was no plant in this account, and no plant is projected to

be in the account as of January 1, 2018. If assets are added into this account, this Study recommends a life of 60 years with an R4 dispersion. Land rights last as long or longer than the assets that rest on that land, so comparison with the longest lived assets in this function is necessary. The estimated life is 20 years longer than account 390. Since 390 is the longest lived account in this function, 60 years and an R4 dispersion are the selected curve and life for this account.

FERC Account 390.0, 390.2 Structures & Improvements & Partitions 40 L2

These accounts include the cost of buildings, yard improvements and partitions used for utility service. At September 30, 2015, there was approximately \$5.4 million in this account and \$6.8 million is projected to be in the account as of January 1, 2018. The current approved life and curves for the various sub accounts recorded to Account 390-Structures and Improvements include: 390B General Buildings (50-year average life and dispersion of R2); Account 390-Structures and Improvements (20-year average life and dispersion of L1.5); and Account 390-Partitions (25-year average life and R4 dispersion). Life analysis shows a different average life than the current approved 20, 25, and 50 years noted above. PSCo Electric Account 390 is much smaller than PSCo Common Account 390.0, Structures and Improvements. Based on experience with PSCo Common, as well as giving consideration to the type and mix of assets and judgment, this Study recommends moving to a 40-year life with the L2 dispersion. No graph is provided.

Electric General FERC Accounts 391–398

PSCo adopted Vintage Group Amortization consistent with FERC Accounting Release No. 15 a number of years ago in Proceeding No. 06S-234EG. This process provides for the amortization of General plant in two parts: 1) amortize plant over the life as recommended in this Study, and 2) amortize an additional component to the accrual that includes an amount to allocate deficit or excess reserve (as necessary) as compared to the amount of reserve needed in the account at this point in its amortization. At the end of the amortized life, property will be retired from the books. Implementation of this approach provides for the timely

retirement of assets and the simplification of accounting for general property. Both the FERC and the Commission have approved this approach. The decreased expense in General plant is due to the difference between the allocated book reserve and the theoretical reserve.

This Study recommends the continued use of the existing lives previously approved, except for plant accounts 392, Transportation, and 396, Power-Operated Equipment. The approved life for 392, Transportation, is 10 years. In this Study, Account 392, Transportation, has been broken down by type of equipment: automobiles, light trucks, trailers and heavy trucks. This Study recommends automobiles move to a 12-year life, light trucks move to a 12-year life, trailers move to a 25-year life, and heavy trucks move to a 14-year life. For Account 396, Power-Operated Equipment, this Study recommends increasing to a 14-year life. This Study also recommends the retirement of assets greater than the service life. A table of the accounts, plant balance, and life for General plant is shown below. For details regarding the computations, please see Appendix A-5.

Table 1 – Electric General Plant

Acct	Description	Projected Plant at 1/1/2018 After Retirements	Approved Life Parameters	Proposed Life Parameters
391	Office Furniture & Equipment	\$4,201,607	20	20
391.2	Computer Hardware	\$21,582,874	5	5
392.1	Transportation Equipment - Auto	\$579,942	10	12
392.2	Transportation Equipment - Light Trucks	\$13,610,915	10	12
392.3	Transportation Equipment - Trailers	\$5,575,044	10	25
392.4	Transportation Equipment - Heavy Trucks	\$50,520,332	10	14
393	Stores Equipment	\$244,023	30	30
394	Tools, Shop & Garage Equipment	\$37,773,323	25	25
395	Laboratory Equipment	\$3,620,211	10	10
396	Power Operated Equipment	\$11,036,290	10	14
397	Communication Equipment	\$106,376,473	15	15
398	Miscellaneous Equipment	\$1,588,039	20	20

E. Common Utility Plant

Common Intangible Plant

Common Intangible Plant Accounts, FERC Accounts 303.00 – 303.14

For accounts in this function that are recommended for amortization, the SQ dispersion pattern is recommended and no curve is presented.

FERC Account 303.00 Miscellaneous Computer Software – 3 SQ

This account consists of miscellaneous computer software. There is currently no investment. The current approved life of 3 SQ should be retained.

FERC Account 303.04 Miscellaneous Computer Software – 5 SQ

This account consists of miscellaneous computer software. The projected investment as of January 1, 2018 is \$117.7 million. The current approved life of 5 SQ should be retained.

FERC Account 303.04 Miscellaneous Computer Software – 10 SQ

This account consists of miscellaneous computer software. The projected investment as of January 1, 2018 is \$5.8 million. The current approved life of 10 SQ should be retained.

FERC Account 303.04 Miscellaneous Computer Software – 15 SQ

This account consists of miscellaneous computer software. The projected investment as of January 1, 2018 is \$156.9 million. Currently these assets are being depreciated at a 10-year life. The new general ledger system and other upgrades are estimated to have a longer life, and thus, this Study recommends an increase to a 15-year average service life and SQ for this account.

Common General Plant

Common General Plant Accounts, FERC Accounts 389.0–398.0

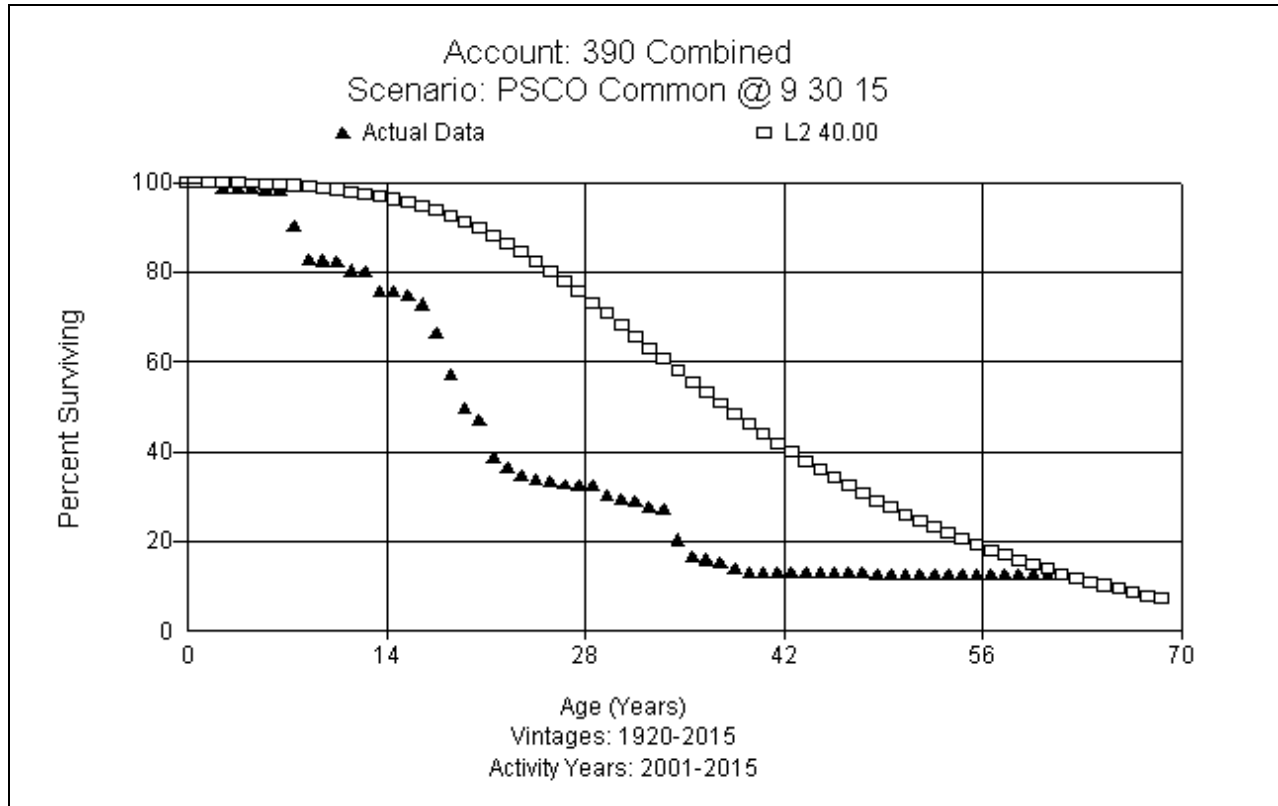
For accounts (391–398) in this function that are recommended for general plant amortization, the SQ dispersion pattern is recommended and no curve is presented.

FERC Account 389.20 Land Rights 60 R4

This account consists of land rights associated with office buildings, garages, warehouses, service centers and other buildings used for general utility service. As of September 30, 2015, there was no plant in this account, and no plant is projected to be in the account as of January 1, 2018. If assets are added into this account, this Study recommends a life of 60 years with a R4 dispersion. Land rights last as long or longer than the assets that are located on them, such as buildings. The estimated life is 20 years longer than Account 390.

FERC Account 390.00 General Structures & Improvements 40 L2

This account consists of office buildings, garages, warehouses, service centers and other buildings used for general utility service. This account now includes assets: Account 390.06, General Improvements Owned Buildings (390B) (approved life of 50 years and a L1 dispersion); Account 390.00, General Structures and Improvements (approved life of 35 years with a R1.5 dispersion); and Account 390.08, Structures and Improvements – Partitions (390P) (approved life of 25 years and R4 dispersion). At September 30, 2015, there was approximately \$138.8 million in this account, and \$166.1 million is projected to be in the account as of January 1, 2018. The combined analysis results in the fuller bands showing a life different than the currently approved 50, 35 and 25 years. Based on the combined analysis, type and mix of assets, this Study recommends moving to a 40-year life and the L2 curve. A graph is shown below.



Common General FERC Accounts 391–398

PSCo adopted Vintage Group Amortization consistent with FERC Accounting Release No. 15 a number of years ago in Proceeding No. 02S-315EG. This process provides for the amortization of general plant in two parts: 1) Amortize plant over the life as recommended in this Study; and 2) an additional component to the accrual that includes an amount to allocate deficit or excess reserve (as necessary) as compared to the amount of reserve needed in the account at this point in its amortization. At the end of the amortized life, property will be retired from the books. Implementation of this approach provides for the timely retirement of assets and the simplification of accounting for general property. Both the FERC and the Commission have approved this approach. The increased expense in Common General plant is due to the over-accrual of the reserve compared to the proposed life and net salvage parameters.

This Study recommends continued use of the existing lives previously approved, except for Plant accounts 392, Transportation, and 396, Power-Operated Equipment. The approved life for Account 392, Transportation, is 10 years. In this Study, Account 392, Transportation, has been broken down by type of equipment: automobiles, light trucks, trailers and heavy trucks. The Study recommends automobiles move to a 12-year life, light trucks move to a 12-year life, trailers move to a 25-year life and heavy trucks move to a 14-year life. For Account 396, this Study recommends moving to a 14-year life. This Study also recommends the retirement of assets with an age greater than the service life. A table of the accounts, plant balance, and life for general plant is shown below. For details regarding the computations, please see Appendix A-6.

Table 2 – Common General Plant

Acct	Description	Projected Plant at 1/1/2018 After Retirements	Approved Life Parameters	Proposed Life Parameters
391	Office Furniture & Equipment	\$27,532,039	20	20
391.04	Computer Hardware	\$109,594,203	5	5
391.05	Computer Hardware - 3 Year Life	\$610,356	3	3
392.1	Transportation Equipment - Auto	\$1,225,016	10	12
392.2	Transportation Equipment – Light Trucks	\$6,518,325	10	12
392.3	Transportation Equipment - Trailers	\$959,396	10	25
392.4	Transportation Equipment – Heavy Trucks	\$3,477,330	10	14
393	Stores Equipment	\$511,651	30	30
394	Tools & Shop Equipment	\$6,272,608	25	25
395	Laboratory Equipment	\$34,168	10	10
396	Power Operated Equipment	\$3,796,576	10	14
397	Communication Equipment	\$16,682,543	15	15
398	Miscellaneous Equipment	\$1,036,207	20	20

V. DETERMINATION OF NET SALVAGE

When a capital asset is retired, physically removed from service, and finally disposed of, terminal retirement is said to have occurred. The residual value of a terminal retirement is called gross salvage. Net salvage is the difference between the gross salvage (what the asset was sold for) and the removal cost (cost to remove and dispose of the asset).

Gross salvage and cost of removal related to retirements are recorded to the general ledger in the accumulated provision for depreciation at the time retirements occur within the system.

Removal cost percentages are calculated by dividing the current cost of removal by the original installed cost of the asset. Some plant assets can experience significant negative removal cost percentages due to the timing of the addition versus the retirement. For example, a distribution asset in FERC Account 365 with a current installed cost of \$500 (2015) would have had an installed cost of \$36.64 in 1958⁴ (which is the proposed average life of the account). A removal cost of \$50 for the asset calculated (incorrectly) on current installed cost would only have a negative 10 percent removal cost ($\$50/\$500$). However, a correct removal cost calculation would show a negative 136 percent removal cost for that asset ($\$50/\$36.64$). Inflation from the time of installation of the asset until the time of its removal must be taken into account in the calculation of the removal cost percentage because the depreciation rate, which includes the removal cost percentage, will be applied to the original installed cost of assets.

A. Net Salvage – Production Property

In reviewing production plant facilities, the Company contracted with Burns & McDonnell to perform a detailed decommissioning cost study of PSCo generating facilities, called the 2016 Decommissioning Cost Study.

⁴ Using the Handy-Whitman Bulletin No. 178, E-5, line 45, $\$36.64 = \$500 \times 48 / 655$.

The removal rates established in the Company's 2002 rate case, Proceeding No. 02S-315EG, were based on the results of the depreciation study completed in conjunction with that rate case. The removal costs are included in the depreciation rate for each unit and account. These rate calculations were based on direct observation of the removal experience of units within the Company. The belief at that time was that the required percentages needed to recover net salvage costs were decreasing, and the rates proposed during the 2002 proceeding reflected that belief.

In the 2006 rate case, Proceeding No. 06S-234EG, no current dismantling cost studies were available to support removal cost percentages. Therefore, a historical industry average of removal cost per MW was used as a proxy for actual removal cost studies. The numbers used were lower than the 2002 removal cost percentages.

The Burns & McDonnell 2016 Decommissioning Cost Study provides for a Company-specific set of cost estimates for the dismantling of Public Services' generation fleet. These dismantling estimates are higher than the historical industry average used in the 2006 rate case, Proceeding No. 06S-234EG, where comprehensive Commission approval of the Company's electric production depreciation rates was last granted.

Table 1-2 and Table 1-3 of the Burns & McDonnell 2016 Decommissioning Cost Study shows a high-level summary of each generating station's decommissioning cost estimate in 2015 dollars. The 2016 Decommissioning Cost Study also contains a comprehensive list of the plant decommissioning tasks required at each facility where a site-specific cost estimate was developed. Generic cost estimates presented in the 2016 Decommissioning Cost Study were developed based on units of the same technology from the site-specific evaluations with a comparable power output rating. These generic cost estimates take into account facility-specific attributes, such as pond areas, coal storage yard size, number of stacks, and asbestos quantities, as could be determined from aerial images, drawings reviews, or information provided by PSCo. Project indirects and

contingency included in the 2016 Decommissioning Cost Study were then applied in order to arrive at the estimate of total decommissioning costs. The value of the scrap metals estimated in the 2016 Decommissioning Cost Study was then subtracted from the total decommissioning costs to arrive at an actual removal value to PSCo. A more detailed description can be found in the Burns & McDonnell 2016 PSCo Decommissioning Cost Study.

The Burns & McDonnell 2016 Decommissioning Cost Study was utilized in this Study to arrive at the terminal net salvage amounts. See Appendix G for a detailed computation reconciling the Burns & McDonnell 2016 Decommissioning Study to the PSCo Dismantling Costs or Terminal Net Salvage amounts by unit by FERC plant account. This Study utilizes a terminal net salvage amount rather than a terminal net salvage percent. In this way, there is no impact of interim retirements or interim net salvage on the Burns & McDonnell decommissioning cost estimates. In developing the depreciation rates approved in Proceeding No. 06S-234EG, the Company used a terminal net salvage percentage to compute terminal decommissioning costs.

B. Net Salvage – Transmission, Distribution, General and Common Plant

1. Discussion

For most accounts, the data for retirements, gross salvage, and cost of removal for each account ranges from 1974-2015. Other accounts with more limited data had net salvage history from 1999-2015. Moving averages, which remove timing differences between retirement and salvage and removal cost, were analyzed over periods varying from one to 10 years. These calculations are found in Appendix E-1 and E-2. A brief discussion of the existing net salvage and current Study recommendations for each account in these functions follow below. In some cases, net salvage percentages produced by the most recent one- to 10-year moving averages were higher than might be expected for existing or future additions to Transmission, Distribution or General and Common General plant accounts. In such cases, judgment was used to select a net salvage percentage that reflected a wider band of years than the 10-year bands shown in Appendix E-1 and E-2. To conservatively model the future, those selections are discussed further below.

2. Transmission Plant

Transmission Accounts, FERC Accounts 350.2–359.0

The cost of demolition and removal of transmission assets has increased over time. Company personnel have provided the following to help explain some of the pressures that are increasing the cost to remove transmission assets from service. After meeting with accountants, engineers, and field personnel, it was determined that removal cost was being understated. Since that time, the Company has monitored the processes behind removal cost allocation closely. Many general factors have occurred, creating changes that increase removal cost including:

- Removal Work in Progress Audit. In 2007, the Company performed an audit to review removal cost. Although this audit was conducted across all accounts, the Company's transmission equipment subject matter experts have cited this audit as one of the factors for increased removal costs.

- Time Value of Money. The assets being retired are 40 or more years old in many cases. The original cost of those assets installed that long ago were much lower than the same assets being installed today.
- Environmental Regulations and Restrictions. The cost to remove assets from service and/or demolition has increased due to increased regulation and restrictions related to environmental impact, mitigation and restoration measures. Equipment, labor and other expenses will increase with hard-to-access locations. Many construction or demolition permits require increased focus on restoration of vegetation to a natural state that spans several growing seasons to restore. All these requirements increase the cost of construction/demolition of transmission assets.
- Change in NERC and FERC requirements. Increased regulation and requirements on operating and planning standards increase the frequency of removal. NERC may issue a ruling that requires assets be removed before they are at the end of their lives. An example is the clearance of transmission lines. The Company had to remove existing transmission lines and replace those lines with taller structures due to a LiDar study regarding clearance standards issued by NERC.
- Labor Costs. Such costs have increased for the following reasons: (1) more NERC and FERC operating requirements and standards; (2) increased regulation related to operating standards that can require construction to occur in the evening or on weekends, resulting in the need to pay for overtime of crews; (3) higher labor costs since the time that the assets were installed, given that wages have increased for journeyman and apprentices over the years; an (4) an increased demand for resources due to a shortage of licensed workers, causing upwards price pressure on labor costs. The increased demand for resources is the result of a limited number of qualified persons available to perform the work in the face of increased construction and investment in transmission facilities across the country in the last decade. The increases in capital expenditures are such that utilities now

have to augment their internal workforces with external contract construction providers, who often come at a higher cost.

- Safety Requirements. The industry has become intolerant of unsafe working practices. The equipment and provisions required today have increased substantially from decades ago. This has increased the cost of doing business.
- Increased Financial Controls. Over time, financial regulations have increased. The Company has adopted best practices and incorporated cost and quality controls measures into the close out of construction work orders. This provides greater details of costs associated with demolition work compared to several years prior. As can be seen with the query of accounts, Removal Work In Progress ("RWIP") varies year-by-year, but the information collected has improved since 2007 after the 2007 RWIP Audit.
- Salvage Value. Many of the assets that are removed do not carry a high salvage value. Some of the assets may be sold as scrap but it would not amount to the cost of installation or offset the removal costs. Assets that can be reused are placed into inventory instead of being sold. In several cases, the assets being removed are made of wood, which has no salvage value.
- Asset Renewal. Utilities across the nation are now dealing with an antiquated, aging transmission infrastructure. Forty years ago, the transmission system was much younger. It is now a necessity for utilities to have proactive asset renewal programs to proactively replace transmission assets before they fail. The frequency of projects requiring removal of existing assets has increased substantially over the last decade, and will continue to increase into the future.

FERC Account 350.2 Land Rights (0%)

This account includes any salvage and removal cost of rights of way in connection with transmission plant. The current authorized net salvage for this account is 0 percent. In examining the Company's net salvage history for this account, the most recent six-year net salvage percentage is negative 7.74 percent and the 10-year net salvage percentage is negative 1.70 percent. Generally, no salvage or cost of removal is expected. Based on history and judgment, this Study recommends retaining 0 percent net salvage for this account.

FERC Account 352.0 Structures and Improvements (-13%)

This account includes any salvage and removal cost of structures and improvements in connection with transmission plant. The current authorized net salvage for this account is negative 5 percent. In examining the Company's net salvage history for this account, the most recent five-year and 10-year net salvage percentages are negative 19.89 and negative 26.01 percent, respectively. There are limited levels of retirement. This trend toward more negative net salvage may continue in the future, but at this point, this Study recommends only moving in the direction of the indications by recommending a negative 13 percent net salvage. The Company's next depreciation study will examine future trends in this account.

FERC Account 353.0 Station Equipment (-15%)

This account includes any salvage and removal cost of transformers, capacitor banks, circuit breakers, cubicle switchgear, equipment foundation, station controls and station wiring for transmission plant. The current authorized net salvage for this account is negative 5 percent. In examining the Company's net salvage history for this account, the most recent five-year and 10-year net salvage percentages are negative 22.15 and negative 24.71 percent, respectively. Using the information for the widest 10-year band and judgment, this Study recommends an increase in negative net salvage to negative 15 percent net salvage. The Company's next depreciation study will further examine future trends in this account.

FERC Account 354.0 Towers & Fixtures (-40%)

This account includes any salvage and removal cost for towers, non-wood poles, and equipment foundation for transmission plant. The current authorized net salvage for this account is 0 percent. In examining the Company's net salvage history for this account, the most recent five-year and 10-year net salvage percentages are negative 86.66 and negative 105.04 percent, respectively. Negative net salvage has steadily increased since 2007. As a conservative approach, the Study recommends a change to negative 40 percent net salvage, but the Company's next depreciation study will further examine future trends in this account.

FERC Account 355.0 Poles & Fixtures (-40%)

This account includes any salvage and removal cost of equipment foundation and poles for transmission plant. The current authorized net salvage for this account is 5 percent (positive). In examining the Company's net salvage history for this account, the most recent five-year and 10-year net salvage percentages are negative 179.30 and negative 110.78 percent, respectively. In moving from the current positive salvage, this Study recommends a negative 40 percent net salvage. The Company's next depreciation study will examine future trends in this account.

FERC Account 356.0 OH Conductors & Devices (-25%)

This account includes any salvage and removal cost of overhead conductors and devices for transmission plant. The current authorized net salvage for this account is 0 percent. In examining the Company's net salvage history for this account, the most recent five-year and 10-year net salvage percentages are negative 89.94 and negative 48.28 percent, respectively. As discussed at the opening of this section, given the changes that are occurring in transmission removal cost, this Study recommends moving from the current 0 percent to a

negative 25 percent net salvage. The Company's next study will examine future trends in this account.

FERC Account 357.0 UG Conduit (0%)

This account includes any salvage and removal cost of underground conduit for transmission plant. The current authorized net salvage for this account is 0 percent. There is little retirement experience in this account over the period that history is available. Only one year, 2013, shows retirements and net salvage information for this account, resulting in net salvage of positive 39.78 percent. Based on judgment, this Study recommends retaining a 0 percent net salvage. PSCo's next depreciation study will examine future trends for this account.

FERC Account 358.0 UG Conductors & Devices (-5%)

This account includes any salvage and removal cost of underground conductors and devices for transmission plant. The current authorized net salvage for this account is 0 percent. In examining the Company's net salvage history for this account, the most recent 10-year net salvage percentage is negative 24.23 percent. Since retirement history is limited, this Study recommends a gradual change to a negative 5 percent net salvage for this account. PSCo's next depreciation study will examine future trends in this account.

FERC Account 359.0 Roads & Trails (0%)

This account includes any salvage and removal cost of bridges, roads and yard improvements for transmission plant. The current authorized net salvage for this account is 0 percent. There is very limited retirement history for this account. Using the limited history and judgment, this Study recommends retaining the current 0 percent net salvage. The Company's next depreciation study will examine future trends in this account.

3. Distribution Plant

Distribution Accounts, FERC Accounts 360.2–373.0

As discussed in the Transmission Section above, there are many general factors that are changing which have the effect of driving removal cost higher. These same forces are reflected in the movement of Distribution net salvage to be more negative.

FERC Account 360.2 Land Rights (0%)

This account contains any gross salvage and cost of removal for right of way for distribution plant. The current authorized net salvage for this account is 0 percent. In the most recent bands, the five- and 10-year averages are both 0 percent net salvage. Based on history and judgment, this Study recommends retaining 0 percent salvage. The Company's next depreciation study will examine future trends in this account.

FERC Account 361.0 Structures & Improvements (-5%)

This grouping contains any salvage and removal cost of facilities, including building station control, fencing, yard improvements and other structures. The current authorized net salvage for this account is 0 percent. The most recent experience with five- and 10-year bands are negative 57.97 and negative 37.04 percent net salvage, respectively. Based on trends in the widest band, this Study recommends moving to negative 5 percent net salvage. The Company's next depreciation study will examine future trends in this account.

FERC Account 362.0 Station Equipment (-10%)

This grouping contains any salvage and removal cost related to switchboards, station wiring, transformers and a wide variety of other equipment, including circuit breakers and switchgear. The current authorized net salvage for this account is negative 5 percent. The most recent experience with five- and 10-year bands are negative 43.01 and negative 31.74 percent net salvage, respectively. Based on trends in the widest band, this Study recommends moving to negative 10 percent net salvage. The Company's next depreciation study will examine future trends in this account.

FERC Account 364.0 Poles, Towers & Fixtures (-50%)

This account contains any salvage and removal cost related to poles, towers and fixtures generally made of steel. The current authorized net salvage for this account is negative 25 percent. In the most recent bands, the five- and 10 year averages are negative 268.81 and negative 117.71 percent net salvage, respectively. Based on trends in the widest band and judgment, this Study recommends moving to negative 50 percent net salvage. The Company's next depreciation study will examine future trends in this account.

FERC Account 365.0 OH Conductor & Devices (-40%)

This account consists of any salvage and removal cost related to overhead conductors as well as various switches and reclosers. The current authorized net salvage for this account is negative 25 percent. In the most recent bands, the five- and 10-year averages are negative 128.40 and negative 76.49 percent net salvage, respectively. Based on trends in the widest band and judgment, this Study proposes moving toward those indications of higher negative salvage, with negative 40 percent net salvage for this account as the recommendation. The Company's next depreciation study will examine future trends in this account.

FERC Account 366.0 Underground Conduit (-25%)

This account consists of any salvage and removal cost related to underground conduit, duct banks, vaults, and ventilating system equipment. The current authorized net salvage for this account is negative 4 percent. In the most recent bands, the five- and 10-year averages are negative 127.42 and negative 75.92 percent net salvage, respectively. Based on trends in the widest band, this Study proposes moving toward the indications of higher negative salvage, with a negative 25 percent net salvage for this account as the recommendation.

FERC Account 367.0 Underground Conductors & Devices (-5%)

This account consists of any salvage and removal cost related to underground conductor, switches, and switchgear. The current authorized net salvage for this account is 0 percent. In the most recent bands, the five- and 10-year averages are negative 17.33 and negative 14.91 percent net salvage, respectively. Based on trends in the widest band, this Study proposes moving toward the indications of higher negative salvage, with negative 5 percent net salvage for this account as the recommendation. The Company's next depreciation study will examine future trends in this account.

FERC Account 368.0 Line Transformers (-10%)

This account consists of any salvage and removal cost related to line transformers, regulators, and capacitors. The current authorized net salvage for this account is 5 percent (positive). In the most recent bands, the five- and 10-year averages are negative 37.77 and negative 22.33 percent net salvage, respectively. Net salvage percentages for prior periods show a consistent negative trend. This Study recommends moving to negative 10 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 369.0, 369.1, and 369.2 Services (-30%)

These accounts consist of any salvage and removal cost for overhead and underground electric services in buildings. The current authorized net salvage for these accounts is negative 9 percent. Company history does not distinguish between the subaccounts in 369 over most of its history. Therefore, all subaccounts of 369 are combined for net salvage analysis. In the most recent bands, the five- and 10-year averages are negative 158.72 and negative 68.52 percent net salvage, respectively. Net salvage percentages for prior periods show a consistent negative trend. This Study proposes moving toward the indications of higher negative salvage, with a negative 30 percent net salvage for these accounts as the recommendation. The Company's next depreciation study will examine future trends in this account.

FERC Account 370.0 Meters (0%)

This account consists of any salvage and removal cost for all distribution meters. The current authorized net salvage for this account is 0 percent. In the most recent bands, the five- and 10-year averages are negative 23.34 and negative 13.42 percent net salvage, respectively. This Study recommends retaining 0 percent net salvage for this account. Trends in net salvage for this account will be monitored in the Company's next depreciation study.

FERC Account 370.2 AMR Equipment (0%)

This account consists of any salvage and removal cost for all AMR equipment. The current authorized net salvage for this account is 5 percent (positive). No gross salvage or cost of removal has been recorded since the Company began installing AMR Meters. This Study recommends moving to 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 371.0 Installation on Customer Premises (-20%)

This account consists of any salvage and removal cost associated with luminaire, pedestrian and wood poles. The current authorized net salvage for this account is negative 20 percent. In the most recent bands, the five- and 10-year averages are negative 53.88 and negative 140.32 percent net salvage, respectively. Based on Company history, this Study recommends retaining the negative 20 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 373.0 Street Lighting & Signal Systems (-25%)

This account consists of any salvage and removal cost associated with distribution streetlights, conductor, conduit, luminaire, and standards. The current authorized net salvage for this account is negative 20 percent. In the most recent bands, the five- and 10-year averages are negative 40.17 and negative 27.24 percent net salvage, respectively. Based on the Company history from the most recent 10 years, this Study recommends moving to negative 25 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

4. Electric General Plant

General Accounts, FERC Accounts 389.0–398.0

FERC Account 389.00 Land Rights (0%)

This account consists of gross salvage and the cost of removal for land rights associated with office buildings, garages, warehouses, service center and other buildings used for general utility service. Based on experience with other land rights' accounts, this Study recommends 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 390.0 Structures & Improvements (-5%)

This account consists of any salvage and removal cost associated with buildings, yard improvements and partitions used for utility service. These accounts are combined for this Study. The current authorized net salvage for the 390 subaccounts is 0 percent. In the most recent bands, the five- and 10-year averages show negative 26.59 and negative 12.88 percent net salvage, respectively for Account 390.0, Structures and Improvements, with limited net salvage data for subaccounts 390.6 and 390.8. Based on history and judgment, this Study recommends moving to negative 5 percent net salvage for this combined account. The Company's next depreciation study will examine future trends in this account.

FERC Account 391.0 Office Furniture & Equipment (0%)

This account consists of any salvage and removal cost associated with office furniture and equipment used for general utility service. The current authorized net salvage for this account is positive 5 percent. In the most recent bands, the five- and 10-year averages show negative 0.08 and negative 0.02 percent net salvage for both periods. Based on history and judgment, this Study recommends moving to 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 391.2 Computer Hardware (0%)

This account consists of any salvage and removal cost associated with computer equipment used for general utility service. The current authorized net salvage for this account is 0 percent. Computer equipment typically has no salvage or removal cost. Based on judgment, this Study recommends retaining 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 392.1 Transportation Equipment – Automobiles (6%)

This account consists of any salvage and removal cost associated with automobile type transportation equipment used for general utility service. The current authorized net salvage for this account is positive 10 percent. Between 2006 and 2014, the Company recorded net salvage proceeds with the cost of new assets, as part of a like-kind exchange program. Since mid-2014, the like-kind exchange program has been discontinued. Data has been collected over about an 18-month period on gross salvage by category. Based on history and judgment, this Study recommends moving to 6 percent (positive) net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 392.2 Transportation Equipment – Light Trucks (6%)

This account consists of any salvage and removal cost associated with light truck type transportation equipment used for general utility service. The current authorized net salvage for this account is positive 10 percent. Between 2006 and 2014, the Company recorded net salvage proceeds with the cost of new assets, as part of a like-kind exchange program. Since mid-2014, the like-kind exchange program has been discontinued. Data has been collected over about an 18-month period on gross salvage by category. Based on history and judgment, this Study recommends moving to 6 percent (positive) net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 392.3 Transportation Equipment – Trailers (10%)

This account consists of any salvage and removal cost associated with trailers used for general utility service. The current authorized net salvage for this account is positive 10 percent. Between 2006 and 2014, the Company recorded net salvage proceeds with the cost of new assets, as part of a like-kind exchange program. Since mid-2014, the like-kind exchange program has been discontinued. Data has been collected over about an 18-month period on gross salvage by category. Based on history and judgment, this Study recommends retaining the 10

percent (positive) net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 392.4 Transportation Equipment – Heavy Trucks (6%)

This account consists of any salvage and removal cost associated with heavy truck type transportation equipment used for general utility service. The current authorized net salvage for this account is positive 10 percent. Between 2006 and 2014, the Company recorded net salvage proceeds with the cost of the new assets, as part of a like-kind exchange program. Since mid-2014, the like-kind exchange program has been discontinued. Data has been collected over about an 18-month period on gross salvage by category. Based on history and judgment, this Study recommends moving to 6 percent (positive) net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 393.0 Stores Equipment (0%)

This account consists of any salvage and removal cost associated with stores equipment used for general utility service. The current authorized net salvage for this account is positive 5 percent. In the most recent bands, the five- and 10-year average shows 0 percent net salvage for each period. Based on history and judgment, this Study recommends moving to 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 394.0 Tools, Shop, and Garage Equipment (0%)

This account consists of any salvage and removal cost associated with various items or tools used in electrical functions, as well as shop and garage equipment, including air compressors, grinders, mixers, hoists, and cranes. The current authorized net salvage for this account is positive 5 percent. In the most recent bands, the 10-year average shows negative 2.88 percent net salvage. Based on history and judgment, this Study recommends moving to 0 percent net

salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 395.0 Laboratory Equipment (0%)

This account consists of any salvage and removal cost associated with laboratory equipment used in general utility service. The current authorized net salvage for this account is positive 5 percent. In the most recent band, the 10-year average shows a 0.35 percent net salvage. Based on history and judgment, this Study recommends moving to 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 396.0 Power Operated Equipment (15%)

This account consists of any salvage and removal cost associated with bulldozers, forklifts, trenchers, and other power operated equipment that cannot be licensed on roadways. The current authorized net salvage for this account is positive 10 percent. Between 2006 and 2014, the Company recorded net salvage proceeds with the cost of new assets, as part of a like-kind exchange program. Since mid-2014, the like-kind exchange program has been discontinued. Data has been collected over about an 18-month period on gross salvage. Based on history and judgment, this Study recommends moving to 15 percent (positive) net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 397.0 Communication Equipment (0%)

This account consists of any salvage and removal cost associated with miscellaneous communication equipment used in general utility service. The current authorized net salvage for this account is 0 percent. In the most recent bands, the five- and 10-year averages show negative 0.89 and negative 0.87 percent net salvage, respectively. Based on Company history and judgment, this

Study recommends retaining 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 398.0 Miscellaneous Equipment (0%)

This account consists of any salvage and removal cost associated with miscellaneous equipment used in general utility service. The current authorized net salvage for this account is 0 percent. In the most recent bands, the five- and 10-year averages show 0 percent net salvage for both periods. Based on Company history and judgment, this Study recommends retaining 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

5. Common General Plant

Common Intangible Plant

Common Intangible Plant Accounts, FERC Accounts 303.00–303.14

For accounts in this function that are recommended for intangible plant amortization, generally no salvage or cost of removal is incurred at retirement.

FERC Account 303.00 Miscellaneous Computer Software – 3 year (0%)

This account consists of any salvage and removal cost associated with miscellaneous computer software having a 3-year life. The current authorized net salvage for this account is 0 percent; this Study recommends retaining 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 303.04 Miscellaneous Computer Software – 5 year (0%)

This account consists of any salvage and removal cost associated with miscellaneous computer software with a 5-year life. The current authorized net salvage for this account is 0 percent; this Study recommends retaining 0 percent

net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 303.04 Miscellaneous Computer Software – 10 year (0%)

This account consists of any salvage and removal cost associated with miscellaneous computer software with a 10-year life. The current authorized net salvage for this account is 0 percent; this Study recommends retaining 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 303.04 Miscellaneous Computer Software – 15 year (0%)

This account consists of any salvage and removal cost associated with miscellaneous computer software with a 15-year life. The current authorized net salvage for this account is 0 percent; the recommendation in this Study is to retain the 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

Common General Plant Accounts, FERC Accounts 389.0–398.0

FERC Account 389.00 Land Rights (0%)

This account consists of gross salvage and cost of removal for land rights associated with office buildings, garages, warehouses, service center and other buildings used for general utility service. Based on experience with other land rights accounts, this Study recommends 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 390.00 General Structures & Improvements (-10%)

This account consists of any salvage and removal cost associated with office buildings, garages, warehouses, service centers and other buildings used for common general utility service. The current approved net salvage is negative 10 percent for subaccounts 390.00, Structures and Improvements, and 390.06,

General Buildings (390B), while 390.08, Partitions, has an approved net salvage of a positive 5 percent. Excluding sales, any salvage is being exceeded by cost of removal. In the most recent bands, the five- and 10-year averages are negative 21.04 and negative 19.13 percent net salvage, respectively. Based upon the analysis, excluding sales, this Study recommends remaining at a negative 10 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 390.07 GS&I – Leasehold Improvements and 390.85 GS&I – 1800 Larimer Leasehold Improvements (0%)

These accounts include any salvage and removal cost related to leasehold improvements used for utility service. There is no data for net salvage for this account. Based on history and judgment, this Study recommends a 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 391.00 General Office Furniture & Equipment (0%)

This account consists of consists of any salvage and removal cost associated with office furniture and equipment used for general utility service. The current approved net salvage is positive 5 percent. Some salvage is recorded with offsetting cost of removal. The Company expects no salvage at end of life and this is confirmed in the analysis. This Study recommends moving to 0 percent net salvage for this account.

FERC Account 391.04 Computer Hardware (0%)

This account includes any salvage and removal cost related to computer hardware. The current approved net salvage is 0 percent. Computer equipment typically has no salvage or removal cost. Based on expectations for no salvage at end of life, this Study recommends retaining a 0 percent net salvage for this

account. The Company's next depreciation study will examine future trends in this account.

FERC Account 391.05 Computer Hardware – 3 year Life (0%)

This account includes any salvage and removal cost related to computer hardware equipment with a 3-year life. The current approved net salvage is 0 percent. Based on the overall analysis, indications and expectations for no salvage at end of life, this Study recommends retaining a 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 392.10 Transportation Equipment – Automobiles (6%)

This account includes any salvage and removal cost related to automobile type transportation equipment. The current approved net salvage is positive 10 percent. Between 2006 and 2014, the Company recorded net salvage proceeds with the cost of new assets, as part of a like-kind exchange program. Since mid-2014, the like-kind exchange program has been discontinued. Data has been collected over about an 18-month period on gross salvage by category. Based on history and judgment, this Study recommends moving to a 6 percent (positive) net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 392.20 Transportation Equipment – Light Trucks (6%)

This account includes any salvage and removal cost related to light truck type transportation equipment. The current approved net salvage is positive 10 percent. Between 2006 and 2014, the Company recorded net salvage proceeds with the cost of new assets, as part of a like-kind exchange program. Since mid-2014, the like-kind exchange program has been discontinued. Data has been collected over about an 18-month period on gross salvage by category. Based on history and judgment, this Study recommends moving to a 6 percent (positive) net salvage for

this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 392.30 Transportation Equipment – Trailers (10%)

This account includes any salvage and removal cost related to transportation equipment like trailers. The current approved net salvage is positive 10 percent. Between 2006 and 2014, the Company recorded net salvage proceeds with the cost of new assets, as part of a like-kind exchange program. Since mid-2014, the like-kind exchange program has been discontinued. Data has been collected over about an 18-month period on gross salvage by category. Based on history and judgment, this Study recommends retaining a 10 percent (positive) net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 392.40 Transportation Equipment – Heavy Trucks (6%)

This account includes any salvage and removal cost related to transportation equipment such as heavy trucks. The current approved net salvage is positive 10 percent. Between 2006 and 2014, the Company recorded net salvage proceeds with the cost of new assets, as part of a like-kind exchange program. Since mid-2014, the like-kind exchange program has been discontinued. Data has been collected over about an 18-month period on gross salvage by category. Based on history and judgment, this Study recommends moving to a 6 percent (positive) net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 393.00 Stores Equipment (0%)

This account includes any salvage and removal cost related to general stores equipment. The current approved net salvage is positive 5 percent. No salvage or cost of removal has been recorded and none is expected. This Study recommends

moving to a 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 394.00 Tools & Shop Equipment (0%)

This account consists of any salvage and removal cost associated with various items or tools used in shop and garages, such as air compressors, grinders, mixers, hoists, and cranes. The current authorized net salvage for this account is positive 5 percent. Some salvage has been recorded in transactions years 2004-2008, and removal cost has been recorded in transaction years 2011-2012 due to clean-up efforts by the Company. Future expectations are that no salvage or cost of removal will occur at end of life for these types of assets. This Study recommends a 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 395.00 Laboratory Equipment (0%)

This account includes any salvage and removal cost related to general laboratory equipment. The current approved net salvage is positive 5 percent. Based on the history and expectations, this Study recommends a 0 percent for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 396.00 Power Operated Equipment (15%)

This account includes any salvage and removal cost related to general power operated equipment. The current approved net salvage is positive 10 percent. Between 2006 and 2014, the Company recorded net salvage proceeds with the cost of new assets, as part of a like-kind exchange program. Since mid-2014, the like-kind exchange program has been discontinued. Data has been collected over about an 18-month period on gross salvage by category. Data from the most recent 18 months shows a trend to higher positive net salvage. Based on recent history and judgment, this Study recommends moving to a positive 15 percent net salvage

for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 397.00 Communication Equipment (0%)

This account includes any salvage and removal cost related to general communication equipment. The current approved net salvage is 0 percent. No salvage is expected and negligible, if any, cost of removal is anticipated. This Study recommends retention of 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 398.00 Miscellaneous Equipment (0%)

This account includes any salvage and removal cost related to general miscellaneous equipment. The current approved net salvage is 0 percent. No salvage is expected and negligible, if any, cost of removal is anticipated. This Study recommends retention of 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

**APPENDIX A-4 – Depreciation Rate Calculations Trans, Dist, Gen and Common
Depreciable Plant**

Public Service Company of Colorado
Computation of Proposed Depreciation Accrual Rates
For Transmission, Distribution, General, and Common Property
For the Forecast Year January 1, 2018

Appendix A-4, Rev. 1

Account Number	Description	Plant Balance 1/1/2018	Allocated Reserve Balance	Net Salvage %	Net Salvage Amount	Unaccrued Balance	Remaining Life	Annual Accrual	Annual Accrual %
<u>TRANSMISSION PLANT</u>									
350.20	Land Rights	77,137,901	13,662,343	0%	0	63,475,558	81.37	780,101	1.0113%
352.00	Structures and Improvements	79,240,594	11,345,255	-13%	(10,301,277)	78,196,616	73.67	1,061,433	1.3395%
353.00	Station Equipment	1,050,103,042	202,010,651	-15%	(157,515,456)	1,005,607,848	46.15	21,792,003	2.0752%
354.00	Towers and Fixtures	189,264,961	91,847,517	-40%	(75,705,984)	173,123,428	48.29	3,585,259	1.8943%
355.00	Poles and Fixtures	421,418,577	80,349,580	-40%	(168,567,431)	509,636,429	53.12	9,594,475	2.2767%
356.00	OH Conductors and Devices	299,581,242	72,841,209	-25%	(74,895,310)	301,635,343	55.68	5,417,621	1.8084%
357.00	UG Conduit	35,592,625	7,212,242	0%	0	28,380,383	47.21	601,146	1.6890%
358.00	UG Conductors and Devices	64,752,789	15,403,969	-5%	(3,237,639)	52,586,459	38.08	1,380,818	2.1324%
359.00	Roads and Trails	4,318,793	1,296,558	0%	0	3,022,235	62.95	48,013	1.1117%
	Total Transmission	2,221,410,524	495,969,324		(490,223,099)	2,215,664,299		44,260,869	
<u>DISTRIBUTION PLANT</u>									
360.20	Land Rights	38,790,186	4,395,036	0%	0	34,395,150	89.45	384,527	0.9913%
361.00	Structures and Improvements	77,174,622	16,235,939	-5%	(3,858,731)	64,797,414	52.87	1,225,573	1.5881%
362.00	Station Equipment	660,394,109	144,663,120	-10%	(66,039,411)	581,770,400	46.43	12,530,416	1.8974%
364.00	Poles, Towers and Fixtures	291,089,376	119,705,502	-50%	(145,544,688)	316,928,563	37.23	8,511,839	2.9241%
365.00	OH Conductors and Devices	345,551,518	103,258,117	-40%	(138,220,607)	380,514,008	40.06	9,498,387	2.7488%
366.00	UG Conduit	380,777,422	96,741,190	-25%	(95,194,356)	379,230,588	56.75	6,682,498	1.7550%
367.00	UG Conductors and Devices	1,824,579,253	440,213,765	-5%	(91,228,963)	1,475,594,450	36.94	39,943,325	2.1892%
368.00	Line Transformers	508,368,612	170,944,982	-10%	(50,836,861)	388,260,491	33.62	11,548,710	2.2717%
369.00	Services	24,404,882	22,694,611	-30%	(7,321,465)	9,031,735	16.67	541,836	2.2202%
369.10	Services-Overhead	46,739,929	27,804,718	-30%	(14,021,979)	32,957,189	28.69	1,148,839	2.4579%
369.20	Services-Underground	221,507,889	132,749,320	-30%	(66,452,367)	155,210,936	28.53	5,439,622	2.4557%
370.00	Meters	148,065,110	78,885,838	0%	0	69,179,272	12.09	5,721,235	3.8640%
370.20	AMR Equipment	68,769,058	65,029,944	0%	0	3,739,114	0.70	5,304,452	7.7134%
371.00	Installation on Customer Premises	7,154,178	4,435,701	-20%	(1,430,836)	4,149,313	12.97	319,909	4.4716%
373.00	Street Lighting and Signal Systems	166,707,410	70,998,061	-25%	(41,676,852)	137,386,201	23.89	5,749,730	3.4490%
	Total Distribution	4,810,073,555	1,498,755,843		(721,827,115)	4,033,144,827		114,550,898	
<u>ELECTRIC GENERAL PLANT</u>									
390.00	Structures and Improvements	6,784,142	2,119,215	-5%	(339,207)	5,004,134	28.92	173,010	2.5502%
<u>COMMON GENERAL PLANT</u>									
390.00	Structures and Improvements	166,089,841	47,738,338	-10%	(16,608,984)	134,960,487	28.69	4,704,549	2.8325%

APPENDIX A-6 – Depreciation Rate Calculations Common Amortized

Public Service of Colorado
Computation of Amortization Rates
 for Common General Plant For the Forecast January 1, 2018

Appendix A-6, Rev. 1

Account Number	Description	Plant Balance 1/1/2018	Allocated Reserve 1/1/2018	Theoretical Reserve 1/1/2018	Reserve Difference	Remaining Life	Amortize Reserve Difference	Assets to Retire
COMMON GENERAL PLANT								
391.00	Office Furniture and Equipment	45,812,474	29,653,979	30,668,826	(1,014,847)	11.00	92,253	18,280,435
391.04	Computer Hardware	150,563,663	88,487,696	92,727,687	(4,239,992)	2.64	1,606,884	40,969,460
391.05	Computer Hardware - 3 Year Life	1,505,288	1,161,489	1,185,273	(23,785)	1.57	15,121	894,932
392.10	Transportation Equipment - Automobiles	2,277,049	1,304,998	1,333,202	(28,204)	8.41	3,353	1,052,033
392.20	Transportation Equipment - Light Trucks	12,017,199	7,582,818	7,798,205	(215,387)	6.63	32,498	5,498,874
392.30	Transportation Equipment - Trailers	959,396	234,815	255,767	(20,952)	17.59	1,191	0
392.40	Transportation Equipment - Heavy Trucks	4,089,552	2,451,071	2,618,426	(167,356)	5.25	31,877	612,222
393.00	Stores Equipment	869,668	685,457	714,674	(29,217)	9.09	3,215	358,017
394.00	Tools, Shop, and Garage Equipment	10,768,341	7,149,374	7,386,155	(236,781)	13.48	17,565	4,495,733
395.00	Laboratory Equipment	435,435	406,016	406,440	(424)	8.49	50	401,267
396.00	Power Operated Equipment	4,873,837	2,525,491	2,669,133	(143,642)	6.39	22,469	1,077,260
397.00	Communication Equipment	29,705,789	26,566,274	27,774,701	(1,208,427)	1.74	695,968	13,023,246
398.00	Miscellaneous Equipment	1,153,011	830,723	894,425	(63,702)	4.99	12,763	116,804
Total Common General		265,030,702	169,040,201	176,432,917	(7,392,716)		2,535,207	86,780,283

After Retirement of Fully Accrued Assets

	Plant Balance 1/1/2018	Allocated Reserve 1/1/2018	Amortization Life	Amortization Net Salv %	Annual Amortization	Accrual For Reserve Difference	Total Amortization	Amortization Rate
COMMON GENERAL PLANT								
391.00	Office Furniture and Equipment	27,532,039	11,373,544	20	0.00%	1,376,602	92,253	5.3351%
391.04	Computer Hardware	109,594,203	47,518,236	5	0.00%	21,918,841	1,606,884	21.4662%
391.05	Computer Hardware - 3 Year Life	610,356	266,557	3	0.00%	203,452	15,121	35.8108%
392.10	Transportation Equipment - Automobiles	1,225,016	316,088	12	6.00%	95,960	3,353	8.1070%
392.20	Transportation Equipment - Light Trucks	6,518,325	2,413,877	12	6.00%	510,602	32,498	8.3319%
392.30	Transportation Equipment - Trailers	959,396	234,815	25	10.00%	34,538	1,191	3.7241%
392.40	Transportation Equipment - Heavy Trucks	3,477,330	1,875,582	14	6.00%	233,478	31,877	7.6310%
393.00	Stores Equipment	511,651	327,440	30	0.00%	17,055	3,215	3.9617%
394.00	Tools, Shop, and Garage Equipment	6,272,608	2,653,641	25	0.00%	250,904	17,565	4.2800%
395.00	Laboratory Equipment	34,168	4,749	10	0.00%	3,417	50	10.1462%
396.00	Power Operated Equipment	3,796,576	1,609,820	14	15.00%	230,506	22,469	6.6632%
397.00	Communication Equipment	16,682,543	13,543,028	15	0.00%	1,112,170	695,968	10.8385%
398.00	Miscellaneous Equipment	1,036,207	713,919	20	0.00%	51,810	12,763	6.2317%
Total Common General		178,250,419	82,851,295			26,039,335	2,535,207	28,574,542

APPENDIX B - Depreciation Expense Comparison

Public Service of Colorado
Comparison of Depreciation Rates and Annual Amounts
January 1, 2018

		Approved (1)				Proposed				Approved				Proposed				Difference			
Unit or Account Number	Account Number and / or Description	Estimated Plant Balance 1/1/2018	Life Depr	COR Depr	Tot Depr	Life Depr	COR Depr	Tot Depr	Notes	Life	COR	Total	Life	COR	Total	Life	COR	Total			
			Notes	Rate	Rate	Rate	Rate	Rate	Rate	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp			
ELECTRIC INTANGIBLE PLANT																					
301.00	Organization Costs	-								-	-	-	-	-	-	-	-	-			
302.00	Franchises and Consents	17,102,114	(9)	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	-	-	-	-	-	-	-	-	-			
303.00	Miscellaneous Intangible Plant	8,762,060	(9)	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	-	-	-	-	-	-	-	-	-			
303.40	Misc Computer Software - 3 Year	-		33.3333%	0.0000%	33.3333%	33.3333%	0.0000%	33.3333%	-	-	-	-	-	-	-	-	-			
303.40	Misc Computer Software - 5 Year	53,141,490		20.0000%	0.0000%	20.0000%	20.0000%	0.0000%	20.0000%	10,628,298	-	10,628,298	10,628,298	-	10,628,298	-	-	-			
303.40	Misc Computer Software - 10 Year	-		10.0000%	0.0000%	10.0000%	10.0000%	0.0000%	10.0000%	-	-	-	-	-	-	-	-	-			
303.40	Misc Computer Software - 15 Year	-		10.0000%	0.0000%	10.0000%	6.6667%	0.0000%	6.6667%	-	-	-	-	-	-	-	-	-			
Total Electric Intangible Plant		79,005,664								10,628,298	-	10,628,298	10,628,298	-	10,628,298	-	-	-			
STEAM PRODUCTION PLANT																					
Cameo Common	310.2 Land Rights	1,392		2.0000%	0.0000%	2.0000%	0.0000%	0.0000%	0.0000%	28	-	28	-	-	-	(28)	-	(28)			
Cherokee Unit 2 SC	314 Turbogenerator Units	10,862,755		2.1116%	0.1964%	2.3080%	6.8860%	0.1272%	7.0132%	229,378	21,334	250,712	748,009	13,817	761,827	518,631	(7,517)	511,114			
Cherokee Unit 2 SC	315 Accessory Electric Equipment	2,040,021		3.0393%	0.2827%	3.3220%	5.1345%	0.0794%	5.2139%	62,002	5,767	67,769	104,745	1,620	106,365	42,743	(4,147)	38,595			
Cherokee Unit 2 SC	Total	12,902,775		2.2583%	0.2100%	2.4683%	6.6091%	0.1196%	6.7287%	291,380	27,102	318,482	852,754	15,437	868,191	561,374	(11,664)	549,709			
Cherokee Unit 4	311 Structures and Improvements	9,139,690		1.8240%	0.2330%	2.0570%	5.7296%	0.9121%	6.6417%	166,708	21,295	188,003	523,668	83,363	607,031	356,960	62,068	419,027			
Cherokee Unit 4	312 Boiler Plant Equipment	59,493,607		1.6920%	0.2220%	1.9140%	5.9134%	0.9513%	6.8647%	1,006,632	132,076	1,138,708	3,518,095	565,963	4,084,058	2,511,463	433,887	2,945,350			
Cherokee Unit 4	312 Boiler Plant Equipment AQIR	14,894,894		6.6667%	0.0000%	6.6667%	6.6667%	0.0000%	6.6667%	992,998	-	992,998	992,998	-	992,998	-	-	-			
Cherokee Unit 4	314 Turbogenerator Units	20,913,647		1.7190%	0.2240%	1.9430%	5.5913%	0.9007%	6.4920%	359,506	46,847	406,352	1,169,345	188,369	1,357,714	809,839	141,523	951,362			
Cherokee Unit 4	315 Accessory Electric Equipment	7,307,248		1.5800%	0.2000%	1.7800%	5.4394%	0.8599%	6.2993%	115,455	14,614	130,069	397,470	62,835	460,305	282,016	48,221	330,236			
Cherokee Unit 4	315.2 Computers and Peripherals	3,233,582		4.3147%	0.4013%	4.7160%	6.2360%	0.9805%	7.2165%	139,519	12,976	152,496	201,646	31,705	233,351	62,127	18,729	80,856			
Cherokee Unit 4	316 Miscellaneous Power Plant Equipment	401,316		1.4290%	0.1700%	1.5990%	7.7560%	1.2379%	8.9939%	5,735	682	6,417	31,126	4,968	36,094	25,391	4,286	29,677			
Cherokee Unit 4	Total	115,383,984		2.4150%	0.1980%	2.6131%	5.9231%	0.8122%	6.7354%	2,786,552	228,491	3,015,043	6,834,348	937,203	7,771,551	4,047,796	708,712	4,756,508			
Cherokee Common	310.2 Land Rights	12,865,962		2.0000%	0.0000%	2.0000%	5.4903%	0.0000%	5.4903%	257,319	-	257,319	706,380	-	706,380	449,061	-	449,061			
Cherokee Common	310.3 Water Rights	112,245		2.0000%	0.0000%	2.0000%	6.3925%	0.0000%	6.3925%	2,245	-	2,245	7,175	-	7,175	4,930	-	4,930			
Cherokee Common	311 Structures and Improvements	32,477,475		2.3050%	0.2480%	2.5530%	6.6120%	0.6626%	7.2746%	748,606	80,544	829,150	2,147,411	215,196	2,362,606	1,398,805	134,652	1,534,456			
Cherokee Common	312 Boiler Plant Equipment	18,490,653		2.7650%	0.2910%	3.0560%	6.7218%	0.6849%	7.4067%	511,267	53,808	565,074	1,242,905	126,642	1,369,547	731,638	72,835	804,473			
Cherokee Common	312 Boiler Plant Equipment AQIR	17,251,728		6.6667%	0.0000%	6.6667%	6.6667%	0.0000%	6.6667%	1,150,121	-	1,150,121	1,150,121	-	1,150,121	-	-	-			
Cherokee Common	314 Turbogenerator Units	193,363		4.6390%	0.4350%	5.0740%	5.7204%	0.5840%	6.3044%	8,970	841	9,811	11,061	1,129	12,190	2,091	288	2,379			
Cherokee Common	315 Accessory Electric Equipment	8,446,055		1.9540%	0.2500%	2.1590%	5.6405%	0.5589%	6.1994%	165,036	17,314	182,350	476,400	47,205	523,605	311,364	29,891	341,254			
Cherokee Common	315.2 Computers and Peripherals	192,016		3.1757%	0.2953%	3.4710%	5.9596%	0.5856%	6.5452%	6,098	567	6,665	11,443	1,124	12,568	5,346	557	5,903			
Cherokee Common	316 Miscellaneous Power Plant Equipment	2,294,961		2.1380%	0.2040%	2.3420%	7.3165%	0.7362%	8.0527%	49,066	4,682	53,748	167,911	16,896	184,806	118,845	12,214	131,058			
Cherokee Common	Total	92,324,458		3.1397%	0.1709%	3.3106%	6.4130%	0.4421%	6.8552%	2,898,728	157,756	3,056,484	5,920,807	408,192	6,328,999	3,022,079	250,436	3,272,515			
Coal Cars	312 Boiler Plant Equipment	23,102,076		3.1667%	0.0000%	3.1667%	5.0514%	0.0000%	5.0514%	731,573	-	731,573	1,166,978	-	1,166,978	435,405	-	435,405			
Comanche Unit 1	311 Structures and Improvements	17,989,658		1.6360%	0.1970%	1.8330%	3.4379%	0.1286%	3.5665%	294,311	35,440	329,750	618,466	23,135	641,601	324,156	(12,305)	311,851			
Comanche Unit 1	312 Boiler Plant Equipment	228,008,023		1.9460%	0.2270%	2.1730%	4.2048%	0.1703%	4.3751%	4,437,036	517,578	4,954,614	9,587,281	388,298	9,975,579	5,150,245	(129,281)	5,020,965			
Comanche Unit 1	314 Turbogenerator Units	37,687,510		1.6980%	0.2040%	1.9020%	3.8472%	0.1572%	4.0044%	639,934	76,883	716,816	1,449,914	59,245	1,509,159	809,980	(17,638)	792,342			
Comanche Unit 1	315 Accessory Electric Equipment	21,114,222		1.5310%	0.1760%	1.7070%	3.5219%	0.1245%	3.6464%	323,259	37,161	360,420	743,622	26,287	769,909	420,363	(10,874)	409,489			
Comanche Unit 1	315.2 Computers and Peripherals	1,407,501		3.6712%	0.3488%	4.0200%	3.8551%	0.1425%	3.9976%	51,672	4,909	56,582	54,261	2,006	56,266	2,588	(2,904)	(315)			
Comanche Unit 1	316 Miscellaneous Power Plant Equipment	570,557		1.3680%	0.1450%	1.5130%	3.2836%	0.1252%	3.4088%	7,805	827	8,633	18,735	714	19,449	10,930	(113)	10,817			
Comanche Unit 1	Total	306,777,470		1.8756%	0.2193%	2.0949%	4.0656%	0.1629%	4.2285%	5,754,017	672,798	6,426,815	12,472,279	499,684	12,971,963	6,718,262	(173,114)	6,545,148			
Comanche Unit 2	311 Structures and Improvements	8,931,575		1.3710%	0.1650%	1.5360%	2.9923%	0.1360%	3.1283%	122,452	14,737	137,189	267,260	12,147	279,406	144,808	(2,590)	142,217			
Comanche Unit 2	312 Boiler Plant Equipment	184,356,650		1.8040%	0.2080%	2.0120%	3.7786%	0.1851%	3.9637%	3,325,794	383,462	3,709,256	6,966,100	341,244	7,307,345	3,640,306	(42,218)	3,598,099			
Comanche Unit 2	314 Turbogenerator Units	37,394,504		1.6350%	0.1920%	1.8270%	3.3513%	0.1656%	3.5169%	611,400	71,797	683,198	1,253,202	61,925	1,315,127	641,802	(9,872)	631,930			
Comanche Unit 2	315 Accessory Electric Equipment	20,279,179		1.6290%	0.1790%	1.8080%	3.2196%	0.1387%	3.3583%	330,348	36,300	366,648	652,908	28,127	681,036	322,561	(8,173)	314,388			
Comanche Unit 2	315.2 Computers and Peripherals	-	(3)	-	-	-	3.6400%	0.1766%	3.8166%	-	-	-	-	-	-	-	-	-			
Comanche Unit 2	316 Miscellaneous Power Plant Equipment	726,289		1.3560%	0.1370%	1.4930%	3.0170%	0.1395%	3.1565%	9,848	995	10,843	21,912	1,013	22,925	12,064	18	12,082			
Comanche Unit 2	Total	251,688,196		1.7481%	0.2016%	1.9497%	3.6400%	0.1766%	3.8166%	4,399,842	507,291	4,907,133	9,161,382	444,457	9,605,839	4,761,540	(62,834)	4,698,706			
Comanche Unit 3	310.2 Land Rights	8,159		2.0000%	0.0000%	2.0000%	1.7349%	0.0000%	1.7349%	163	-	163	142	-	142	(22)	-	(22)			
Comanche Unit 3	311 Structures and Improvements	128,543,794	(6)	1.8850%	0.1210%	2.0060%	1.7974%	0.0452%	1.8426%	2,423,051	155,538	2,578,589	2,310,446	58,102	2,368,548	(112,604)	(97,436)	(210,041)			
Comanche Unit 3	312 Boiler Plant Equipment	544,912,450	(6)	1.8850%	0.1210%	2.0060%	1.8888%	0.0675%	1.9563%	10,271,600	699,344	10,930,944	10,292,306	367,816	10,660,122	20,707	(291,528)	(770,821)			
Comanche Unit 3	314 Turbogenerator Units	170,691,771	(6)	1.8850%	0.1210%	2.0060%	1.8975%	0.0702%	1.9677%	3,217,540	206,537	3,424,077	3,238,876	119,826	3,358,702	21,336	(86,711)	(66,375)			
Comanche Unit 3	315 Accessory Electric Equipment	91,002,381	(6)	1.8850%	0.1210%	2.0060%	1.7883%	0.0312%	1.8195%	1,715,395	110,113	1,825,508	1,627,396	26,393	1,655,788	(87,999)	(81,720)	(169,719)			
Comanche Unit 3	315.2 Computers and Peripherals	-	(6)	1.8850%	0.1210%	2.0060%	1.8716%	0.0612%	1.9328%	-	-	-	-	-	-	-	-	-			
Comanche Unit 3	316 Miscellaneous Power Plant Equipment	19,720,826	(6)	1.8850%	0.1210%	2.0060%	2.0403%	0.0535%	2.0938%	371,738	23,8										

Public Service of Colorado
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January 1, 2018

			Approved (1)			Proposed			Approved			Proposed			Difference			
Unit or Account		Estimated Plant	Life Depr	COR Depr	Tot Depr	Life Depr	COR Depr	Tot Depr	Life	COR	Total	Life	COR	Total	Life	COR	Total	
Number	Account Number and / or Description	Balance 1/1/2018	Notes	Rate	Rate	Rate	Rate	Rate	Notes	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	
Craig Unit 1	314 Turbogenerator Units	2,216,766		2.6570%	0.1590%	2.8160%	10.6924%	0.3870%	11.0794%	58,899	3,525	62,424	237,025	8,579	245,604	178,126	5,054	183,180
Craig Unit 1	315 Accessory Electric Equipment	3,260,823		1.5290%	0.0860%	1.6150%	6.0102%	0.0424%	6.0526%	49,588	2,804	52,662	195,982	1,383	197,365	146,124	(1,422)	144,702
Craig Unit 1	315.2 Computers and Peripherals	-					5.5921%	0.0329%	5.6250%	(3)	-	-	-	-	-	-	-	-
Craig Unit 1	316 Miscellaneous Power Plant Equipment	139,397		1.5120%	0.0690%	1.5810%	4.8690%	-0.0272%	4.8418%	2,108	96	2,204	6,787	(38)	6,749	4,680	(134)	4,545
Craig Unit 1	Total	33,568,126		1.6052%	0.1034%	1.7086%	5.5922%	0.0329%	5.6250%	538,833	34,711	573,544	1,877,189	11,032	1,888,221	1,338,356	(23,679)	1,314,677
Craig Unit 2	311 Structures and Improvements	7,212,413		1.4380%	0.0870%	1.5250%	2.6947%	0.0942%	2.7889%	103,714	6,275	109,989	194,353	6,794	201,147	90,638	519	91,158
Craig Unit 2	312 Boiler Plant Equipment	16,216,121		1.5470%	0.1060%	1.6530%	2.7999%	0.1103%	2.9102%	250,863	17,189	268,052	454,035	17,886	471,922	203,172	697	203,869
Craig Unit 2	314 Turbogenerator Units	7,372,248		1.5140%	0.1010%	1.6150%	3.2022%	0.1278%	3.3300%	111,616	7,446	119,062	236,074	9,422	245,496	124,458	1,976	126,434
Craig Unit 2	315 Accessory Electric Equipment	3,969,785		1.4990%	0.0850%	1.5840%	2.7418%	0.0876%	2.8294%	59,507	3,374	62,881	108,844	3,478	112,321	49,336	103	49,440
Craig Unit 2	315.2 Computers and Peripherals	-					2.8565%	0.1080%	2.9645%	(3)	-	-	-	-	-	-	-	-
Craig Unit 2	316 Miscellaneous Power Plant Equipment	136,910		1.4780%	0.0690%	1.5470%	2.7821%	0.0998%	2.8819%	2,024	94	2,118	3,809	137	3,946	1,785	42	1,828
Craig Unit 2	Total	34,907,477		1.5118%	0.0985%	1.6103%	2.8565%	0.1080%	2.9645%	527,724	34,379	562,103	997,115	37,716	1,034,831	469,390	3,338	472,728
Craig Common	311 Structures and Improvements	7,825,104		1.4870%	0.0890%	1.5760%	2.8403%	0.2493%	3.0896%	116,359	6,964	123,324	222,256	19,508	241,764	105,897	12,544	118,441
Craig Common	312 Boiler Plant Equipment	37,457,353		2.2670%	0.1440%	2.4110%	3.5451%	0.3268%	3.8719%	849,158	53,939	903,097	1,327,901	122,411	1,450,311	478,742	68,472	547,214
Craig Common	314 Turbogenerator Units	3,756,569		1.5560%	0.1030%	1.6590%	3.1932%	0.2961%	3.4893%	58,452	3,869	62,321	119,955	11,123	131,078	61,503	7,254	68,756
Craig Common	315 Accessory Electric Equipment	2,204,781		1.5410%	0.0870%	1.6280%	2.8323%	0.2402%	3.0725%	33,976	1,918	35,894	62,446	5,296	67,742	28,470	3,378	31,848
Craig Common	315.2 Computers and Peripherals	282,900		2.8817%	0.1383%	3.0200%	3.0418%	0.2510%	3.2928%	8,152	391	8,544	8,605	710	9,315	453	319	772
Craig Common	316 Miscellaneous Power Plant Equipment	1,928,593		1.6400%	0.0740%	1.7140%	3.4245%	0.3037%	3.7282%	31,629	1,427	33,056	66,045	5,857	71,902	34,416	4,430	38,846
Craig Common	Total	53,455,301		2.0535%	0.1282%	2.1817%	3.3808%	0.3085%	3.6893%	1,097,727	68,509	1,166,235	1,807,208	164,905	1,972,113	709,481	96,396	805,877
Hayden Unit 1	311 Structures and Improvements	7,181,544		1.6759%	0.1961%	1.8720%	3.4999%	0.2158%	3.7157%	120,356	14,083	134,439	251,347	15,498	266,845	130,991	1,415	132,406
Hayden Unit 1	312 Boiler Plant Equipment	133,144,049		2.9517%	0.3453%	3.2970%	5.1335%	0.3287%	5.4622%	3,930,013	459,746	4,389,759	6,834,950	437,644	7,272,594	2,904,937	(22,102)	2,882,835
Hayden Unit 1	314 Turbogenerator Units	17,681,172		2.0627%	0.2413%	2.3040%	4.0536%	0.2607%	4.3143%	364,710	42,665	407,374	716,724	46,095	762,819	352,014	3,430	355,445
Hayden Unit 1	315 Accessory Electric Equipment	4,708,510		1.9391%	0.2269%	2.1660%	3.6970%	0.2220%	3.9190%	91,303	10,684	101,986	174,074	10,453	184,526	82,771	(231)	82,540
Hayden Unit 1	315.2 Computers and Peripherals	1,097,995		3.6598%	0.4282%	4.0880%	6.4089%	0.3773%	6.7862%	40,184	4,702	44,886	70,369	4,143	74,512	30,185	(559)	29,626
Hayden Unit 1	316 Miscellaneous Power Plant Equipment	215,253		1.6902%	0.1978%	1.8880%	3.5512%	0.2209%	3.7721%	3,638	426	4,064	7,644	475	8,120	4,006	50	4,056
Hayden Unit 1	Total	164,028,523		2.7740%	0.3245%	3.0986%	4.9108%	0.3135%	5.2243%	4,550,203	532,305	5,082,508	8,055,108	514,308	8,569,416	3,504,904	(17,997)	3,486,908
Hayden Unit 2	311 Structures and Improvements	49,583,577		1.3310%	0.1950%	1.5260%	3.9713%	0.1441%	4.1154%	659,957	96,688	756,645	1,969,113	71,450	2,040,563	1,309,155	(25,238)	1,283,917
Hayden Unit 2	312 Boiler Plant Equipment	75,620,650		1.7300%	0.2370%	1.9670%	3.3135%	0.1327%	3.4462%	1,308,237	179,221	1,487,458	2,505,690	100,349	2,606,039	1,197,453	(78,872)	1,118,581
Hayden Unit 2	314 Turbogenerator Units	14,560,020		1.4760%	0.2090%	1.6850%	3.1505%	0.1276%	3.2781%	214,906	30,430	245,336	458,713	18,579	477,292	243,808	(11,852)	231,956
Hayden Unit 2	315 Accessory Electric Equipment	7,573,282		1.3750%	0.1870%	1.5620%	3.0058%	0.1015%	3.1073%	104,133	14,162	118,295	227,638	7,687	235,325	123,505	(6,475)	117,030
Hayden Unit 2	315.2 Computers and Peripherals	975,875		3.4324%	0.4016%	3.8340%	4.9888%	0.1589%	5.1477%	33,496	3,919	37,415	48,684	1,551	50,235	15,189	(2,368)	12,820
Hayden Unit 2	316 Miscellaneous Power Plant Equipment	546,677		1.3970%	0.1710%	1.5680%	2.9294%	0.1087%	3.0381%	7,637	935	8,572	16,014	594	16,609	8,377	(341)	8,037
Hayden Unit 2	Total	148,860,082		1.5641%	0.2186%	1.7827%	3.5106%	0.1345%	3.6451%	2,328,366	325,355	2,653,722	5,225,853	200,209	5,426,062	2,897,487	(125,146)	2,772,340
Hayden Common	311 Structures and Improvements	5,218,478		2.2160%	0.2900%	2.5060%	3.8652%	1.6373%	5.5025%	115,641	15,134	130,775	201,705	85,442	287,147	86,063	70,309	156,372
Hayden Common	312 Boiler Plant Equipment	29,711,991		2.5300%	0.3190%	2.8490%	3.6183%	1.5462%	5.1645%	751,713	94,781	846,495	1,075,969	459,407	1,534,476	323,356	364,626	687,981
Hayden Common	314 Turbogenerator Units	1,692,433		2.7010%	0.3350%	3.0360%	4.1264%	1.7653%	5.8917%	45,713	5,670	51,382	69,837	29,877	99,713	24,124	24,207	48,331
Hayden Common	315 Accessory Electric Equipment	200,108		2.4740%	0.2960%	2.7700%	3.6186%	1.5236%	5.1422%	4,951	592	5,543	7,241	3,049	10,290	2,290	2,457	4,747
Hayden Common	315.2 Computers and Peripherals	-				0.0000%	3.7240%	1.5887%	5.3127%	(3)	-	-	-	-	-	-	-	-
Hayden Common	316 Miscellaneous Power Plant Equipment	1,998,090		2.3100%	0.2540%	2.5640%	4.5972%	1.9511%	6.5483%	46,156	5,075	51,231	91,856	38,985	130,841	45,700	33,910	79,610
Hayden Common	Total	38,821,099		2.4836%	0.3123%	2.7960%	3.7240%	1.5887%	5.3127%	964,174	121,252	1,085,426	1,445,707	616,759	2,062,466	481,533	495,507	977,040
Pawnee Unit 1	311 Structures and Improvements	147,075,489		1.4840%	0.0900%	1.5740%	2.4976%	0.0488%	2.5464%	2,182,600	132,368	2,314,968	3,673,357	71,773	3,745,130	1,490,757	(60,595)	1,430,162
Pawnee Unit 1	312 Boiler Plant Equipment	583,582,463		1.6670%	0.1130%	1.7800%	3.1959%	0.0779%	3.2738%	9,728,320	659,448	10,387,768	18,650,712	454,611	19,105,323	8,922,392	(204,837)	8,717,555
Pawnee Unit 1	314 Turbogenerator Units	64,686,875		1.5970%	0.1060%	1.7030%	2.7159%	0.0678%	2.7837%	1,033,049	68,568	1,101,617	1,756,831	43,858	1,800,689	723,781	(24,710)	699,071
Pawnee Unit 1	315 Accessory Electric Equipment	61,165,532		1.5620%	0.0880%	1.6500%	2.5041%	0.0406%	2.5447%	955,406	53,826	1,009,231	1,531,646	24,833	1,556,479	576,240	(28,992)	547,248
Pawnee Unit 1	315.2 Computers and Peripherals	8,668,564		2.9428%	0.1442%	3.0870%	3.4061%	0.0468%	3.4529%	255,099	12,500	267,599	295,260	4,057	299,317	40,161	(8,443)	31,718
Pawnee Unit 1	316 Miscellaneous Power Plant Equipment	6,351,065		1.5700%	0.0710%	1.6410%	2.6427%	0.0542%	2.6969%	99,712	4,509	104,221	167,840	3,442	171,282	68,128	(1,067)	67,061
Pawnee Unit 1	Total	871,529,987		1.6355%	0.1068%	1.7424%	2.9919%	0.0691%	3.0611%	14,254,185	931,219	15,185,404	26,075,646	602,574	26,678,219	11,821,461	(328,646)	11,492,815
Pawnee Common	311 Structures and Improvements	6,161,361		2.7150%	0.1440%	2.8590%	3.3838%	0.40458%	7.4296%	167,281	8,872	176,153	208,488	249,276	457,764	41,207	240,404	281,611
Pawnee Common	312 Boiler Plant Equipment	28,197,319		2.8790%	0.1750%	3.0540%	3.4684%	4.1637%	7.6321%	811,801	49,345	861,146	977,996	1,174,052	2,152,048	166,195	1,124,706	1,290,901
Pawnee Common	314 Turbogenerator Units	304,100		2.2750%	0.1420%	2.4170%	3.3152%	3.9818%	7.2970%	6,918	432	7,350	10,082	12,109	22,190	3,163	11,677	14,840
Pawnee Common</																		

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			Approved (1)				Proposed				Approved				Proposed				Difference			
Unit or Account Number		Account Number and / or Description	Estimated Plant Balance 1/1/2018	Life Depr	COR Depr	Tot Depr	Life Depr	COR Depr	Tot Depr	Notes	Life	COR	Total	Life	COR	Total	Life	COR	Total			
				Notes	Rate	Rate	Rate	Rate	Rate	Notes	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp			
HYDRAULIC PRODUCTION PLANT																						
Ames	331	Structures and Improvements	151,878		1.4679%	0.0191%	1.4870%	2.0585%	0.3893%	2.4478%	2,229	29	2,258	3,126	591	3,718	897	562	1,459			
Ames	332	Reservoirs, Dams and Waterways	10,010,622		1.5420%	0.0200%	1.5620%	2.6092%	0.4968%	3.1060%	154,364	2,002	156,366	261,197	49,733	310,930	106,833	47,731	154,564			
Ames	333	Waterwheels, Turbines and Generators	159,362		0.9299%	0.0121%	0.9420%	1.9865%	0.3940%	2.3805%	1,482	19	1,501	3,166	628	3,794	1,684	609	2,292			
Ames	334	Accessory Electric Equipment	1,760,898		2.4393%	0.0317%	2.4710%	2.5317%	0.5035%	3.0352%	42,954	558	43,512	44,581	8,866	53,447	1,627	8,308	9,935			
Ames	334.2	Computers and Peripherals	-		-	-	-	2.5780%	0.4941%	3.0721%	(3)	-	-	-	-	-	-	-	-			
Ames	335	Misc. Power Plant Equipment	102,068		1.8095%	0.0235%	1.8330%	2.3129%	0.4371%	2.7500%	1,847	24	1,871	2,361	446	2,807	514	422	936			
Ames	335.2	Recreational Facilities	168,022		2.3258%	0.0302%	2.3560%	2.4235%	0.4680%	2.8915%	3,908	51	3,959	4,072	786	4,858	164	736	900			
Ames	336	Roads, Railroads and Bridges	21,232		2.3722%	0.0308%	2.4030%	2.3802%	0.4445%	2.8247%	504	7	510	505	94	600	2	88	90			
Ames		Total	12,374,082		1.6752%	0.0217%	1.6969%	2.5780%	0.4941%	3.0722%	207,287	2,690	209,977	319,008	61,145	380,153	111,721	58,455	170,176			
Cabin Creek	331	Structures and Improvements	14,864,472		0.9324%	0.1296%	1.0620%	2.0039%	0.8366%	2.8405%	138,596	19,264	157,861	297,869	124,356	422,225	159,273	105,092	264,365			
Cabin Creek	332	Reservoirs, Dams and Waterways	21,164,528		0.9587%	0.1333%	1.0920%	1.8383%	0.7792%	2.6175%	202,904	28,212	231,117	389,068	164,914	553,982	186,163	136,702	322,865			
Cabin Creek	333	Waterwheels, Turbines and Generators	20,565,620		1.0773%	0.1497%	1.2270%	2.0880%	0.8933%	2.9813%	221,553	30,787	252,340	429,410	183,713	613,123	207,857	152,926	360,783			
Cabin Creek	334	Accessory Electric Equipment	4,965,647		1.2581%	0.1749%	1.4330%	2.1403%	0.9169%	3.0572%	62,473	8,685	71,158	106,280	45,530	151,810	43,807	36,845	80,652			
Cabin Creek	334.2	Computers and Peripherals	58,913		1.1563%	0.1607%	1.3170%	2.0670%	0.8573%	2.9243%	681	95	776	1,218	505	1,723	537	410	947			
Cabin Creek	335	Misc. Power Plant Equipment	582,339		1.4978%	0.2082%	1.7060%	1.9715%	0.8226%	2.7941%	8,722	1,212	9,935	11,481	4,790	16,271	2,759	3,578	6,336			
Cabin Creek	335.2	Recreational Facilities	4,116		1.3565%	0.1885%	1.5450%	2.1367%	0.9015%	3.0382%	2,367	56	2,423	2,467	88	2,555	32	29	61			
Cabin Creek	336	Roads, Railroads and Bridges	501,678		0.9359%	0.1301%	1.0660%	1.7767%	0.7369%	2.5136%	4,695	653	5,348	8,913	3,697	12,610	4,218	3,044	7,262			
Cabin Creek		Total	62,707,312		1.0201%	0.1418%	1.1619%	1.9843%	0.8413%	2.8256%	639,681	88,916	728,597	1,244,326	527,542	1,771,869	604,645	438,626	1,043,271			
Georgetown	331	Structures and Improvements	440,643		1.6952%	0.0068%	1.7020%	4.2551%	0.8061%	5.0612%	7,470	30	7,500	18,750	3,552	22,302	11,280	3,522	14,802			
Georgetown	332	Reservoirs, Dams and Waterways	14,522,763		2.3038%	0.0902%	2.3130%	4.4258%	0.8522%	5.2780%	334,575	1,336	335,912	642,748	123,763	766,511	308,173	122,427	430,600			
Georgetown	333	Waterwheels, Turbines and Generators	164,947		1.0269%	0.0041%	1.0310%	3.6346%	0.7071%	4.3417%	1,694	7	1,701	5,995	1,166	7,162	4,301	1,160	5,461			
Georgetown	334	Accessory Electric Equipment	1,559,459		1.6056%	0.0064%	1.6120%	4.4223%	0.8616%	5.2839%	25,039	100	25,138	68,964	13,436	82,400	43,925	13,336	57,262			
Georgetown	334.2	Computers and Peripherals	-		-	-	-	4.4129%	0.8502%	5.2631%	(3)	-	-	-	-	-	-	-	-			
Georgetown	335	Misc. Power Plant Equipment	3,932		2.8665%	0.0115%	2.8780%	3.9556%	0.7490%	4.7046%	113	0	113	156	29	185	43	29	72			
Georgetown	335.2	Recreational Facilities	717,476		2.2570%	0.0090%	2.2660%	4.4109%	0.8454%	5.2563%	16,193	65	16,258	31,647	6,066	37,713	15,454	6,001	21,455			
Georgetown	336	Roads, Railroads and Bridges	-		-	-	-	4.4129%	0.8502%	5.2631%	(3)	-	-	-	-	-	-	-	-			
Georgetown		Total	17,409,220		2.2120%	0.0088%	2.2208%	4.4129%	0.8502%	5.2631%	385,084	1,538	386,621	768,260	148,013	916,273	383,176	146,475	529,651			
Salida	331	Structures and Improvements	118,933		1.8055%	0.0325%	1.8380%	6.1968%	10.4734%	16.6702%	2,147	39	2,186	7,370	12,456	19,826	5,223	12,418	17,640			
Salida	332	Reservoirs, Dams and Waterways	3,492,027		1.5658%	0.0282%	1.5940%	7.0910%	11.9945%	19.0855%	54,678	985	55,663	247,620	418,851	666,471	192,941	417,866	610,808			
Salida	333	Waterwheels, Turbines and Generators	87,830		0.6965%	0.0125%	0.7090%	5.8819%	0.9548%	15.8367%	612	11	623	5,166	8,743	13,909	4,554	8,732	13,287			
Salida	334	Accessory Electric Equipment	388,626		2.0010%	0.0360%	2.0370%	6.1991%	10.4924%	16.6915%	7,776	140	7,916	24,091	40,776	64,867	16,315	40,636	56,951			
Salida	334.2	Computers and Peripherals	-		-	-	-	6.9348%	11.7306%	18.6582%	(3)	-	-	-	-	-	-	-	-			
Salida	335	Misc. Power Plant Equipment	3,597		3.6248%	0.0652%	3.6900%	5.6017%	9.4676%	15.0693%	130	2	133	201	341	542	71	338	409			
Salida	335.2	Recreational Facilities	188,186		3.2711%	0.0589%	3.3300%	6.6644%	11.2704%	17.9348%	6,156	11	6,267	12,541	21,209	33,751	6,386	21,098	27,484			
Salida	336	Roads, Railroads and Bridges	25,403		2.6189%	0.0471%	2.6660%	6.0132%	10.1598%	16.1730%	665	12	677	1,528	2,581	4,108	862	2,569	3,431			
Salida		Total	4,304,601		1.6765%	0.0302%	1.7067%	6.9348%	11.7306%	18.6655%	72,165	1,299	73,464	298,517	504,958	803,475	226,352	503,658	730,011			
Shoshone	331	Structures and Improvements	3,849,934		1.6234%	0.0536%	1.6770%	2.1626%	0.1257%	2.2883%	62,500	2,064	64,563	83,259	4,839	88,098	20,759	2,776	23,535			
Shoshone	332	Reservoirs, Dams and Waterways	16,175,370		0.8325%	0.0275%	0.8600%	1.9504%	0.1273%	2.0777%	134,660	4,448	139,108	315,484	20,591	336,076	180,824	16,143	196,967			
Shoshone	333	Waterwheels, Turbines and Generators	2,959,308		1.7212%	0.0568%	1.7780%	2.0218%	0.1407%	2.1625%	50,936	1,681	52,616	59,831	4,164	63,995	8,896	2,483	11,379			
Shoshone	334	Accessory Electric Equipment	3,562,678		2.2323%	0.0737%	2.3060%	2.2402%	0.1574%	2.3976%	79,530	2,626	82,155	79,811	5,608	85,419	281	2,982	3,263			
Shoshone	334.2	Computers and Peripherals	-		-	-	-	2.0297%	0.1322%	2.1619%	(3)	-	-	-	-	-	-	-	-			
Shoshone	335	Misc. Power Plant Equipment	915,036		2.7396%	0.0904%	2.8300%	2.0843%	0.1207%	2.2050%	25,068	827	25,896	19,072	1,104	20,177	(5,996)	277	(5,719)			
Shoshone	335.2	Recreational Facilities	-		-	-	-	2.0297%	0.1322%	2.1619%	(3)	-	-	-	-	-	-	-	-			
Shoshone	336	Roads, Railroads and Bridges	9,629		1.0852%	0.0358%	1.1210%	1.5727%	0.0867%	1.6594%	104	3	108	151	8	160	47	5	52			
Shoshone		Total	27,471,954		1.2842%	0.0424%	1.3266%	2.0297%	0.1322%	2.1619%	352,798	11,649	364,447	557,609	36,315	593,924	204,811	24,666	229,477			
Tacoma	331	Structures and Improvements	501,151		1.3804%	0.0276%	1.4080%	2.3249%	0.7913%	3.1162%	6,918	138	7,056	11,651	3,966	15,617	4,733	3,827	8,561			
Tacoma	332	Reservoirs, Dams and Waterways	14,145,451		1.3500%	0.0270%	1.3770%	2.9286%	1.0136%	3.9422%	190,964	3,819	194,783	414,264	143,378	557,642	223,300	139,559	362,859			
Tacoma	333	Waterwheels, Turbines and Generators	1,844,962		1.8147%	0.0363%	1.8510%	2.6457%	0.9249%	3.5706%	33,481	670	34,150	48,812	17,064	65,876	15,332	16,394	31,726			
Tacoma	334	Accessory Electric Equipment	4,445,812		1.7667%	0.0353%	1.8020%	2.8113%	0.9844%	3.7957%	78,544	1,569	80,114	124,985	43,765	168,750	46,441	42,195	88,636			
Tacoma	334.2	Computers and Peripherals	-		-	-	-	2.8327%	0.9825%	3.8152%	(3)	-	-	-	-	-	-	-	-			
Tacoma	335	Misc. Power Plant Equipment	315,705		1.8912%	0.0378%	1.9290%	2.4407%	0.8304%	3.2711%	5,971	119	6,090	7,705	2,622	10,327	1,735	2,502	4,237			
Tacoma	335.2	Recreational Facilities	709,479		1.6294%	0.0326%	1.6620%	2.4379%	0.8395%	3.2774%	11,560	231	11,792	17,296	5,956	23,251	5,736	5,725	11,461			
Tacoma	336	Roads, Railroads and Bridges	400,241		1.3029%	0.0261%	1.3290%	2.1853%	0.7386%	2.9239%	5,215	104	5,319	8,746	2,956	11,703	3,532	2,852	6,383			
Tacoma		Total	22,362,801		1.4875%	0.0297%																

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		Approved (1)				Proposed				Approved				Proposed				Difference			
		Life Depr				COR Depr				Tot Depr				Life Depr				COR Depr			
Unit or Account Number	Account Number and / or Description	Estimated Plant Balance 1/1/2018	Notes	Rate	Rate	Rate	Rate	Rate	Rate	Notes	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp			
Blue Spruce	341 Structures and Improvements	-	(7)	2.5000%	0.1887%	2.6887%	2.5433%	0.0715%	2.6148%	(3)	-	-	-	-	-	-	-	-			
Blue Spruce	342 Fuel Holders, Producers, and Accessories	-	(7)	2.5000%	0.1887%	2.6887%	2.5433%	0.0715%	2.6148%	(3)	-	-	-	-	-	-	-	-			
Blue Spruce	343 Prime Movers	-	(7)	2.5000%	0.1887%	2.6887%	2.5433%	0.0715%	2.6148%	(3)	-	-	-	-	-	-	-	-			
Blue Spruce	344 Generators	220,437,349	(7)	2.5000%	0.1887%	2.6887%	2.5427%	0.0715%	2.6142%		5,510,934	415,965	5,926,899	5,605,060	157,613	5,762,673	94,127	(258,353)			
Blue Spruce	344 Generators	-	(7)	2.5000%	0.1887%	2.6887%	2.5427%	0.0715%	2.6142%		(1,022,383)	(77,169)	(1,099,552)	-	-	-	1,022,383	77,169			
Blue Spruce	345 Accessory Electric Equipment	511,171	(7)	2.5000%	0.1887%	2.6887%	2.7942%	0.0770%	2.8712%		12,779	965	13,744	14,283	394	14,677	1,504	(571)			
Blue Spruce	345.2 Computers and Peripherals	-	(7)	2.5000%	0.1887%	2.6887%	2.5433%	0.0715%	2.6148%	(3)	-	-	-	-	-	-	-	-			
Blue Spruce	346 Miscellaneous Power Plant Equipment	-	(7)	2.5000%	0.1887%	2.6887%	2.5433%	0.0715%	2.6148%		-	-	-	-	-	-	-	-			
Blue Spruce	Total	220,948,520		2.0373%	0.1538%	2.1910%	2.5433%	0.0715%	2.6148%		4,501,330	339,760	4,841,091	5,619,344	158,006	5,777,350	1,118,013	(181,754)			
Cherokee 5-7	341 Structures and Improvements	130,501,920	(12)	2.5213%	0.0485%	2.5698%	2.4935%	0.0493%	2.5428%		3,290,345	63,293	3,353,638	3,254,065	64,337	3,318,403	(36,280)	1,044			
Cherokee 5-7	342 Fuel Holders, Producers, and Accessories	5,303,272	(12)	2.5213%	0.0485%	2.5698%	2.6891%	0.0709%	2.7600%		133,711	2,572	136,283	142,610	3,760	146,370	8,899	1,188			
Cherokee 5-7	343 Prime Movers	126,330,612	(12)	2.5213%	0.0485%	2.5698%	2.6672%	0.0857%	2.7529%		3,185,174	61,270	3,246,444	3,369,490	108,265	3,477,755	184,316	46,995			
Cherokee 5-7	344 Generators	236,015,776	(12)	2.5213%	0.0485%	2.5698%	2.5724%	0.0656%	2.6380%		5,950,666	114,468	6,065,133	6,071,270	154,826	6,226,096	120,604	40,359			
Cherokee 5-7	345 Accessory Electric Equipment	60,019,980	(12)	2.5213%	0.0485%	2.5698%	2.5636%	0.0637%	2.6273%		1,513,284	29,110	1,542,393	1,538,672	38,233	1,576,905	25,388	9,123			
Cherokee 5-7	345.2 Computers and Peripherals	-	(12)	2.5213%	0.0485%	2.5698%	2.6392%	0.0662%	2.6392%	(3)	-	-	-	-	-	-	-	-			
Cherokee 5-7	346 Miscellaneous Power Plant Equipment	26,049,450	(12)	2.5213%	0.0485%	2.5698%	2.5152%	0.0532%	2.5684%		656,785	12,634	669,419	655,196	13,858	669,054	(1,589)	1,224			
Cherokee 5-7	Total	584,221,010		2.5213%	0.0485%	2.5698%	2.5729%	0.0656%	2.6385%		14,729,964	283,347	15,013,312	15,031,304	383,280	15,414,584	301,339	99,933			
Fruita	340 Land Rights	452		2.0000%	0.0000%	2.0000%	1.1699%	0.0000%	1.1699%		9	-	9	5	-	5	(4)	-			
Fruita	341 Structures and Improvements	92,002		0.8302%	0.0548%	0.8850%	1.4385%	0.2166%	1.6551%		764	50	814	1,323	199	1,523	560	149			
Fruita	342 Fuel Holders, Producers, and Accessories	599,152		0.9756%	0.0644%	1.0400%	2.7323%	0.4147%	3.1470%		5,845	386	6,231	16,371	2,485	18,855	10,525	2,099			
Fruita	343 Prime Movers	-		-	-	0.0000%	2.1523%	0.3260%	2.4784%	(3)	-	-	-	-	-	-	-	-			
Fruita	344 Generators	2,512,252		0.9653%	0.0637%	1.0290%	1.6470%	0.2497%	1.8967%		24,251	1,600	25,851	41,377	6,273	47,650	17,126	4,673			
Fruita	345 Accessory Electric Equipment	74,773		3.9428%	0.2602%	4.2030%	3.7636%	0.5701%	4.3337%	(3)	2,948	195	3,143	2,814	426	3,240	(134)	232			
Fruita	345.2 Computers and Peripherals	-		-	-	-	2.1524%	0.3260%	2.4784%		-	-	-	-	-	-	-	-			
Fruita	346 Miscellaneous Power Plant Equipment	184,511		1.0610%	0.0700%	1.1310%	6.8548%	1.0339%	7.8887%		1,958	129	2,087	12,648	1,908	14,556	10,690	1,779			
Fruita	Total	3,463,143		1.0330%	0.0682%	1.1012%	2.1523%	0.3260%	2.4784%		35,775	2,360	38,135	74,538	11,291	85,829	38,763	8,931			
Ft Saint Vrain Unit 1	341 Structures and Improvements	24,174,374		1.3811%	0.0539%	1.4350%	1.6028%	0.0402%	1.6430%		333,872	13,030	346,902	387,467	9,718	397,185	53,595	(3,312)			
Ft Saint Vrain Unit 1	342 Fuel Holders, Producers, and Accessories	3,889,738		2.3879%	0.0931%	2.4810%	2.1170%	0.0617%	2.1787%		92,883	3,621	96,504	82,346	2,400	84,746	(10,537)	(1,221)			
Ft Saint Vrain Unit 1	343 Prime Movers	1,121,784		2.1280%	0.0830%	2.2110%	3.2644%	0.1068%	3.3712%		23,872	931	24,803	36,620	1,198	37,818	12,748	267			
Ft Saint Vrain Unit 1	344 Generators	81,854,830		1.3705%	0.0535%	1.4240%	2.1656%	0.0619%	2.2275%		1,121,820	43,792	1,165,613	1,772,648	50,668	1,823,316	650,828	6,876			
Ft Saint Vrain Unit 1	345 Accessory Electric Equipment	21,140,984		1.3831%	0.0539%	1.4370%	2.0634%	0.0581%	2.1215%		292,401	11,395	303,796	436,223	12,283	448,506	143,822	888			
Ft Saint Vrain Unit 1	345.2 Computers and Peripherals	102,108		1.6487%	0.0643%	1.7130%	1.8410%	0.0454%	1.8864%		1,683	66	1,749	1,880	46	1,926	196	(19)			
Ft Saint Vrain Unit 1	346 Miscellaneous Power Plant Equipment	4,031,347		1.4379%	0.0561%	1.4940%	1.8473%	0.0427%	1.8900%		57,967	2,262	60,228	66,408	1,721	68,130	8,442	(540)			
Ft Saint Vrain Unit 1	Total	136,315,165		1.4118%	0.0551%	1.4669%	2.0420%	0.0572%	2.0993%		1,924,498	75,097	1,999,595	2,783,592	78,035	2,861,627	859,093	2,938			
Ft Saint Vrain Unit 2	341 Structures and Improvements	15,446	(4)	2.1005%	0.2395%	2.3400%	3.6892%	0.0586%	3.7478%		324	37	361	570	9	579	245	(28)			
Ft Saint Vrain Unit 2	342 Fuel Holders, Producers, and Accessories	125,344		2.7469%	0.1071%	2.8540%	2.8271%	0.0565%	2.8836%		3,443	134	3,577	3,544	71	3,614	101	(63)			
Ft Saint Vrain Unit 2	343 Prime Movers	2,355,725		2.2281%	0.0869%	2.3150%	3.6836%	0.0867%	3.7703%		52,488	2,047	54,535	86,775	2,042	88,818	34,288	(5)			
Ft Saint Vrain Unit 2	344 Generators	90,401,430		2.3272%	0.0908%	2.4180%	2.4889%	0.0482%	2.5371%		2,103,822	82,084	2,185,907	2,250,001	43,573	2,293,575	146,179	(38,511)			
Ft Saint Vrain Unit 2	345 Accessory Electric Equipment	1,073,745	(4)	1.9838%	0.2262%	2.2100%	3.5292%	0.0670%	3.5962%		21,301	2,429	23,730	37,895	719	38,614	16,594	(1,709)			
Ft Saint Vrain Unit 2	345.2 Computers and Peripherals	-	(4)	1.9838%	0.2262%	2.2100%	2.5319%	0.0494%	2.5813%	(3)	-	-	-	-	-	-	-	-			
Ft Saint Vrain Unit 2	346 Miscellaneous Power Plant Equipment	61,699	(4)	1.6876%	0.1924%	1.8800%	3.3271%	0.0556%	3.3827%		1,041	119	1,160	2,053	34	2,087	1,012	(84)			
Ft Saint Vrain Unit 2	Total	94,033,390		2.3209%	0.0924%	2.4133%	2.5319%	0.0494%	2.5813%		2,182,420	86,850	2,269,270	2,380,838	46,449	2,427,287	198,418	(40,401)			
Ft Saint Vrain Unit 3	341 Structures and Improvements	-		0.0000%	0.0000%	0.0000%	3.2405%	0.2441%	3.4846%	(3)	-	-	-	-	-	-	-	-			
Ft Saint Vrain Unit 3	342 Fuel Holders, Producers, and Accessories	334,847		2.7825%	0.1085%	2.8910%	3.5283%	0.2640%	3.7923%		9,317	363	9,680	11,814	884	12,698	2,497	521			
Ft Saint Vrain Unit 3	343 Prime Movers	4,898,752	(4)	1.8582%	0.2118%	2.0700%	3.6929%	0.2895%	3.9824%		91,029	10,376	101,404	180,906	14,182	195,088	89,877	3,806			
Ft Saint Vrain Unit 3	344 Generators	14,579,156		2.6237%	0.1023%	2.7260%	3.0653%	0.2275%	3.2928%		382,513	14,914	397,428	446,895	33,168	480,062	64,382	18,253			
Ft Saint Vrain Unit 3	345 Accessory Electric Equipment	674,312	(4)	1.9838%	0.2262%	2.2100%	3.5403%	0.2614%	3.8017%		13,377	1,525	14,902	23,873	1,763	25,635	10,496	237			
Ft Saint Vrain Unit 3	345.2 Computers and Peripherals	-	(4)	1.9838%	0.2262%	2.2100%	3.2405%	0.2441%	3.4846%	(3)	-	-	-	-	-	-	-	-			
Ft Saint Vrain Unit 3	346 Miscellaneous Power Plant Equipment	116,912	(4)	1.6876%	0.1924%	1.8800%	3.5722%	0.2557%	3.8279%		1,973	225	2,198	4,176	299	4,475	2,203	74			
Ft Saint Vrain Unit 3	Total	20,603,979		2.4180%	0.1330%	2.5510%	3.2405%	0.2441%	3.4846%		498,209	27,404	525,613	667,664	50,295	717,959	169,455	22,891			
Ft Saint Vrain Unit 4	341 Structures and Improvements	3,072,750		2.3994%	0.0936%	2.4930%	1.6110%	0.0202%	1.6312%		73,728	2,876	76,604	49,502	621	50,123	(24,226)	(2,255)			
Ft Saint Vrain Unit 4	342 Fuel Holders, Producers, and Accessories	29,420,436	(4)	2.4321%	0.0949%	2.5270%	2.5323%	0.0421%	2.5744%		715,534	27,920	743,454	745,014	12,386	757,400	29,479	13,484			
Ft Saint Vrain Unit 4	343 Prime Movers	600,015		1.8582%	0.2118%	2.0700%	3.8294%	0.0772%	3.9066%		11,149	1,271	12,420	22,977	463	23,440	11,828	(808)			
Ft Saint Vrain Unit 4	344 Generators	78,395,499		2.5881%	0.1009%	2.6890%	2.5574%	0.0409%	2.5983%		2,028,954										

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			Approved (1)				Proposed				Approved				Proposed				Difference			
Unit or Account Number		Account Number and / or Description	Estimated Plant Balance 1/1/2018	Life Depr	COR Depr	Tot Depr	Life Depr	COR Depr	Tot Depr	Life	COR	Total	Life	COR	Total	Life	COR	Total				
			Notes	Rate	Rate	Rate	Rate	Rate	Rate	Notes	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp				
Ft Saint Vrain Unit 6	341 Structures and Improvements		(6)	2.3680%	0.1940%	2.5620%	2.4592%	0.0302%	2.4894%		174,489	14,295	188,784	181,209	2,225	183,435	6,720	(12,070)	(5,350)			
Ft Saint Vrain Unit 6	342 Fuel Holders, Producers, and Accessories		(6)	2.3680%	0.1940%	2.5620%	2.5906%	0.0462%	2.6368%		58,709	4,810	63,519	64,228	1,145	65,373	5,519	(3,664)	1,854			
Ft Saint Vrain Unit 6	343 Prime Movers		(6)	2.3680%	0.1940%	2.5620%	3.0979%	0.0702%	3.1681%		27,689	2,268	29,958	36,224	821	37,045	8,535	(1,448)	7,087			
Ft Saint Vrain Unit 6	344 Generators		(6)	2.3680%	0.1940%	2.5620%	2.5127%	0.0429%	2.5556%		1,418,876	116,242	1,535,119	1,505,579	25,705	1,531,284	86,702	(90,537)	(3,835)			
Ft Saint Vrain Unit 6	345 Accessory Electric Equipment		(6)	2.3680%	0.1940%	2.5620%	2.5077%	0.0414%	2.5491%	(3)	217,921	17,853	235,774	230,777	3,810	234,587	12,856	(14,043)	(1,187)			
Ft Saint Vrain Unit 6	345.2 Computers and Peripherals			2.3680%	0.1940%	2.5620%	2.5178%	0.0420%	2.5598%													
Ft Saint Vrain Unit 6	346 Miscellaneous Power Plant Equipment		(6)	2.3680%	0.1940%	2.5620%	2.4741%	0.0332%	2.5073%		14,967	1,226	16,193	15,638	210	15,848	671	(1,016)	(346)			
Ft Saint Vrain Unit 6	Total			2.3680%	0.1940%	2.5620%	2.5178%	0.0420%	2.5598%		1,912,652	156,695	2,069,347	2,033,655	33,917	2,067,571	121,003	(122,779)	(1,776)			
Ft Saint Vrain Common	341 Structures and Improvements			1.6554%	0.0646%	1.7200%	1.7422%	0.3890%	2.1312%		182,065	7,105	189,170	191,612	42,783	234,395	9,546	35,678	45,225			
Ft Saint Vrain Common	342 Fuel Holders, Producers, and Accessories			1.6391%	0.0639%	1.7030%	1.9328%	0.4422%	2.3750%		33,339	1,300	34,638	39,312	8,994	48,306	5,974	7,694	13,668			
Ft Saint Vrain Common	343 Prime Movers			2.6266%	0.1024%	2.7290%	2.6212%	0.6124%	3.2336%		23,980	935	24,915	23,931	5,591	29,522	(49)	4,656	4,607			
Ft Saint Vrain Common	344 Generators			2.5881%	0.1009%	2.6890%	1.9221%	0.4383%	2.3604%		1,185,079	46,202	1,231,281	880,121	200,696	1,080,816	(304,958)	154,494	(150,464)			
Ft Saint Vrain Common	345 Accessory Electric Equipment			2.5958%	0.1012%	2.6970%	1.9340%	0.4400%	2.3740%		380,020	14,815	394,835	283,134	64,415	347,549	(96,886)	49,600	(47,287)			
Ft Saint Vrain Common	345.2 Computers and Peripherals			2.1193%	0.0827%	2.2020%	2.7043%	0.6022%	3.3065%		25,762	1,005	26,768	32,874	7,320	40,194	7,111	6,315	13,426			
Ft Saint Vrain Common	346 Miscellaneous Power Plant Equipment			2.5303%	0.0987%	2.6290%	2.5749%	0.5778%	3.1527%		24,917	972	25,889	25,356	5,690	31,046	439	4,718	5,157			
Ft Saint Vrain Common	Total			2.4227%	0.0945%	2.5171%	1.9280%	0.4381%	2.3661%		1,855,162	72,334	1,927,495	1,476,338	335,489	1,811,828	(378,823)	263,155	(115,668)			
Ft. Lupton CT	341 Structures and Improvements			2.4128%	0.1472%	2.5600%	2.2413%	0.2089%	2.4502%		4,632	283	4,914	4,302	401	4,703	(329)	118	(211)			
Ft. Lupton CT	342 Fuel Holders, Producers, and Accessories			3.6664%	0.2236%	3.8900%	2.6466%	0.2499%	2.8965%		12,839	783	13,622	9,268	875	10,143	(3,571)	92	(3,479)			
Ft. Lupton CT	343 Prime Movers					0.0000%	3.0159%	0.2842%	3.3000%	(3)	-	-	-	-	-	-	-	-	-			
Ft. Lupton CT	344 Generators			3.7945%	0.2315%	4.0260%	2.9021%	0.2735%	3.1756%		475,823	29,030	504,853	363,918	34,296	398,214	(111,905)	5,267	(106,638)			
Ft. Lupton CT	345 Accessory Electric Equipment			1.2875%	0.0785%	1.3660%	5.6892%	0.5354%	6.2246%	(3)	8,245	503	8,748	36,434	3,429	39,862	28,188	2,926	31,114			
Ft. Lupton CT	345.2 Computers and Peripherals						3.0159%	0.2842%	3.3000%		-	-	-	-	-	-	-	-	-			
Ft. Lupton CT	346 Miscellaneous Power Plant Equipment			1.3713%	0.0837%	1.4550%	1.4308%	0.1337%	1.5645%		65	4	69	68	6	75	3	2	5			
Ft. Lupton CT	Total			3.6541%	0.2229%	3.8770%	3.0159%	0.2842%	3.3000%		501,605	30,602	532,206	413,990	39,008	452,998	(87,614)	8,406	(79,209)			
Rocky Mountain	341 Structures and Improvements		(7)	2.5000%	0.3491%	2.8491%	2.6121%	0.1083%	2.7204%		67,638	9,445	77,083	70,671	2,930	73,601	3,033	(6,515)	(3,482)			
Rocky Mountain	342 Fuel Holders, Producers, and Accessories		(7)	2.5000%	0.3491%	2.8491%	3.0120%	0.1421%	3.1541%		33,914	4,736	38,650	40,860	1,928	42,787	6,946	(2,808)	4,138			
Rocky Mountain	343 Prime Movers		(7)	2.5000%	0.3491%	2.8491%	2.9904%	0.1560%	3.1464%		81,503	11,381	92,884	97,490	5,086	102,576	15,988	(6,295)	9,692			
Rocky Mountain	344 Generators		(7)	2.5000%	0.3491%	2.8491%	2.5490%	0.1183%	2.6673%		9,871,946	1,378,519	11,250,465	10,065,436	467,140	10,532,577	193,490	(911,378)	(717,888)			
Rocky Mountain	345 Accessory Electric Equipment		(7)	2.5000%	0.3491%	2.8491%	2.5490%	0.1183%	2.6673%		(1,407,013)	(196,475)	(1,603,488)	-	-	-	1,407,013	196,475	1,603,488			
Rocky Mountain	345.2 Computers and Peripherals		(7)	2.5000%	0.3491%	2.8491%	2.6502%	0.1214%	2.7716%	(3)	58,677	8,194	66,870	62,202	2,849	65,051	3,525	(5,344)	(1,819)			
Rocky Mountain	346 Miscellaneous Power Plant Equipment		(7)	2.5000%	0.3491%	2.8491%	2.5551%	0.1091%	2.6672%		5,758	804	6,562	5,892	251	6,143	134	(553)	(419)			
Rocky Mountain	Total			2.1524%	0.3006%	2.4530%	2.5551%	0.1186%	2.6737%		8,712,423	1,216,603	9,929,026	10,342,551	480,185	10,822,736	1,630,128	(736,418)	893,710			
Valmont	341 Structures and Improvements			0.7780%	0.0420%	0.8200%	1.4548%	0.0188%	1.4736%		510	28	538	954	12	966	444	(15)	429			
Valmont	342 Fuel Holders, Producers, and Accessories			1.2837%	0.0693%	1.3530%	1.7920%	0.0253%	1.8173%		1,411	76	1,487	1,970	28	1,998	559	(48)	510			
Valmont	343 Prime Movers						2.3679%	0.0329%	2.4008%	(3)	-	-	-	-	-	-	-	-	-			
Valmont	344 Generators			1.8046%	0.0974%	1.9020%	2.3278%	0.0324%	2.3602%		168,266	9,082	177,348	217,050	3,021	220,071	48,785	(6,061)	42,724			
Valmont	345 Accessory Electric Equipment			4.3197%	0.2333%	4.5530%	3.1299%	0.0433%	3.1732%	(3)	27,378	1,479	28,857	19,837	274	20,112	(7,541)	(1,204)	(8,745)			
Valmont	345.2 Computers and Peripherals						2.3679%	0.0329%	2.4008%		-	-	-	-	-	-	-	-	-			
Valmont	346 Miscellaneous Power Plant Equipment			4.5873%	0.2477%	4.8350%	3.1187%	0.0411%	3.1598%		865	47	912	588	8	596	(277)	(39)	(316)			
Valmont	Total			1.9545%	0.1055%	2.0600%	2.3679%	0.0329%	2.4008%		198,431	10,711	209,142	240,400	3,343	243,744	41,969	(7,368)	34,602			
Wind to Hydrogen	344 Generators		(5)	6.6700%	0.0000%	6.6700%	5.2817%	0.0134%	5.2951%		67,866	-	67,866	53,740	136	53,877	(14,126)	136	(13,989)			
Total Other Production											42,334,296	2,590,750	44,925,046	46,519,787	1,720,713	48,240,500	4,185,491	(870,037)	3,315,454			
Total Production											105,776,034	7,708,429	113,484,463	152,668,718	10,375,689	163,044,407	46,892,684	2,667,261	49,559,945			

Public Service of Colorado Comparison of Depreciation Rates and Annual Amounts January 1, 2018																				
Unit or Account Number		Account Number and / or Description	Estimated Plant Balance 1/1/2018	Approved (1)			Proposed			Approved			Proposed			Difference				
				Life Depr	COR Depr	Tot Depr	Life Depr	COR Depr	Tot Depr	Life	COR	Total	Life	COR	Total	Life	COR	Total		
				Notes	Rate	Rate	Rate	Rate	Rate	Rate	Notes	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	
TRANSMISSION PLANT																				
350.20	Land Rights		77,137,901		1.0300%	0.0000%	1.0300%	1.0113%	0.0000%	1.0113%		794,520	-	794,520	780,101	-	780,101	(14,420)	-	(14,420)
352.00	Structures and Improvements		79,240,594		1.3091%	0.1309%	1.4400%	1.1854%	0.1541%	1.3395%		1,037,339	103,726	1,141,065	939,321	122,112	1,061,433	(98,017)	18,386	(79,632)
352.00	Structures and Improvements	(7)	-		1.3091%	0.1309%	1.4400%	1.1854%	0.1541%	1.3395%		(4,680)	(468)	(5,148)	-	-	-	4,680	468	5,148
353.00	Station Equipment		1,050,103,042		1.6481%	0.1319%	1.7800%	1.8045%	0.2707%	2.0752%		17,306,748	1,385,086	18,691,834	18,949,568	2,842,435	21,792,003	1,642,820	1,457,349	3,100,169
353.00	Station Equipment	(7)	-		1.6481%	0.1319%	1.7800%	1.8045%	0.2707%	2.0752%		(111,760)	(8,944)	(120,705)	-	-	-	111,760	8,944	120,705
354.00	Towers and Fixtures		189,264,961		1.1238%	0.0562%	1.1800%	1.3531%	0.5412%	1.8943%		2,126,960	106,367	2,233,327	2,560,900	1,024,360	3,585,259	433,940	917,993	1,351,933
355.00	Poles and Fixtures		421,418,577		1.5619%	0.0781%	1.6400%	1.6262%	0.6505%	2.2767%		6,582,137	329,128	6,911,265	6,853,197	2,741,279	9,594,475	271,060	2,412,151	2,683,211
356.00	Overhead Conductors and Devices		299,581,242		1.7048%	0.0852%	1.7900%	1.4467%	0.3617%	1.8084%		5,107,261	255,243	5,362,504	4,334,097	1,083,524	5,417,621	(773,164)	828,281	55,117
357.00	Underground Conduit		35,592,625		1.9400%	0.0000%	1.9400%	1.6890%	0.0000%	1.6890%		690,497	-	690,497	601,146	-	601,146	(89,351)	-	(89,351)
358.00	Underground Conductors and Devices		64,752,789		1.8800%	0.0000%	1.8800%	2.0309%	0.1015%	2.1324%		1,217,352	-	1,217,352	1,315,065	65,753	1,380,818	97,712	65,753	163,466
359.00	Roads and Trails		4,318,793		0.9700%	0.0000%	0.9700%	1.1117%	0.0000%	1.1117%		41,892	-	41,892	48,013	-	48,013	6,121	-	6,121
Total Transmission			2,221,410,524									34,788,266	2,170,137	36,958,404	36,381,406	7,879,463	44,260,869	1,593,140	5,709,325	7,302,465
DISTRIBUTION PLANT																				
360.20	Land Rights		38,790,186		1.0900%	0.0000%	1.0900%	0.9913%	0.0000%	0.9913%		422,813	-	422,813	384,527	-	384,527	(38,286)	-	(38,286)
361.00	Structures and Improvements		77,174,622		1.7100%	0.0000%	1.7100%	1.5124%	0.0756%	1.5881%		1,319,686	-	1,319,686	1,167,212	58,361	1,225,573	(152,474)	58,361	(94,113)
362.00	Station Equipment		660,394,109		1.7826%	0.2674%	2.0500%	1.7249%	0.1725%	1.8974%		11,772,185	1,765,894	13,538,079	11,391,288	1,139,129	12,530,416	(380,898)	(626,765)	(1,007,663)
364.00	Poles, Towers and Fixtures		291,089,376		2.8077%	0.8423%	3.6500%	1.9494%	0.9747%	2.9241%		8,172,916	2,451,846	10,624,762	5,674,560	2,837,280	8,511,839	(2,498,357)	385,434	(2,112,923)
365.00	Overhead Conductors and Devices		345,551,518		2.3643%	0.9457%	3.3100%	1.9634%	0.7854%	2.7488%		8,169,875	3,267,881	11,437,755	6,784,562	2,713,825	9,498,387	(1,385,312)	(554,056)	(1,939,368)
366.00	Underground Conduit		380,777,422		1.9135%	0.0765%	1.9900%	1.4040%	0.3510%	1.7550%		7,286,176	291,295	7,577,471	5,345,998	1,336,500	6,682,498	(1,940,178)	1,045,205	(894,973)
367.00	Underground Conductors and Devices		1,824,579,253		1.8636%	0.1864%	2.0500%	2.0849%	0.1042%	2.1892%		34,002,859	3,401,016	37,403,875	38,041,262	1,902,063	39,943,325	4,038,403	(1,498,953)	2,539,450
368.00	Line Transformers		508,368,612		2.2100%	0.0000%	2.2100%	2.0652%	0.2065%	2.2717%		11,234,946	-	11,234,946	10,498,827	1,049,883	11,548,710	(736,119)	1,049,883	313,764
369.00	Services		24,404,882		1.9580%	0.3720%	2.3300%	1.7078%	0.5124%	2.2202%		477,848	90,786	568,634	416,797	125,039	541,836	(61,051)	34,253	(26,798)
369.10	Services-Overhead		46,739,929		1.9580%	0.3720%	2.3300%	1.8907%	0.5672%	2.4579%		915,168	173,873	1,089,040	883,722	265,117	1,148,839	(31,445)	91,244	59,799
369.20	Services-Underground		221,507,889		1.9580%	0.3720%	2.3300%	1.8890%	0.5667%	2.4557%		4,337,124	824,009	5,161,134	4,184,324	1,255,297	5,439,622	(152,800)	431,288	278,488
370.00	Meters		148,065,110		3.9700%	0.0000%	3.9700%	3.8640%	0.0000%	3.8640%		5,878,185	-	5,878,185	5,721,235	-	5,721,235	(156,950)	-	(156,950)
370.20	Automated Meter Reading Equipment		68,769,058		8.8100%	0.0000%	8.8100%	7.7134%	0.0000%	7.7134%		6,058,554	-	6,058,554	5,304,452	-	5,304,452	(754,102)	-	(754,102)
371.00	Installation on Customer Premises		7,154,178		0.8333%	0.1667%	1.0000%	3.7264%	0.7453%	4.4716%		59,616	11,926	71,542	266,591	53,318	319,909	206,975	41,392	248,367
373.00	Street Lighting and Signal Systems		166,707,410		2.4583%	0.4917%	2.9500%	2.7592%	0.6898%	3.4490%		4,098,168	819,700	4,917,869	4,599,784	1,149,946	5,749,730	501,616	330,246	831,861

Public Service of Colorado
Comparison of Depreciation Rates and Annual Amounts
January 1, 2018

		Approved (1)				Proposed			Approved			Proposed			Difference				
Unit or Account Number	Account Number and / or Description	Estimated Plant Balance 1/1/2018	Notes	Life Depr	COR Depr	Tot Depr	Rate	Rate	Rate	Notes	Life	COR	Total	Life	COR	Total	Life	COR	Total
Total Distribution		4,810,073,555									104,206,119	13,098,225	117,304,345	100,665,141	13,885,757	114,550,898	(3,540,978)	787,531	(2,753,447)
<u>ELECTRIC GENERAL PLANT</u>																			
389.20	Land Rights	-		0.0000%	0.0000%	0.0000%	1.6667%	0.0000%	1.6667%		-	-	-	-	-	-	-	-	-
390.00	Structures and Improvements	6,784,142	(13)	4.1833%	0.0000%	4.1833%	2.4288%	0.1214%	2.5502%		283,803	-	283,803	164,772	8,239	173,010	(119,032)	8,239	(110,793)
391.00	Office Furniture and Equipment	4,201,607		4.7500%	0.0000%	4.7500%	4.6847%	0.0000%	4.6847%		199,576	-	199,576	196,834	-	196,834	(2,743)	-	(2,743)
391.20	Computer Hardware	21,582,874		20.0000%	0.0000%	20.0000%	19.5656%	0.0000%	19.5656%		4,316,575	-	4,316,575	4,222,821	-	4,222,821	(93,754)	-	(93,754)
392.10	Transportation Equipment-Autos	579,942		9.0000%	0.0000%	9.0000%	7.6106%	0.0000%	7.6106%		52,195	-	52,195	44,137	-	44,137	(8,058)	-	(8,058)
392.20	Transportation Equipment-Light Trucks	13,610,915		9.0000%	0.0000%	9.0000%	7.4775%	0.0000%	7.4775%		1,224,982	-	1,224,982	1,017,753	-	1,017,753	(207,229)	-	(207,229)
392.30	Transportation Equipment-Trailers	5,575,044		9.0000%	0.0000%	9.0000%	3.5413%	0.0000%	3.5413%		501,754	-	501,754	197,430	-	197,430	(304,324)	-	(304,324)
392.40	Transportation Equipment-Heavy Trucks	50,520,332		9.0000%	0.0000%	9.0000%	6.3219%	0.0000%	6.3219%		4,546,830	-	4,546,830	3,193,820	-	3,193,820	(1,353,010)	-	(1,353,010)
393.00	Stores Equipment	244,023		3.1700%	0.0000%	3.1700%	3.2159%	0.0000%	3.2159%		7,736	-	7,736	7,848	-	7,848	112	-	112
394.00	Tools, Shop and Garage Equipment	37,773,323		3.8000%	0.0000%	3.8000%	3.8903%	0.0000%	3.8903%		1,435,386	-	1,435,386	1,469,514	-	1,469,514	34,128	-	34,128
395.00	Laboratory Equipment	3,620,211		9.5000%	0.0000%	9.5000%	10.0000%	0.0000%	10.0000%		343,920	-	343,920	362,021	-	362,021	18,101	-	18,101
396.00	Power Operated Equipment	11,036,290		9.0000%	0.0000%	9.0000%	5.7648%	0.0000%	5.7648%		993,266	-	993,266	636,224	-	636,224	(357,042)	-	(357,042)
397.00	Communication Equipment	106,376,473		6.6700%	0.0000%	6.6700%	6.4129%	0.0000%	6.4129%		7,095,311	-	7,095,311	6,821,772	-	6,821,772	(273,539)	-	(273,539)
398.00	Miscellaneous Equipment	1,588,039		5.0000%	0.0000%	5.0000%	4.7139%	0.0000%	4.7139%		79,402	-	79,402	74,858	-	74,858	(4,544)	-	(4,544)
Total Electric General		263,493,216									21,080,736	-	21,080,736	18,409,804	8,239	18,418,043	(2,670,932)	8,239	(2,662,693)
Total Electric Plant		12,600,755,126									276,479,454	22,976,791	299,456,245	318,753,367	32,149,147	350,902,514	42,273,913	9,172,356	51,446,269
<u>COMMON INTANGIBLE PLANT</u>																			
301.00	Organization Costs										-	-	-	-	-	-	-	-	-
302.00	Franchises and Consents	3,383,421	(9)	Various	0.0000%	Various					-	-	-	-	-	-	-	-	-
303.00	Misc Computer Software-3 Year	-		33.3333%	0.0000%	33.3333%	33.3333%	0.0000%	33.3333%		-	-	-	-	-	-	-	-	-
303.04	Misc Computer Software-5 Year	117,738,242		20.0000%	0.0000%	20.0000%	20.0000%	0.0000%	20.0000%		23,547,648	-	23,547,648	23,547,648	-	23,547,648	-	-	-
303.04	Misc Computer Software-10 Year	5,785,234		10.0000%	0.0000%	10.0000%	10.0000%	0.0000%	10.0000%		578,523	-	578,523	578,523	-	578,523	-	-	-
303.04	Misc Computer Software-15 Year	156,941,548		10.0000%	0.0000%	10.0000%	6.6667%	0.0000%	6.6667%		15,694,155	-	15,694,155	10,462,822	-	10,462,822	(5,231,333)	-	(5,231,333)
Total Common Intangible		283,848,445									39,820,327	-	39,820,327	34,588,994	-	34,588,994	(5,231,333)	-	(5,231,333)
<u>COMMON GENERAL PLANT</u>																			
389.20	Land Rights	-		0.0000%	0.0000%	0.0000%	1.6667%	0.0000%	1.6667%		-	-	-	-	-	-	-	-	-
390.00	Structures and Improvements	166,089,841	(13)	2.0774%	0.3082%	2.3855%	2.5750%	0.2575%	2.8325%		3,450,286	511,832	3,962,118	4,276,862	427,686	4,704,549	826,577	(84,146)	742,431
390.07	Structures and Improvements - Leasehold Improvem	2,109,398	(10)	Various	0.0000%	Various					-	-	-	-	-	-	-	-	-
390.85	Structures and Improvements - 1800 Larimer	15,388,552	(8)	Various	0.0000%	Various					-	-	-	-	-	-	-	-	-
391.00	Office Furniture and Equipment	27,532,039		4.7500%	0.0000%	4.7500%	5.3351%	0.0000%	5.3351%		1,307,772	-	1,307,772	1,468,854	-	1,468,854	161,083	-	161,083
391.04	Computer Hardware	109,594,203		20.0000%	0.0000%	20.0000%	21.4662%	0.0000%	21.4662%		21,918,841	-	21,918,841	23,525,725	-	23,525,725	1,606,884	-	1,606,884
391.05	Computer Hardware - 3 Year Life	610,356		33.3300%	0.0000%	33.3300%	35.8108%	0.0000%	35.8108%		203,432	-	203,432	218,573	-	218,573	15,142	-	15,142
392.10	Transportation Equipment - Automobiles	1,225,016		9.0000%	0.0000%	9.0000%	8.1070%	0.0000%	8.1070%		110,251	-	110,251	99,312	-	99,312	(10,939)	-	(10,939)
392.20	Transportation Equipment - Light Trucks	6,518,325		9.0000%	0.0000%	9.0000%	8.3319%	0.0000%	8.3319%		586,649	-	586,649	543,100	-	543,100	(43,549)	-	(43,549)
392.30	Transportation Equipment - Trailers	959,396		9.0000%	0.0000%	9.0000%	3.7241%	0.0000%	3.7241%		86,346	-	86,346	35,729	-	35,729	(50,617)	-	(50,617)
392.40	Transportation Equipment - Heavy Trucks	3,477,330		9.0000%	0.0000%	9.0000%	7.6310%	0.0000%	7.6310%		312,960	-	312,960	265,355	-	265,355	(47,604)	-	(47,604)
393.00	Stores Equipment	511,651		3.1700%	0.0000%	3.1700%	3.9617%	0.0000%	3.9617%		16,219	-	16,219	20,270	-	20,270	4,051	-	4,051
394.00	Tools and Shop Equipment	6,272,608		3.8000%	0.0000%	3.8000%	4.2800%	0.0000%	4.2800%		238,359	-	238,359	268,470	-	268,470	30,111	-	30,111
395.00	Laboratory Equipment	34,168		9.5000%	0.0000%	9.5000%	10.1462%	0.0000%	10.1462%		3,246	-	3,246	3,467	-	3,467	221	-	221
396.00	Power Operated Equipment	3,796,576		9.0000%	0.0000%	9.0000%	6.6632%	0.0000%	6.6632%		341,692	-	341,692	252,975	-	252,975	(88,717)	-	(88,717)
397.00	Communication Equipment	16,682,543		6.6700%	0.0000%	6.6700%	10.8385%	0.0000%	10.8385%		1,112,726	-	1,112,726	1,808,138	-	1,808,138	695,412	-	695,412
398.00	Miscellaneous Equipment	1,036,207		5.0000%	0.0000%	5.0000%	6.2317%	0.0000%	6.2317%		51,810	-	51,810	64,574	-	64,574	12,763	-	12,763
Total Common General Plant		361,838,210									29,740,588	511,832	30,252,420	32,851,405	427,686	33,279,091	3,110,817	(84,146)	3,026,671
Total Common Plant		645,686,655									69,560,915	511,832	70,072,747	67,440,399	427,686	67,868,085	(2,120,516)	(84,146)	(2,204,662)
Total Electric and Common		13,246,441,781									346,040,369	23,488,623	369,528,992	386,193,766	32,576,833	418,770,599	40,153,397	9,088,210	49,241,608

Notes:

- (1) Approved Rates for Electric utility are from Docket No. 06S-234EG and Common utility are from Docket No. 02S-31SEG, unless specified in the Notes column.
- (2) Intentionally left blank
- (3) There is currently no balance in these accounts. In the event plant is added to these accounts, PSCo requests authorization to use the depreciation rate listed, which represents the composite depreciation rate for each unit.
- (4) Depreciation rates from Docket 02S-31SEG. These units were not addressed in 06S-234EG Rate Case.
- (5) Depreciation rates were utilized from Non-utility Wind prior to transfer to Electric Utility.
- (6) Depreciation rates for Comanche 3, FSV GT 5 and FSV GT 6 were approved in Docket 08S-520E.
- (7) Depreciation rates for Blue Spruce and Rocky Mountain were approved in CPUC Docket 11AL-947E. FERC subsequently required the Company to record an acquisition adjustment, resulting in depreciation calculated at net plant, plus amortization of the acquisition adjustment, per FERC Docket ER11-2853-000.
- (8) Amortized to the end of the lease term 6/2025.
- (9) Amortized over the terms of the franchise agreements or license.
- (10) Amortized over the lease term.
- (11) Individual amounts may not total to balance due to rounding.
- (12) Depreciation rates for Cherokee Other Production Unit 5, 6, 7, and Common were approved in Docket No. 15A-0916E.
- (13) Composite depreciation accrual rate for General Account 390 Structures and Improvements.

APPENDIX C - Depreciation Parameter Comparison

Public Service of Colorado
 Comparison of Depreciation Parameters
 January 1, 2018

Appendix C

Account		Approved (1)			Proposed			Difference		
			Net			Net		Net		
Number	Description	Notes	Curve	ASL	Salvage Percent	Curve	ASL	Salvage Percent	Life	Salvage Percent
<u>ELECTRIC INTANGIBLE PLANT</u>										
301.00	Organization Costs									
302.00	Franchises and Consents	(2)								
303.00	Miscellaneous Intangible Plant	(2)	Various			Various				
303.40	Misc Computer Software - 3 Year		SQ	3	0%	SQ	3	0%	0	0%
303.40	Misc Computer Software - 5 Year		SQ	5	0%	SQ	5	0%	0	0%
303.40	Misc Computer Software - 10 Year		SQ	10	0%	SQ	10	0%	0	0%
303.40	Misc Computer Software - 15 Year		SQ	10	0%	SQ	15	0%	5	0%
<u>COMMON INTANGIBLE PLANT</u>										
301.00	Organization Costs									
302.00	Franchises and Consents	(2)								
303.00	Miscellaneous Computer Software - 3 Year		SQ	3	0%	SQ	3	0%	0	0%
303.04	Miscellaneous Computer Software - 5 Year		SQ	5	0%	SQ	5	0%	0	0%
303.04	Miscellaneous Computer Software - 10 Year		SQ	10	0%	SQ	10	0%	0	0%
303.04	Miscellaneous Computer Software - 15 Year		SQ	10	0%	SQ	15	0%	5	0%
<u>PRODUCTION PLANT</u>										
312.20	Coal Cars			20	0%		24	0%		
<u>TRANSMISSION PLANT</u>										
350.20	Land Rights		R5	100	0%	R5	100	0%	0	0%
352.00	Structures and Improvements		S6	70	-5%	S2	85	-13%	15	-8%
353.00	Station Equipment		R2.5	60	-5%	R2	56	-15%	-4	-10%
354.00	Towers and Fixtures		R4	70	0%	R4	76	-40%	6	-40%
355.00	Poles and Fixtures		R3	50	5%	R2.5	62	-40%	12	-45%
356.00	OH Conductors and Devices		R1.5	50	0%	R2	70	-25%	20	-25%
357.00	UG Conduit		R3	50	0%	R3	60	0%	10	0%
358.00	UG Conductors and Devices		R3	50	0%	R3	50	-5%	0	-5%
359.00	Roads and Trails		S6	85	0%	S5	92	0%	7	0%
<u>DISTRIBUTION PLANT</u>										
360.20	Land Rights		R4	90	0%	R4	100	0%	10	0%
361.00	Structures and Improvements		R1.5	50	0%	R2	65	-5%	15	-5%
362.00	Station Equipment		R1.5	50	-5%	R1.5	57	-10%	7	-5%
364.00	Poles, Towers and Fixtures		L2	45	-25%	S0	50	-50%	5	-25%
365.00	OH Conductors and Devices		R1	45	-25%	R0.5	50	-40%	5	-15%
366.00	UG Conduit		R2	79	-4%	R3	70	-25%	-9	-21%
367.00	UG Conductors and Devices		R2.5	50	0%	R1.5	47	-5%	-3	-5%
368.00	Line Transformers		R0.5	35	5%	R1.5	47	-10%	12	-15%
369.00	Services		R3	45	-9%	R5	50	-30%	5	-21%
369.10	Services-Overhead		R3	45	-9%	R5	50	-30%	5	-21%
369.20	Services-Underground		R3	45	-9%	R5	50	-30%	5	-21%
370.00	Meters		R0.5	25	0%	R1.5	24	0%	-1	0%
370.20	Automated Meter Reading Equipment		S6	10	5%	S6	10	0%	0	-5%
371.00	Installation on Customer Premises		L0	20	-20%	L0.5	25	-20%	5	0%
373.00	Street Lighting and Signal Systems		R0.5	35	-20%	R0.5	35	-25%	0	-5%
<u>ELECTRIC GENERAL PLANT</u>										
389.20	Land Rights					R4	60	0%	60	0%
390.06	Structures and Improvements (390B General Buildings)	(3)	R2	50	0%	L2	40	-5%	-10	-5%
390.00	Structures and Improvements	(3)	L1.5	20	0%	L2	40	-5%	20	-5%
390.08	Partitions	(3) (4)	R4	25	0%	L2	40	-5%	15	-5%
391.00	Office Furniture and Equipment		SQ	20	5%	SQ	20	0%	0	-5%
391.20	Computer Hardware		SQ	5	0%	SQ	5	0%	0	0%
392.10	Transportation Equipment - Automobiles		SQ	10	10%	SQ	12	6%	2	-4%
392.20	Transportation Equipment - Light Trucks		SQ	10	10%	SQ	12	6%	2	-4%
392.30	Transportation Equipment - Trailers		SQ	10	10%	SQ	25	10%	15	0%
392.40	Transportation Equipment - Heavy Trucks		SQ	10	10%	SQ	14	6%	4	-4%
393.00	Stores Equipment		SQ	30	5%	SQ	30	0%	0	-5%
394.00	Tools, Shop and Garage Equipment		SQ	25	5%	SQ	25	0%	0	-5%
395.00	Laboratory Equipment		SQ	10	5%	SQ	10	0%	0	-5%
396.00	Power Operated Equipment		SQ	10	10%	SQ	14	15%	4	5%
397.00	Communication Equipment		SQ	15	0%	SQ	15	0%	0	0%
398.00	Miscellaneous Equipment		SO	20	0%	SO	20	0%	0	0%

Public Service of Colorado
 Comparison of Depreciation Parameters
 January 1, 2018

Appendix C

			Approved (1)			Proposed			Difference	
Account			Net Salvage			Net Salvage			Net Salvage	
Number	Description	Notes	Curve	ASL	Percent	Curve	ASL	Percent	Life	Percent
COMMON GENERAL PLANT										
389.20	Land Rights					R4	60	0%	60	0%
390.06	Structures and Improvements (390B General Buildings)	(3)	L1	50	-10%	L2	40	-10%	-10	0%
390.00	Structures and Improvements	(3)	R1.5	35	-10%	L2	40	-10%	5	0%
390.08	Structures and Improvements - Partitions	(3) (5)	R4	25	5%	L2	40	-10%	15	-15%
390.07	Structures and Improvements - Leasehold Improvements	(6)								
390.85	Structures and Improvements - 1800 Larimer	(7)								
391.00	Office Furniture and Equipment		SQ	20	5%	SQ	20	0%	0	-5%
391.04	Computer Hardware		SQ	5	0%	SQ	5	0%	0	0%
391.05	Computer Hardware - 3 Year Life		SQ	3	0%	SQ	3	0%	0	0%
391.09	Office Equipment - Partition Lease Facilities	(8)	SQ	20	0%	SQ	20	0%	0	0%
392.10	Transportation Equipment - Automobiles		SQ	10	10%	SQ	12	6%	2	-4%
392.20	Transportation Equipment - Light Trucks		SQ	10	10%	SQ	12	6%	2	-4%
392.30	Transportation Equipment - Trailers		SQ	10	10%	SQ	25	10%	15	0%
392.40	Transportation Equipment - Heavy Trucks		SQ	10	10%	SQ	14	6%	4	-4%
393.00	Stores Equipment		SQ	30	5%	SQ	30	0%	0	-5%
394.00	Tools and Shop Equipment		SQ	25	5%	SQ	25	0%	0	-5%
395.00	Laboratory Equipment		SQ	10	5%	SQ	10	0%	0	-5%
396.00	Power Operated Equipment		SQ	10	10%	SQ	14	15%	4	5%
397.00	Communication Equipment		SQ	15	0%	SQ	15	0%	0	0%
398.00	Miscellaneous Equipment		SO	20	0%	SO	20	0%	0	0%

Notes:

- (1) Approved Rates for Electric are from Docket No. 06S-234EG and Common are from Docket No. 02S-315EG, unless specified in the Notes column.
- (2) Amortized over the terms of the franchise agreements or license.
- (3) Accounts 390 Structures and Improvements subaccounts will be combined into one 390 Structures and Improvements account in future filings.
- (4) Account 390.08 Electric Partitions is fully accrued. Future additions to this account will be booked in Electric account 390.0 Structures and Improvements
- (5) Account 390.08 Common Partitions is almost fully accrued. Future additions to this account will be booked in Common account 390.0 Structures and Improvements
- (6) Amortized over the lease term.
- (7) Amortized to the end of the lease term 6/2025.
- (8) Account 391.09 Common Office - Partitions Leased Facilities is almost fully accrued. Future additions to this account will be booked in Common account 390.07 Structures and Improvements - Leasehold Improvements and amortized over the lease term.

APPENDIX E-2 - Net Salvage Analysis Common Assets

PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015
COMMON GENERAL PLANT
RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS

	Activity			Removal	Net	Net	2- yr	3- yr	4- yr	5- yr	6- yr	7- yr	8- yr	9- yr	10- yr
FERC	Year	Retirements	Salvage	Cost	Salvage	Salv. %	Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %
Structures and Improvements															
390.00	1998	1,363,666	0	0	0	0.00%									
390.00	1999	342,436	0	0	0	0.00%	0.00%								
390.00	2000	0	0	0	0	NA	0.00%	0.00%							
390.00	2001	0	0	0	0	NA	NA	0.00%	0.00%						
390.00	2002	20,710	0	(142)	142	0.68%	0.68%	0.68%	0.04%	0.01%					
390.00	2003	0	0	0	0	NA	0.68%	0.68%	0.68%	0.04%	0.01%				
390.00	2004	16,411	0	0	0	0.00%	0.00%	0.38%	0.38%	0.38%	0.04%	0.01%			
390.00	2005	899,155	0	1,376	(1,376)	-0.15%	-0.15%	-0.15%	-0.13%	-0.13%	-0.13%	-0.10%	-0.05%		
390.00	2006	0	0	0	0	NA	-0.15%	-0.15%	-0.15%	-0.13%	-0.13%	-0.13%	-0.10%	-0.05%	
390.00	2007	1,784,351	0	103,124	(103,124)	-5.78%	-5.78%	-3.89%	-3.87%	-3.87%	-3.84%	-3.84%	-3.84%	-3.41%	-2.36%
390.00	2008	153,132	0	162,953	(162,953)	-106.41%	-13.73%	-13.73%	-9.43%	-9.37%	-9.37%	-9.30%	-9.30%	-9.30%	-8.31%
390.00	2009	0	0	0	0	NA	-106.41%	-13.73%	-13.73%	-9.43%	-9.37%	-9.37%	-9.30%	-9.30%	-9.30%
390.00	2010	48,205	0	1,031	(1,031)	-2.14%	-2.14%	-81.45%	-13.45%	-13.45%	-9.31%	-9.25%	-9.25%	-9.18%	-9.18%
390.00	2011	1,927,040	755	607,743	(606,988)	-31.50%	-30.78%	-30.78%	-36.22%	-22.34%	-22.34%	-18.19%	-18.13%	-18.13%	-18.05%
390.00	2012	1,398,598	0	8,980	(8,980)	-0.64%	-18.52%	-18.29%	-18.29%	-22.11%	-16.63%	-16.63%	-14.24%	-14.20%	-14.20%
390.00	2013	1,015,066	41,647	546,711	(505,064)	-49.76%	-21.30%	-25.83%	-25.57%	-25.57%	-28.29%	-21.94%	-21.94%	-19.23%	-19.19%
390.00	2014	972,410	1,689	119,380	(117,691)	-12.10%	-31.33%	-18.66%	-23.31%	-23.12%	-23.12%	-25.44%	-20.63%	-20.63%	-18.39%
390.00	2015	574,820	0	20,451	0	0.00%	-7.61%	-24.30%	-15.95%	-21.04%	-20.88%	-20.88%	-23.04%	-19.13%	-19.13%
Structures and Improvements - Partitions															
390.08	1998	14,419	0	0	0	0.00%									
390.08	2003	0	0	0	0	NA	0.00%								
390.08	2006	0	0	0	0	NA	NA	NA							
390.08	2007	0	0	0	0	NA	NA	NA	NA						
390.08	2008	0	0	0	0	NA	NA	NA	NA	NA					
390.08	2009	0	0	0	0	NA	NA	NA	NA	NA	NA				
390.08	2010	0	0	0	0	NA	NA	NA	NA	NA	NA	NA			
390.08	2011	145,513	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
390.08	2012	603,898	11,975	144,029	(132,053)	-21.87%	-17.62%	-17.62%	-17.62%	-17.62%	-17.62%	-17.62%	-17.62%	-17.29%	
390.08	2013	0	0	0	0	NA	-21.87%	-17.62%	-17.62%	-17.62%	-17.62%	-17.62%	-17.62%	-17.62%	-17.29%
390.08	2014	0	0	0	0	NA	NA	-21.87%	-17.62%	-17.62%	-17.62%	-17.62%	-17.62%	-17.62%	-17.62%
390.08	2015	0	0	0	0	NA	NA	NA	-21.87%	-17.62%	-17.62%	-17.62%	-17.62%	-17.62%	-17.62%
Structures and Improvements - Leased															
390.07	1998	0	0	0	0	NA									

PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015
COMMON GENERAL PLANT
RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS

							2- yr	3- yr	4- yr	5- yr	6- yr	7- yr	8- yr	9- yr	10- yr
Activity			Removal	Net	Net	Net	Net	Net	Net	Net	Net	Net	Net	Net	Net
FERC	Year	Retirements	Salvage	Cost	Salvage	Salv. %	Salv. %	Salv. %	Salv. %	Salv. %	Salv. %	Salv. %	Salv. %	Salv. %	Salv. %
390.07	2003	0	0	0	0	NA	NA								
390.07	2006	0	0	0	0	NA	NA	NA							
390.07	2007	0	0	0	0	NA	NA	NA	NA						
390.07	2008	0	0	0	0	NA	NA	NA	NA	NA					
390.07	2009	0	0	0	0	NA	NA	NA	NA	NA	NA				
390.07	2010	0	0	0	0	NA	NA	NA	NA	NA	NA	NA			
390.07	2011	4,386,828	0	1,000	(1,000)	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%		
390.07	2012	6,937	31,346	25,836	5,510	79.43%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	
390.07	2013	0	0	0	0	NA	79.43%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
390.07	2014	0	0	0	0	NA	NA	79.43%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
390.07	2015	0	0	0	0	NA	NA	NA	79.43%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Structures and Improvements - Leased															
390.06	1998	0	0	0	0	NA									
390.06	2003	0	0	0	0	NA	NA								
390.06	2006	0	0	0	0	NA	NA	NA							
390.06	2007	0	0	0	0	NA	NA	NA	NA						
390.06	2008	0	0	0	0	NA	NA	NA	NA	NA					
390.06	2009	0	0	0	0	NA	NA	NA	NA	NA	NA				
390.06	2010	0	0	0	0	NA	NA	NA	NA	NA	NA	NA			
390.06	2011	4,386,828	0	1,000	(1,000)	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%		
390.06	2012	6,937	31,346	25,836	5,510	79.43%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	
390.06	2013	0	0	0	0	NA	79.43%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
390.06	2014	0	0	0	0	NA	NA	79.43%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
390.06	2015	0	0	0	0	NA	NA	NA	79.43%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Office Furniture and Equipment															
391.00	1998	406,022	0	0	0	0.00%									
391.00	1999	0	0	0	0	NA	0.00%								
391.00	2000	13,372	0	0	0	0.00%		0.00%							
391.00	2001	8,302,580	0	0	0	0.00%	0.00%	0.00%	0.00%						
391.00	2002	2,957,085	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%					
391.00	2003	1,184,540	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%				
391.00	2004	238,705	(5,909)	0	(5,909)	-2.48%	-0.42%	-0.13%	-0.05%	-0.05%	-0.05%	-0.05%			
391.00	2005	15,359,586	1,305	0	1,305	0.01%	-0.03%	-0.03%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%		
391.00	2006	826,908	260	0	260	0.03%	0.01%	-0.03%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.01%	

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**PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015
 COMMON GENERAL PLANT
 RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS**

FERC	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
391.00	2007	524,994	2,019	5,164	(3,145)	-0.60%	-0.21%	-0.01%	-0.04%	-0.04%	-0.04%	-0.03%	-0.03%	-0.03%	-0.03%
391.00	2008	0	942	0	942	NA	-0.42%	-0.14%	0.00%	-0.04%	-0.04%	-0.03%	-0.02%	-0.02%	-0.02%
391.00	2009	0	0	0	0	NA	NA	-0.42%	-0.14%	0.00%	-0.04%	-0.04%	-0.03%	-0.02%	-0.02%
391.00	2010	0	0	0	0	NA	NA	NA	-0.42%	-0.14%	0.00%	-0.04%	-0.04%	-0.03%	-0.02%
391.00	2011	0	0	11,965	(11,965)	NA	NA	NA	NA	-2.70%	-1.03%	-0.08%	-0.11%	-0.10%	-0.09%
391.00	2012	0	0	500	(500)	NA	NA	NA	NA	NA	-2.79%	-1.07%	-0.08%	-0.11%	-0.10%
391.00	2013	0	231,098	231,214	(116)	NA	NA	NA	NA	NA	NA	-2.82%	-1.07%	-0.08%	-0.11%
391.00	2014	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	-2.82%	-1.07%	-0.08%
391.00	2015	0	0	200	(200)	NA	NA	NA	NA	NA	NA	NA	NA	-2.85%	-1.09%
Computer Hardware															
391.04	1998	1,454	0	0	0	0.00%									
391.04	1999	0	0	0	0	NA	0.00%								
391.04	2000	7,460	0	0	0	0.00%	0.00%	0.00%							
391.04	2001	1,931,475	0	0	0	0.00%	0.00%	0.00%	0.00%						
391.04	2002	2,700,392	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%					
391.04	2003	746,513	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%				
391.04	2004	0	(5,190)	0	(5,190)	NA	-0.70%	-0.15%	-0.10%	-0.10%	-0.10%	-0.10%			
391.04	2005	15,247,753	269	0	269	0.00%	-0.03%	-0.03%	-0.03%	-0.02%	-0.02%	-0.02%	-0.02%		
391.04	2006	1,093,706	0	0	0	0.00%	0.00%	-0.03%	-0.03%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	
391.04	2007	3,957,403	113,951	0	113,951	2.88%	2.26%	0.56%	0.54%	0.52%	0.46%	0.42%	0.42%	0.42%	0.42%
391.04	2008	12,398,293	0	2	(2)	0.00%	0.70%	0.65%	0.35%	0.33%	0.33%	0.30%	0.29%	0.29%	0.29%
391.04	2009	1,083,393	0	0	0	0.00%	0.00%	0.65%	0.61%	0.34%	0.32%	0.32%	0.29%	0.28%	0.28%
391.04	2010	0	0	0	0	NA	0.00%	0.00%	0.65%	0.61%	0.34%	0.32%	0.32%	0.29%	0.28%
391.04	2011	18,921,999	61,755	439,561	(377,807)	-2.00%	-2.00%	-1.89%	-1.17%	-0.73%	-0.70%	-0.50%	-0.51%	-0.50%	-0.48%
391.04	2012	8,065,433	22,333	11,766	10,566	0.13%	-1.36%	-1.36%	-1.31%	-0.91%	-0.57%	-0.56%	-0.42%	-0.42%	-0.42%
391.04	2013	6,304,039	15,554	(4,776)	20,330	0.32%	0.22%	-1.04%	-1.04%	-1.01%	-0.74%	-0.46%	-0.45%	-0.35%	-0.35%
391.04	2014	20,320,922	(11,211)	0	(11,211)	-0.06%	0.03%	0.06%	-0.67%	-0.67%	-0.65%	-0.53%	-0.34%	-0.34%	-0.28%
391.04	2015	11,954,693	0	26,439	(26,439)	-0.22%	-0.12%	-0.04%	-0.01%	-0.59%	-0.59%	-0.58%	-0.49%	-0.33%	-0.32%
Computer Hardware - 3 Year Life															
391.05	1998	0	0	0	0	NA									
391.05	1999	0	0	0	0	NA	NA								
391.05	2000	0	0	0	0	NA	NA	NA							
391.05	2001	6,201,481	0	0	0	0.00%	0.00%	0.00%	0.00%						
391.05	2002	143,411	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%					

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FERC	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
391.05	2003	387,775	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%				
391.05	2004	168,573	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
391.05	2005	12,518	5	0	5	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
391.05	2006	0	431	0	431	NA	3.49%	0.24%	0.08%	0.06%	0.01%	0.01%	0.01%	0.01%	
391.05	2007	317,779	(431)	0	(431)	-0.14%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
391.05	2008	618,465	(465)	0	(465)	-0.08%	-0.10%	-0.05%	-0.05%	-0.04%	-0.03%	-0.03%	-0.01%	-0.01%	-0.01%
391.05	2009	107,808	0	0	0	0.00%	-0.06%	-0.09%	-0.04%	-0.04%	-0.04%	-0.03%	-0.03%	-0.01%	-0.01%
391.05	2010	0	0	0	0	NA	0.00%	-0.06%	-0.09%	-0.04%	-0.04%	-0.04%	-0.03%	-0.03%	-0.01%
391.05	2011	11,595,603	0	0	0	0.00%	0.00%	0.00%	0.00%	-0.01%	0.00%	0.00%	0.00%	0.00%	0.00%
391.05	2012	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	-0.01%	0.00%	0.00%	0.00%	0.00%
391.05	2013	16,349	(3,321)	0	(3,321)	-20.31%	-20.31%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%
391.05	2014	0	0	0	0	NA	-20.31%	-20.31%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%
391.05	2015	1,591,687	0	0	0	0.00%	0.00%	-0.21%	-0.21%	-0.03%	-0.03%	-0.02%	-0.03%	-0.03%	-0.03%
Partitions															
391P	2006	0	0	0	0	NA									
391P	2007	574,094	0	0	0	0.00%	0.00%								
391P	2008	366,125	0	0	0	0.00%	0.00%	NA							
391P	2009	192,731	0	0	0	0.00%	0.00%	NA	NA						
391P	2010	0	0	0	0	NA	0.00%	NA	NA	NA					
391P	2011	392,491	0	0	0	0.00%	NA	NA	0.00%	0.00%	0.00%				
391P	2012	200,234	0	0	0	0.00%	NA	NA	0.00%	0.00%	0.00%	0.00%			
391P	2013	0	0	0	0	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%		
391P	2014	42,390	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
391P	2015	1,076,182	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Transportation Equipment															
392.00	1998	236,044	0	0	0	0.00%									
392.00	1999	0	0	0	0	NA	0.00%								
392.00	2000	0	0	0	0	NA	NA	0.00%							
392.00	2001	648,510	0	0	0	0.00%	0.00%	0.00%	0.00%						
392.00	2002	185,669	48,194	0	48,194	25.96%	5.78%	5.78%	5.78%	4.50%					
392.00	2003	294,225	381,012	0	381,012	129.50%	89.44%	38.04%	38.04%	38.04%	31.46%				
392.00	2004	202,707	959,574	36,156	923,418	455.54%	262.50%	198.16%	101.62%	101.62%	101.62%	86.31%			
392.00	2005	297,162	137,058	0	137,058	46.12%	212.15%	181.53%	152.05%	91.49%	91.49%	91.49%	79.90%		
392.00	2006	0	405	0	405	NA	46.26%	212.23%	181.58%	152.09%	91.51%	91.51%	91.51%	79.93%	

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FERC	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
392.00	2007	1,561	563,796	8,974	554,823	35545.50%	35571.45%	231.75%	322.22%	250.95%	208.38%	125.47%	125.47%	125.47%	109.60%
392.00	2008	9,751	0	0	0	0.00%	4904.81%	4908.39%	224.42%	316.07%	247.91%	206.33%	124.72%	124.72%	124.72%
392.00	2009	20,529,981	0	0	0	0.00%	0.00%	2.70%	2.70%	3.32%	7.68%	9.36%	9.50%	9.22%	9.22%
392.00	2010	2,609,167	0	0	0	0.00%	0.00%	0.00%	2.40%	2.40%	2.95%	6.83%	8.34%	8.47%	8.25%
392.00	2011	0	0	0	0	NA	0.00%	0.00%	0.00%	2.40%	2.40%	2.95%	6.83%	8.34%	8.47%
392.00	2012	0	0	0	0	NA	NA	0.00%	0.00%	0.00%	2.40%	2.40%	2.95%	6.83%	8.34%
392.00	2013	0	9,967	0	9,967	NA	NA	NA	0.38%	0.04%	0.04%	2.44%	2.44%	2.99%	6.87%
392.00	2014	0	0	0	0	NA	NA	NA	NA	0.38%	0.04%	0.04%	2.44%	2.44%	2.99%
392.00	2015	0	53,777	0	53,777	NA	NA	NA	NA	NA	2.44%	0.28%	0.28%	2.67%	2.67%
Stores Equipment															
393.00	1998	1,677	0	0	0	0.00%									
393.00	1999	0	0	0	0	NA	0.00%								
393.00	2000	0	0	0	0	NA	NA	0.00%							
393.00	2001	19,994	0	0	0	0.00%	0.00%	0.00%	0.00%						
393.00	2002	21,140	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%					
393.00	2003	13,554	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%				
393.00	2004	25,958	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
393.00	2005	11,768	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
393.00	2006	140,840	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
393.00	2007	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
393.00	2008	124,464	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
393.00	2009	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
393.00	2010	0	0	0	0	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
393.00	2011	0	0	0	0	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
393.00	2012	0	0	0	0	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
393.00	2013	0	0	0	0	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%
393.00	2014	0	0	0	0	NA	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%
393.00	2015	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%
Tools and Shop Equipment															
394.00	1998	78,230	0	0	0	0.00%									
394.00	1999	0	0	0	0	NA	0.00%								
394.00	2000	0	0	0	0	NA	NA	0.00%							
394.00	2001	2,966	0	0	0	0.00%	0.00%	0.00%	0.00%						
394.00	2002	23,182	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%					

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FERC	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
394.00	2003	11,760	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%				
394.00	2004	34,727	3,335	0	3,335	9.60%	7.17%	4.79%	4.59%	4.59%	4.59%	2.21%			
394.00	2005	18,972	11,311	0	11,311	59.62%	27.27%	22.37%	16.52%	15.99%	15.99%	15.99%	8.62%		
394.00	2006	122,944	6,053	0	6,053	4.92%	12.24%	11.72%	10.99%	9.78%	9.65%	9.65%	9.65%	7.07%	
394.00	2007	0	77,412	0	77,412	NA	67.89%	66.78%	55.54%	52.07%	46.37%	45.73%	45.73%	45.73%	33.51%
394.00	2008	604,926	3,381	0	3,381	0.56%	13.36%	11.93%	13.14%	12.99%	12.79%	12.43%	12.38%	12.38%	12.38%
394.00	2009	0	0	0	0	NA	0.56%	13.36%	11.93%	13.14%	12.99%	12.79%	12.43%	12.38%	12.38%
394.00	2010	0	0	0	0	NA	NA	0.56%	13.36%	11.93%	13.14%	12.99%	12.79%	12.43%	12.38%
394.00	2011	0	0	16,561	(16,561)	NA	NA	NA	-2.18%	10.62%	9.66%	10.93%	10.87%	10.71%	10.40%
394.00	2012	0	0	17,920	(17,920)	NA	NA	NA	NA	-5.14%	7.66%	7.19%	8.53%	8.57%	8.45%
394.00	2013	0	0	0	0	NA	NA	NA	NA	NA	-5.14%	7.66%	7.19%	8.53%	8.57%
394.00	2014	0	0	0	0	NA	NA	NA	NA	NA	NA	-5.14%	7.66%	7.19%	8.53%
394.00	2015	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	-5.14%	7.66%	7.19%
Laboratory Equipment															
395.00	2006	0	0	0	0	NA									
395.00	2007	23,058	0	0	0	0.00%	0.00%								
395.00	2008	16,792	0	0	0	0.00%	0.00%	NA							
395.00	2009	2,814	0	0	0	0.00%	0.00%	NA	NA						
395.00	2010	0	0	0	0	NA	0.00%	NA	NA	NA					
395.00	2011	0	0	0	0	NA	NA	NA	0.00%	0.00%	0.00%				
395.00	2012	0	0	0	0	NA	NA	NA	NA	0.00%	0.00%	0.00%			
395.00	2013	0	0	0	0	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%		
395.00	2014	0	0	0	0	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	
395.00	2015	0	0	0	0	NA	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0
Power Operated Equipment															
396.00	1998	473,060	0	0	0	0.00%									
396.00	1999	0	0	0	0	NA	0.00%								
396.00	2000	0	0	0	0	NA	NA	0.00%							
396.00	2001	77,294	0	0	0	0.00%	0.00%	0.00%	0.00%						
396.00	2002	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%					
396.00	2003	7,779	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%				
396.00	2004	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
396.00	2005	0	0	0	0	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
396.00	2006	0	0	0	0	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	

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 COMMON GENERAL PLANT
 RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS**

FERC	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
396.00	2007	6,649	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
396.00	2008	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
396.00	2009	112,532	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
396.00	2010	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
396.00	2011	0	0	0	0	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
396.00	2012	0	0	0	0	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
396.00	2013	0	0	501	(501)	NA	NA	NA	NA	-0.45%	-0.45%	-0.42%	-0.42%	-0.42%	-0.42%
396.00	2014	0	0	0	0	NA	NA	NA	NA	NA	-0.45%	-0.45%	-0.42%	-0.42%	-0.42%
396.00	2015	0	0	0	0	NA	NA	NA	NA	NA	NA	-0.45%	-0.45%	-0.42%	-0.42%
Communication Equipment															
397.00	1998	724,305	0	0	0	0.00%									
397.00	1999	6,433,188	0	0	0	0.00%	0.00%								
397.00	2000	0	0	0	0	NA	0.00%	0.00%							
397.00	2001	277,218	0	0	0	0.00%	0.00%	0.00%	0.00%						
397.00	2002	625,868	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%					
397.00	2003	549,049	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%				
397.00	2004	921,634	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
397.00	2005	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
397.00	2006	4,354,403	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
397.00	2007	2,230,630	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
397.00	2008	1,573,117	0	1,001	(1,001)	-0.06%	-0.03%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%
397.00	2009	4,213,728	0	0	0	0.00%	-0.02%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%
397.00	2010	0	0	0	0	NA	0.00%	-0.02%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%
397.00	2011	8,480,670	0	0	0	0.00%	0.00%	0.00%	-0.01%	-0.01%	0.00%	0.00%	0.00%	0.00%	0.00%
397.00	2012	6,151,271	0	4,087	(4,087)	-0.07%	-0.03%	-0.03%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%
397.00	2013	16,670,726	0	8,727	(8,727)	-0.05%	-0.06%	-0.04%	-0.04%	-0.04%	-0.04%	-0.04%	-0.03%	-0.03%	-0.03%
397.00	2014	6,327,263	0	0	0	0.00%	-0.04%	-0.04%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%
397.00	2015	7,972,479	0	500	(500)	-0.01%	0.00%	-0.03%	-0.04%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%	-0.02%
Miscellaneous Equipment															
398.00	1998	49,467	0	0	0	0.00%									
398.00	1999	0	0	0	0	NA	0.00%								
398.00	2000	0	0	0	0	NA	NA	0.00%							
398.00	2001	14,365	0	0	0	0.00%	0.00%	0.00%	0.00%						
398.00	2002	7,919	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%					

Appendix E-2

PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015
COMMON GENERAL PLANT
RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS

FERC	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
398.00	2003	2,220	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%				
398.00	2004	20,083	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
398.00	2005	4,321	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
398.00	2006	304,317	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
398.00	2007	13,776	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
398.00	2008	400	0	801	(801)	-200.13%	-5.65%	-0.25%	-0.25%	-0.23%	-0.23%	-0.23%	-0.22%	-0.22%	-0.22%
398.00	2009	0	0	0	0	NA	-200.13%	-5.65%	-0.25%	-0.25%	-0.23%	-0.23%	-0.23%	-0.22%	-0.22%
398.00	2010	0	0	500	(500)	NA	NA	-325.19%	-9.18%	-0.41%	-0.40%	-0.38%	-0.38%	-0.37%	-0.35%
398.00	2011	2,584	0	0	0	0.00%	-19.36%	-19.36%	-43.59%	-7.76%	-0.41%	-0.40%	-0.38%	-0.37%	-0.37%
398.00	2012	0	0	3,852	(3,852)	NA	-149.08%	-168.43%	-168.43%	-172.68%	-30.75%	-1.60%	-1.58%	-1.49%	-1.48%
398.00	2013	1,024	0	250	(250)	-24.46%	-400.67%	-113.71%	-127.57%	-127.57%	-134.81%	-30.38%	-1.68%	-1.66%	-1.56%
398.00	2014	55,284	0	0	0	0.00%	-0.44%	-7.29%	-6.97%	-7.82%	-7.82%	-9.11%	-7.40%	-1.43%	-1.42%
398.00	2015	103,547	0	0	0	0.00%	0.00%	-0.16%	-2.57%	-2.53%	-2.83%	-2.83%	-3.32%	-3.06%	-1.12%

APPENDIX F-2 - Summary of Reserve Reallocation Non Production Plant

Public Service Company of Colorado
 Comparison of Book vs Allocated Reserve
 Intangible, Transmission, Distribution, General, and Common Plant
 At January 1, 2018

FERC Acct	Description	Estimated	Estimated Book			Proposed Reallocation			Difference		
		Plant Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance
<u>ELECTRIC INTANGIBLE PLANT</u>											
301.0	Organization Costs	-	-	-	-	-	-	-	-	-	-
302.0	Franchises and Consents	17,102,114	5,056,088	-	5,056,088	5,056,088	-	5,056,088	-	-	-
303.0	Miscellaneous Intangible Plant	8,762,060	6,869,982	(5,082)	6,864,900	6,869,982	(5,082)	6,864,900	-	-	-
303.4	Misc Computer Software - 3 Year	-	-	-	-	-	-	-	-	-	-
303.4	Misc Computer Software - 5 Year	53,141,490	17,989,656	(22,000)	17,967,656	17,989,656	(22,000)	17,967,656	-	-	-
303.4	Misc Computer Software - 10 Year	-	-	-	-	-	-	-	-	-	-
303.4	Misc Computer Software - 15 Year	-	-	-	-	-	-	-	-	-	-
	Total Electric Intangible Plant	79,005,664	29,915,726	(27,082)	29,888,644	29,915,726	(27,082)	29,888,644	-	-	-
<u>TRANSMISSION PLANT</u>											
350.1	Land	19,468,842	-	-	-	-	-	-	-	-	-
350.2	Land Rights	77,137,901	15,368,127	(129,157)	15,238,970	13,662,343	-	13,662,343	(1,705,784)	129,157	(1,576,627)
352.0	Structures and Improvements	79,240,594	15,058,958	(112,154)	14,946,803	10,040,049	1,305,206	11,345,255	(5,018,909)	1,417,361	(3,601,548)
353.0	Station Equipment	1,050,103,042	197,876,090	(813,528)	197,062,562	175,661,436	26,349,215	202,010,651	(22,214,655)	27,162,744	4,948,089
354.0	Towers and Fixtures	189,264,961	94,628,420	(819,979)	93,808,442	65,605,369	26,242,148	91,847,517	(29,023,051)	27,062,126	(1,960,925)
355.0	Poles and Fixtures	421,418,577	55,298,353	(489,767)	54,808,586	57,392,557	22,957,023	80,349,580	2,094,204	23,446,790	25,540,993
356.0	OH Conductors and Devices	299,581,242	95,211,976	(826,696)	94,385,280	58,272,967	14,568,242	72,841,209	(36,939,009)	15,394,937	(21,544,072)
357.0	UG Conduit	35,592,625	9,200,801	(80,336)	9,120,465	7,212,242	-	7,212,242	(1,988,559)	80,336	(1,908,223)
358.0	UG Conductors and Devices	64,752,789	14,721,229	(128,810)	14,592,419	14,670,447	733,522	15,403,969	(50,782)	862,332	811,550
359.0	Roads and Trails	4,318,793	2,023,339	(17,542)	2,005,796	1,296,558	-	1,296,558	(726,781)	17,542	(709,238)
	Total Transmission	2,240,879,367	499,387,293	(3,417,969)	495,969,324	403,813,968	92,155,356	495,969,324	(95,573,325)	95,573,325	(0)
<u>DISTRIBUTION PLANT</u>											
360.1	Land	29,817,147	-	-	-	-	-	-	-	-	-
360.2	Land Rights	38,790,186	4,811,480	(2,369)	4,809,112	4,395,036	-	4,395,036	(416,445)	2,369	(414,076)
361.0	Structures and Improvements	77,174,622	19,599,867	203,083	19,802,950	15,462,799	773,140	16,235,939	(4,137,067)	570,057	(3,567,010)
362.0	Station Equipment	660,394,109	163,334,938	1,695,983	165,030,922	131,511,927	13,151,193	144,663,120	(31,823,011)	11,455,209	(20,367,802)
364.0	Poles, Towers and Fixtures	291,089,376	140,302,807	(1,747,702)	138,555,106	79,803,668	39,901,834	119,705,502	(60,499,139)	41,649,535	(18,849,604)
365.0	OH Conductors and Devices	345,551,518	113,059,463	(1,421,092)	111,638,371	73,755,798	29,502,319	103,258,117	(39,303,665)	30,923,411	(8,380,254)
366.0	UG Conduit	380,777,422	101,322,162	(1,281,730)	100,040,432	77,392,952	19,348,238	96,741,190	(23,929,211)	20,629,968	(3,299,242)
367.0	UG Conductors and Devices	1,824,579,253	354,827,707	(4,545,014)	350,282,693	419,251,205	20,962,560	440,213,765	64,423,498	25,507,574	89,931,073
368.0	Line Transformers	508,368,612	210,127,238	5,853,514	215,980,751	155,404,529	15,540,453	170,944,982	(54,722,709)	9,686,939	(45,035,770)
369.0	Services	24,404,882	23,245,508	630,686	23,876,194	17,457,393	5,237,218	22,694,611	(5,788,115)	4,606,532	(1,181,583)
369.1	Services-Overhead	46,739,929	18,035,859	504,070	18,539,928	21,388,244	6,416,473	27,804,718	3,352,386	5,912,404	9,264,789
369.2	Services-Underground	221,507,889	124,055,294	3,414,157	127,469,451	102,114,861	30,634,458	132,749,320	(21,940,433)	27,220,301	5,279,868
370.0	Meters	148,065,110	59,263,632	1,653,389	60,917,021	78,885,838	-	78,885,838	19,622,206	(1,653,389)	17,968,817
370.2	AMR Equipment	68,769,058	63,230,141	520	63,230,661	65,029,944	-	65,029,944	1,799,803	(520)	1,799,283
371.0	Installation on Customer Premises	7,154,178	7,381,273	199,950	7,581,223	3,696,417	739,283	4,435,701	(3,684,856)	539,334	(3,145,522)
373.0	Street Lighting and Signal Systems	166,707,410	92,573,499	(1,572,470)	91,001,028	56,798,449	14,199,612	70,998,061	(35,775,050)	15,772,083	(20,002,967)
	Total Distribution	4,839,890,702	1,495,170,867	3,584,976	1,498,755,843	1,302,349,061	196,406,782	1,498,755,843	(192,821,807)	192,821,807	0
<u>ELECTRIC GENERAL PLANT</u>											
389.0	Land	114,647	-	-	-	-	-	-	-	-	-
390.0	Structures and Improvements	6,784,142	2,628,930	(366,168)	2,262,762	2018299,911	100,915	2,119,215	(610,630)	467,083	(143,547)
391.0	Office Furniture and Equipment	5,639,525	3,155,534	-	3,155,534	3,524,369	-	3,524,369	368,834	-	368,834
391.2	Computer Hardware	22,643,181	5,709,556	(7,505)	5,702,051	6,300,169	-	6,300,169	590,613	7,505	598,118
392.10	Transportation Equipment - Automobiles	620,535	130,824	-	130,824	200,112	-	200,112	69,287	-	69,287
392.20	Transportation Equipment - Light Trucks	16,140,689	7,710,113	-	7,710,113	7,657,799	-	7,657,799	(52,315)	-	(52,315)
392.30	Transportation Equipment - Trailers	5,575,044	1,634,144	-	1,634,144	1,021,008	-	1,021,008	(613,136)	-	(613,136)
392.40	Transportation Equipment - Heavy Trucks	54,012,176	31,142,658	(229)	31,142,430	26,203,906	-	26,203,906	(4,938,752)	229	(4,938,524)
393.0	Stores Equipment	410,989	268,819	(430)	268,389	251,197	-	251,197	(17,622)	430	(17,192)

Appendix F-2, Rev. 1

Public Service Company of Colorado
 Comparison of Book vs Allocated Reserve
 Intangible, Transmission, Distribution, General, and Common Plant
 At January 1, 2018

FERC Acct	Description	Estimated Plant	Estimated Book			Proposed Reallocation			Difference		
		Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance
394.0	Tools, Shop, and Garage Equipment	40,956,498	12,051,505	(35,521)	12,015,984	14,455,087	-	14,455,087	2,403,582	35,521	2,439,102
395.0	Laboratory Equipment	8,444,002	6,637,312	(10,617)	6,626,695	6,185,493	-	6,185,493	(451,819)	10,617	(441,202)
396.0	Power Operated Equipment	11,359,725	5,359,204	-	5,359,204	4,426,634	-	4,426,634	(932,571)	-	(932,571)
397.0	Communication Equipment	93,784,581	37,456,909	(339,072)	37,117,838	40,697,839	-	40,697,839	3,240,929	339,072	3,580,001
398.0	Miscellaneous Equipment	1,607,864	687,575	(1,100)	686,475	769,619	-	769,619	82,044	1,100	83,143
	Total Electric General	268,093,598	114,573,084	(760,641)	113,812,444	113,711,529	100,915	113,812,444	(861,556)	861,556	(0)
COMMON INTANGIBLE PLANT											
301	Organization Costs										
302	Franchises and Consents	3,383,421	2,519,092	-	2,519,092	2,519,092	-	2,519,092	-	-	-
303	Misc Computer Software-3 Year	-	-	-	-	0	-	-	-	-	-
303.04	Misc Computer Software-5 Year	117,738,242	55,889,987	-	55,889,987	55,889,987	-	55,889,987	-	-	-
303.04	Misc Computer Software-10 Year	5,785,234	3,537,208	-	3,537,208	3,537,208	-	3,537,208	-	-	-
303.04	Misc Computer Software-15 Year	156,941,548	9,784,810	-	9,784,810	9,784,810	-	9,784,810	-	-	-
	Total Common Intangible	283,848,445	71,731,097	-	71,731,097	71,731,097	-	71,731,097	-	-	-
COMMON GENERAL PLANT											
389.01	Land Owned in Fee	6,040,785	-	-	-	-	-	-	-	-	-
390.00	Structures and Improvements	166,089,841	44,703,245	6,282,088	50,985,333	43,398,489	4,339,849	47,738,338	(1,304,756)	(1,942,239)	(3,246,994)
390.07	Structures and Improvements - Leasehold Improvements	2,109,398	2,351,088	4,788	2,355,876	2,351,088	4,788	2,355,876	-	-	-
390.85	Structures and Improvements - 1800 Larimer	15,388,552	7,546,723	(5,082)	7,541,641	7,546,723	(5,082)	7,541,641	-	-	-
391.00	Office Furniture and Equipment	44,941,324	28,176,569	(18,613)	28,157,956	29,653,979	-	29,653,979	1,477,410	18,613	1,496,023
391.04	Computer Hardware	150,563,663	88,611,525	(565,413)	88,046,112	88,487,696	-	88,487,696	(123,829)	565,413	441,584
391.05	Computer Hardware - 3 Year Life	1,505,288	812,292	-	812,292	1,161,489	-	1,161,489	349,196	-	349,196
392.10	Transportation Equipment - Automobiles	2,277,049	1,148,020	-	1,148,020	1,304,998	-	1,304,998	156,978	-	156,978
392.20	Transportation Equipment - Light Trucks	12,017,199	7,686,535	-	7,686,535	7,582,818	-	7,582,818	(103,717)	-	(103,717)
392.30	Transportation Equipment - Trailers	959,396	377,751	-	377,751	234,815	-	234,815	(142,936)	-	(142,936)
392.40	Transportation Equipment - Heavy Trucks	4,089,552	2,099,111	-	2,099,111	2,451,071	-	2,451,071	351,960	-	351,960
393.00	Stores Equipment	869,668	685,082	(1,353)	683,729	685,457	-	685,457	376	1,353	1,729
394.00	Tools, Shop, and Garage Equipment	10,768,341	6,512,231	(46,841)	6,465,389	7,149,374	-	7,149,374	637,143	46,841	683,984
395.00	Laboratory Equipment	435,435	428,312	(846)	427,466	406,016	-	406,016	(22,296)	846	(21,450)
396.00	Power Operated Equipment	4,873,837	3,406,033	-	3,406,033	2,525,491	-	2,525,491	(880,543)	-	(880,543)
397.00	Communication Equipment	29,705,789	25,659,423	(5,275)	25,654,148	26,566,274	-	26,566,274	906,851	5,275	912,126
398.00	Miscellaneous Equipment	1,153,011	831,355	(2,692)	828,663	830,723	-	830,723	(632)	2,692	2,060
	Total Common General Plant	453,788,127	221,035,296	5,640,760	226,676,056	222,336,501	4,339,555	226,676,056	1,301,205	(1,301,205)	0

EXHIBIT NO. XES – 206

**Recommended Decision of the Administrative Law Judge, dated
December 13, 2016 (recommending approval of Settlement
Agreement)**

Decision No. R16-1143

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 16A-0231E

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF
COLORADO FOR AUTHORIZATION TO REVISE THE DEPRECIATION AND
AMORTIZATION OF ELECTRIC UTILITY PLANT, COMMON UTILITY PLANT
AND RETIRED GENERATING UNITS.

**RECOMMENDED DECISION OF
ADMINISTRATIVE LAW JUDGE
ROBERT I. GARVEY
GRANTING APPLICATION AS
MODIFIED BY SETTLEMENT AGREEMENT**

Mailed Date: December 13, 2016

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I. STATEMENT

1. On April 1, 2016, Public Service Company of Colorado (Public Service or Company), filed a Verified Application that seeks Commission approval of a revised depreciation rate for its Electric and Common Utility Plant and its proposed plan to amortize and recover the

regulatory assets associated with 13 (now 14) recently retired or soon-to-be retired electric generating plants (Retired Generating Units).¹ That filing commenced this proceeding.

2. On April 4, 2016, the Commission issued its Notice of Application Filed (Notice). That Notice established an intervention period, which expired on May 4, 2016. In addition, the Notice contained a *pro forma* procedural schedule.

3. On April 8, 2016, the Colorado Office of Consumer Counsel (OCC) filed its Notice of Intervention of Right, Entry of Appearance, and Request for Hearing. The OCC is an intervenor as of right and a party in this proceeding.

4. On April 14, 2016, the Colorado Energy Consumers (CEC) timely filed its Motion to Intervene through counsel. CEC states the above captioned proceeding will have a direct and substantial impact on CEC's interests and the charges paid by CEC's members for electricity and may substantially affect the pecuniary or tangible interests of CEC's members. CEC is a party in this proceeding

5. On April 19, 2016, Trial Staff of the Commission (Staff) timely filed its Notice of Intervention as of Right, Entry of Appearance, Notice Pursuant to Rule 1007(a) and Rule 1403(b), and Request for Hearing. The intervention is of right, and Staff is a party in this matter.

¹ At the time Public Service's Application was filed there were 13 Retired Generating Units, which included 11 generating facilities that have been retired – Cameo Units 1 and 2, Arapahoe Units 1 through 4, Cherokee Units 1 through 3, and Zuni Units 1 and 2 – and 2 additional facilities that are scheduled to be retired by December 31, 2017 – Valmont Unit 5 and the coal-related assets at Cherokee Unit 4. During this proceeding it was announced that Craig Unit 1, in which Public Service is a minority owner, is to be retired by the end of 2025 which is 15 years earlier than previously scheduled.

6. On May 4, 2016, Western Resource Advocates (WRA) filed its Motion for Leave to Intervene. WRA states that the above captioned proceeding impacts WRA's substantial, tangible interest in reducing the environmental impact from electricity generation and will directly impact the tangible interests WRA works to protect. WRA a party in this proceeding

7. On June 20, 2016, by Interim Decision No. R16-0556-I, a procedural schedule was adopted in light of Public Service's waiver of the statutory timeframe for a Commission decision under § 40-6-109.5, C.R.S.

8. On September 1, 2016, the OCC filed its Unopposed Motion to Extend Certain Filing Dates and Request for Waiver of Response Time.

9. On September 2, 2016, by Interim Decision No. R16-0818-I, the Motion to Extend Certain Filing Dates was granted.

10. On September 14, 2016, Public Service filed its Unopposed Motion to Modify Procedural Schedule and Request for Waiver of Response Time. The request was made due to the need to amend the Application.

11. On September 15, 2016, by Interim Decision No. R16-0854-I, the Motion to Modify the Procedural Schedule was granted.

12. On September 20, 2016, Public Service filed its Unopposed Motion to Amend its Application.

13. On November 1, 2016, after conferral with the parties, by Decision No. R16-1011-I, the first two days of the evidentiary hearing, scheduled for November 7 and 8, 2016 were vacated

14. On November 4, 2016, Public Service filed its Unopposed Motion to Modify Procedural Schedule and Request for Waiver of Response Time (Unopposed Motion). In the Unopposed Motion, Public Service stated that the parties had reached a settlement and requested the evidentiary be vacated, the settlement agreement would be filed by November 10, 2016, and requested any hearing on the settlement be held on November 18, 2016.

15. On November 7, 2016, by Decision No. R16-1029-I, the Unopposed Motion was granted

16. On November 10, 2016, Public Service filed its Joint Motion to Approve Unopposed Depreciation Settlement Agreement (Joint Motion) and Unanimous Comprehensive Settlement Agreement (Settlement).

17. On November 18, 2016, a hearing was held on the Settlement. Mr. Scott Brockett testified for Public Service, Mr. Gene Camp testified for Staff, and Mr. Cory Skluzak testified for the OCC. Hearing Exhibits 100 through 114, 200, 300 through 301, and 400 through 401 were admitted by stipulation.

II. DISCUSSION

A. Initial Proposal and Testimony

18. Pursuant to the terms of § 40-4-112, C.R.S., and the provisions of the Settlement approved by the Commission in Decision No. C15-0292, issued March 31, 2015 in Public Service's last Phase I electric rate case in Consolidated Proceeding Nos. 14AL-0660E and 14A-0680E, the Company submitted its Application for a Commission decision approving proposed revised depreciation rates for its Electric and Common Utility Plant and its proposed plan to amortize and recover the regulatory assets associated with 13 recently retired or soon-to-be retired electric generating plants (Retired Generating Units).

19. In Public Service's initial application filing, Public Service proposed changes to depreciation and amortization expenses based on the depreciation rates recommended by Mr. Dane Watson, a Managing Partner of the Alliance Consulting Group which was retained by Public Service to conduct a depreciation study of the Company's electric and common utility plant. Mr. Watson sponsored the Company's Depreciation Rate Study.

20. Mr. Watson performed a depreciation reserve reallocation based on theoretical reserves encompassing all operating production units within a functional class as well as the estimated regulatory asset balances, including the cost of removal, attributable to the Retired Generating Units.

21. Public Service proposed depreciation rates, based on projected plant balances as of January 1, 2018, before allocation to the retail jurisdiction result in an increase of \$47.3 million in the Company's annual depreciation and amortization expense. Based on January 1, 2018, regulatory asset balances, the estimated change to annual amortization expense for the Retired Generating Units, after the reserve reallocation and based on a four-year amortization period, was a decrease of \$1.8 million.

22. The initial total estimated increase in annual depreciation and amortization expense resulting from Public Service's proposals in this proceeding, based on January 1, 2018 balances, was \$45.5 million. This amount was later corrected to \$46.5 million.

23. On September 20, 2016, Public Service filed Supplemental Direct Testimony, to incorporate the announcement of the anticipated early retirement of Craig Unit 1, in which Public Service is a minority owner.

24. The estimated overall increase in annual depreciation and amortization expense based on the resulting depreciation and amortization rates and projected January 1, 2018, balances was \$44.3 million.

B. Intervenor Testimony/Rebuttal Testimony

25. On October 3, 2016, the OCC, WRA, and the CEC each filed Answer Testimony.

26. OCC witness Mr. James Garren analyzed the Company's depreciation study with an emphasis on average service lives and net salvage data. He proposes to increase the average service life for five accounts, relative to Mr. Watson's proposal. Further, OCC recommended reducing the negative net salvage ratio for three accounts. The total dollar impact of these adjustments is to reduce the Company's proposed depreciation expense by an additional \$6.53 million (Attachment JSG-3).

27. WRA, through its witness Mr. Uday Varadarajan, advocates for the alignment of the Company's financial proposals with a more rapid transition to a cleaner energy future. WRA proposes to make this transition in three steps. First, WRA suggests that the Commission reject the Company's proposal to reallocate value from regulatory assets to operating coal plants and to reject the five-year extension in the terminal retirement date of Hayden Unit 1. Second, WRA suggests that the Commission reject the Company's use of a "highly compressed" five-year period for amortization of the regulatory assets associated with the Retired Generating Units. Third, WRA suggests that the Commission avoid increasing the accounting value of older, more polluting coal units. Finally, WRA introduces ratepayer-backed bond securitization as a "future policy option."

28. CEC witness Mr. Jacob Pous recommends adjustments to the following depreciation issues: (1) requested life spans for production plant; (2) requested decommissioning

cost for production plant; (3) amortization of intangible plant; (4) mass property average service life; (5) mass property net salvage; (6) book reserve for intangible plant regarding fully accrued software systems; and (7) the Company's proposed early retirement of Craig Unit 1. These proposals result in a reduction of \$65.3 million.

29. In the course of the proceeding, Public Service adopted the following proposals contained within the Answer Testimony filed by various Intervenors:

- a. Limit the shifting of depreciation reserve amounts through the reserve reallocation from the operating Steam Production units to the Retired Generating Units to \$78.6 million, or one-half of the amount reflected in Public Service's Supplemental Direct Case;
- b. Extend the proposed amortization period for the regulatory assets associated with Retired Generating Units and Craig Unit 1, reflecting balances resulting after the above-mentioned reserve reallocation, from five years to six years;
- c. Lengthen the average service life for Electric and Common Account 391, Computer Equipment, from five to six years; and
- d. Change the net salvage percentage for Electric and Common Account 392, Transportation Equipment, except for Account 392.3, Trailers, to positive 10 percent and Account 392.3, Trailers, to positive 20 percent.

30. In its Rebuttal Testimony Public Service requested a total increase in depreciation and amortization expense of \$42.8 million, which was \$1.5 million lower than the \$44.3 million increase proposed in the Supplemental Direct Case.

C. Terms of the Settlement

31. The Settlement, attached to this Decision as Attachment A, explains that the parties propose a negotiated resolution of the disputed issues in the case. It further explains that the agreements are all compromises of the filed positions of the parties, are in the public interest, and provide a balanced approach to intergenerational equity. Based on the Settlement,

the total increase in annual depreciation and amortization expense is \$27.2 million. Below is a summary of the terms agreed to by the parties.

I. Net Salvage Percentages for Certain Mass Property Accounts

32. The parties agree the net salvage percentages for mass property accounts should be approved except for Federal Energy Regulatory Commission (FERC) Transmission Account 352, Structures and Improvements; Transmission Account 354, Towers and Fixtures; and Transmission Account 358, Underground Conductors & Devices.

33. The Parties agree to the following net salvage ratios for these accounts:

<u>Account</u>	<u>Net Salvage Ratio</u>
352	-5%
354	-20%
358	0%

II. Average Service Lives for Certain Mass Property Accounts

34. The parties agree the asset lives for mass property accounts should be approved except for FERC Transmission Account 352 Structures and Improvements; Transmission Account 353, Station Equipment; Transmission Account 354, Towers and Fixtures; Distribution Account 364, Poles, Towers and Fixtures; Distribution Account 373, Street Lighting and Signal Systems; and Electric and Common General Plant Account 390, Structure & Improvements.

35. The Parties agree to the following net salvage ratios for these accounts:

<u>Account</u>	<u>Asset Lives</u>
352	88/S2
353	58/R2
354	81/R4

364	54/S0
373	41/R0.5
390	45

III. Account 303 – Intangible Plant (Computer Software)

36. The Parties agree that routine software be amortized over seven years.

37. Further, in its next electric Phase I rate case, for Intangible Plant - Account 303, the Company will determine which asset(s) should be physically retired prior to setting the beginning balance in the 2018 rate case. With respect to the term “physically retired,” the FERC Uniform System of Accounts defines “property retired:” “as applied to electric plant, means property which has been removed, sold, abandoned, destroyed, or which for any cause has been withdrawn from service.” For software that is physically retired, the Company agrees that it will establish and support which portions and corresponding costs of the individual software assets have been replaced by later additions either fully or partially and will retire the portion that has been replaced and is no longer in use. The retired portions of the asset would include those portions replaced due to subsequent upgrades to current systems, replacement of current systems with new ones, or the removal of a system from our computer hardware assets.

38. Also, in its next electric Phase I rate case, for Intangible Plant - Account 303, the Company will present and provide supporting data for: (1) the Company’s current accounting method for software, which amortizes software individually; and (2) a group method of accounting for the amortization of software. The Company and any intervenor in the next

Electric Phase I rate case are free to advocate for their preferred accounting method for software in Intangible Plant - Account 303.

IV. Decommissioning Costs for Production Plant

39. The Parties agree that Public Service's estimated decommissioning costs for Production Plant, as set forth in the 2016 Decommissioning Cost Study should be approved except as modified below.

- a. Contingency costs, which represent unspecified but expected additional costs to be incurred by Public Service during the execution of decommission and demolition activities be set at 15 percent of direct costs;
- b. Indirect costs which represent costs expected to be incurred by Public Service during the decommissioning process in addition to the direct costs paid to a demolition contractor, be set at 10 percent of direct costs.
- c. Scrap metal pricing included in the decommissioning cost estimates will be the average of the heavy metal price composite values for October 2014, 2015, and 2016 after removal of transportation costs on a per ton basis.

V. Retired Generating Units and Craig Unit 1 Regulatory Assets

40. The Parties agree none of the \$157 million of depreciation reserve from the Steam Production units will be reallocated to the regulatory asset for Retired Generating Units.

41. The Parties also agree on a seven-year amortization period for the resulting balances of the Retired Generating Units regulatory assets, as well as the Craig Unit 1 regulatory asset.

42. The parties have also requested a number of approvals.

II. STANDARD OF REVIEW

43. The parties have the burden of proving by a preponderance of the evidence that the Settlement is just and reasonable.² In reviewing the terms, the ALJ applied the Commission's direction and policy with respect to review of settlement agreements as found in, *e.g.*, Decision No. C06-0259.³

44. Section 40-3-101, C.R.S., contains the standard against which the Commission judges proposed rates and charges: All rates and charges must be "just and reasonable." In addition, the Colorado Supreme Court lists these factors:

Those charged with the responsibility of prescribing rates have to consider the interests of both the investors and the consumers. Sound judgment in the balancing of their respective interests is the means by which a decision is reached rather than by the use of a mathematical or legal formula. After all, the final test is whether the rate is "just and reasonable." And, of course, this test includes the constitutional question of whether the rate order "has passed beyond the lowest limit of the permitted zone of reasonableness into the forbidden reaches of confiscation."

Public Utilities Commission v. Northwest Water Corporation, 168 Colo. 154, 173, 451 P.2d 266, 276 (Colo. 1969) (*Northwest Water*) (citations omitted).

45. Further, the Commission must consider whether the rates and charges, taken together, are likely to generate sufficient revenue to ensure a financially viable public utility, which is in both the ratepayers' interest and the investors' interest. Finally, the Commission must consider the ratepayers' interest in avoiding or minimizing rate shock because the monopoly which a utility enjoys cannot be exerted, to the public detriment, to impose oppressive rates.

² Section 13-25-127(1), C.R.S., and Rule 4 *Code of Colorado Regulations* 723-1-1500 of the Commission's Rules of Practice and Procedure, establish the burden of proof for a party which asks the Commission to adopt its advocated position. Decision No. C06-0786 issued July 3, 2006 in Proceeding No. 05A-072E, at ¶ 40 & n.23.

³ Decision No. C06-0259 was issued on March 20, 2006 in Proceeding No. 05S-264G.

Northwest Water, 168 Colo. at 181, 451 P.2d at 279. The Commission balances these factors and considerations when reviewing proposed rates and charges.

46. Public Service bears the burden of proving by a preponderance of the evidence that the proposed rates meet this standard.

III. CONCLUSIONS AND FINDINGS

47. Based upon the recitations made in the Joint Motion and testimony presented in the hearing conducted on November 18, 2016, the undersigned ALJ finds that the Settlement is in the public interest.

48. Based on the entire record, the ALJ finds that the parties have established by a preponderance of the evidence that the Settlement is just, is reasonable, and should be accepted by the Commission. The record supports each aspect of the Settlement without modification.

49. The following approvals have been requested by the parties and shall be granted:

- a) Approval of the depreciation rates as reflected in Exhibit A of the settlement agreement;
- b) Approval of the reserve reallocation within the functional classes that is derived from the approval of the individual lives, curves, and net salvage rates and amounts. The regulatory assets for the Retired Generating Units are excluded from this reserve reallocation;
- c) Except as modified above, a determination that it is reasonable to use estimated decommissioning costs from periodically updated decommissioning studies – such as the study sponsored by Mr. Kopp in this proceeding – to derive the net salvage component of Public Service’s depreciation rates for owned generating units;
- d) Approval of an effective date for these proposed depreciation rates as reflected in Exhibit A of the Settlement Agreement coincident with the date that new rates are implemented pursuant to the 2017 Rate Case;
- e) Approval of the amortization of the regulatory asset balances associated with the Retired Generating Units, as revised above, over seven (7) years for both accounting and ratemaking purposes;

- f) Approval of the amortization of the regulatory asset balances associated with the Retired Generating Units, as revised above, over seven (7) years for both accounting and ratemaking purposes;
- g) Approval to begin this amortization on the date that new rates are implemented pursuant to the 2017 Rate Case;
- h) Approval of a new 15-year amortization group for large backbone-type software systems and the inclusion of the Company's new General Ledger and Work Asset Management software systems in this new amortization group;
- i) Approval to establish a regulatory asset to account for deferred accruals equal to the difference between (i) the depreciation expense for Craig Unit 1 as required under Generally Accepted Accounting Principles beginning on September 1, 2016, and (ii) the depreciation expense under regulatory accounting based on the current depreciation rates previously approved by the Commission -- consistent with the deferred accounting authorized for certain of the Retired Generating Units in Decision No. C09-1446 in Proceeding No. 09AL-299E and Decision No. C10-1328 in Proceeding No. 10M-245E; and
- j) Approval to amortize and recover the resulting Craig Unit 1 deferred amounts over the same seven-year amortization period being proposed for the Retired Generating Units, commencing with the effective date of new general electric rates to be approved in the Company's upcoming 2017 electric rate case

IV. ORDER

A. The Commission Orders That:

1. The Joint Motion to Approve the Unopposed Comprehensive Settlement Agreement is granted.
2. The Settlement Agreement, attached to and incorporated in this Decision is accepted.
3. The Application of Public Service Company of Colorado filed on April 1, 2016 that seeks Commission approval of a revised depreciation rate for its Electric and Common Utility Plant and its proposed plan to amortize and recover the regulatory assets associated with 13 (now 14) recently retired or soon-to-be retired electric generating plants, is approved as modified by the Settlement Agreement.

4. This Recommended Decision shall be effective on the day it becomes the Decision of the Commission, if that is the case, and is entered as of the date above.

5. As provided by § 40-6-106, C.R.S., copies of this Recommended Decision shall be served upon the parties, who may file exceptions to it.

6. Responses to exceptions shall be due within seven calendar days from the filing of exceptions.

7. If no exceptions are filed within 20 days after service or within any extended period of time authorized, or unless the recommended decision is stayed by the Commission upon its own motion, the recommended decision shall become the decision of the Commission and subject to the provisions of § 40-6-114, C.R.S.

8. If a party seeks to amend, modify, annul, or reverse a basic finding of fact in its exceptions, that party must request and pay for a transcript to be filed, or the parties may stipulate to portions of the transcript according to the procedure stated in § 40-6-113, C.R.S. If no transcript or stipulation is filed, the Commission is bound by the facts set out by the administrative law judge; and the parties cannot challenge these facts. This will limit what the Commission can review if exceptions are filed.

9. If exceptions to this Recommended Decision are filed, they shall not exceed 30 pages in length, unless the Commission for good cause shown permits this limit to be exceeded.

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

Administrative Law Judge

**Public Service Company of Colorado - FERC
Deferred Tax Expense Calculation Examples**

Average Rate Assumption Method (ARAM)

Change in Tax Rate - Before ADIT Set Up is Complete

Plant Asset = \$100

Year	Tax Depreciation	Book Depreciation	Timing Difference	Tax Rate		Deferred Expense	ADIT
	(A)	(B)	(A)-(B)= (C)	(D)		(C)*(D)= (E)	
1	40	10	30	35%		11	11
2	30	10	20	21%	(1)	4	15
3	15	10	5	21%		1	16
4	10	10	-	21%		-	16
5	5	10	(5)	29%	(2)	(1)	14
6	-	10	(10)	29%	(2)	(3)	11
7	-	10	(10)	29%	(2)	(3)	9
8	-	10	(10)	29%	(2)	(3)	6
9	-	10	(10)	29%	(2)	(3)	3
10	-	10	(10)	29%	(2)	(3)	-
	100	100	-			-	

(1) Tax rate change from 35% to 21% occurs in Year 2 of asset's life

(2) Average rate is used to unwind deferred tax liability over remaining life of asset. This is an average of the 35% and 21% rates used to calculate deferred tax expense for the years when tax depreciation was greater than book depreciation

Change in Tax Rate - After ADIT Set Up is Complete

Plant Asset = \$100

Year	Tax Depreciation	Book Depreciation	Timing Difference	Tax Rate		Deferred Expense	ADIT
	(A)	(B)	(A)-(B)= (C)	(D)		(C)*(D)= (E)	
1	40	10	30	35%		11	11
2	30	10	20	35%		7	18
3	15	10	5	35%		2	19
4	10	10	-	21%	(1)	-	19
5	5	10	(5)	35%	(2)	(2)	18
6	-	10	(10)	35%		(4)	14
7	-	10	(10)	35%		(4)	11
8	-	10	(10)	35%		(4)	7
9	-	10	(10)	35%		(4)	4
10	-	10	(10)	35%		(4)	-
	100	100	-			-	

(1) Tax rate change from 35% to 21% occurs in Year 4 of asset's life

(2) Average rate is used to unwind deferred tax liability over remaining life of asset, which is 35% since the tax rate change occurred after the ADIT balance had finished setting up.

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Public Service Company of Colorado

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Docket No. ER19-____-000

**DIRECT TESTIMONY
OF
KOURTNI M. YAGER**

**ON BEHALF OF
PUBLIC SERVICE COMPANY OF COLORADO**

JUNE 7, 2019

DIRECT TESTIMONY OF KOURTNI M. YAGER

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**EXHIBITS TO
DIRECT TESTIMONY OF KOURTNI M. YAGER**

<u>Exhibit No.</u>	<u>Description</u>
XES – 301	Roadmap of Changes to Formula Rate Template
XES – 302	Transmission Customer Annual Revenue Impacts
XES – 303	Change in Ancillary Service Rates

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Public Service Company of Colorado

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Docket No. ER19-____-000

SUMMARY OF THE DIRECT TESTIMONY OF KOURTNI M. YAGER

Ms. Yager provides testimony in support of the filing by Public Service Company of Colorado (“PSCo” or “Company”) to revise the transmission formula rate template (“Template”) set forth in the Attachment O-PSCo to the Xcel Energy Open Access Transmission Tariff (“Xcel Energy Tariff”). Ms. Yager provides an overview of PSCo; introduces PSCo’s other witness in this proceeding (Mr. Mark P. Moeller); and explains the changes to the Template that PSCo proposes to become effective January 1, 2018 (the “Revised Template”). Ms. Yager’ testimony states that the Revised Template reflects revised Common Utility Plant depreciation rates; and revisions related to the calculation of accumulated deferred income taxes (“ADIT”) to reflect “excess and deficient” ADIT balances and the related amortization of those balances resulting from enactment of the Tax Cuts and Jobs Act (“TCJA”). Ms. Yager also supports the revisions to certain generation-related ancillary services formula calculations. Finally, Ms. Yager calculates the estimated cost impact of the Revised Template on the PSCo Annual Transmission Revenue Requirement (“ATTR”) and PSCo’s wholesale transmission and ancillary services customers.

DIRECT TESTIMONY OF

KOURTNI M. YAGER

I. INTRODUCTION AND EXPERIENCE

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Kourtnei M. Yager. My business address is 1800 Larimer Street, Denver, Colorado 80202

Q. BY WHOM ARE YOU EMPLOYED AND WHAT IS YOUR POSITION?

A. I am employed by Xcel Energy Services Inc. ("XES"), the centralized service company subsidiary of Xcel Energy Inc. ("Xcel Energy"), as Principal Rate Analyst of Revenue Analysis.

Q. PLEASE DESCRIBE XCEL ENERGY.

A. Xcel Energy is a public utility holding company with, among other subsidiaries, four wholly owned, vertically integrated public utility operating company subsidiaries: Public Service Company of Colorado ("PSCo" or the "Company"), Northern States Power Company, a Minnesota corporation ("NSPM"), Northern States Power Company, a Wisconsin corporation ("NSPW"), and Southwestern Public Service Company ("SPS") (together, the "Xcel Energy Operating Companies").

Q. ON WHOSE BEHALF ARE YOU TESTIFYING?

A. I am testifying on behalf of PSCo.

Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND PROFESSIONAL EXPERIENCE.

1 A. I graduated from the University of South Carolina in 2006 with a Bachelor of Science
2 degree in Accounting and Finance, and from Virginia Polytechnic Institute and State
3 University in 2007 with a Masters in Accounting and Information Systems.

4 I have worked in the utility industry for 8 years. Over that time, I have worked for
5 Piedmont Natural Gas ("Piedmont") and now XES in progressively more responsible
6 financial roles. In April 2011, I began working at Piedmont as a Risk Management
7 Analyst in the Treasurer's department. In September 2012, I accepted a position as a
8 Senior Risk Management and SOX Compliance Analyst with Piedmont supporting the
9 Chief Financial Officer's organization, where I performed risk analysis for Piedmont's
10 Operations and Financial organizations, and was responsible for Piedmont's compliance
11 with the provisions of the Sarbanes-Oxley Act.

12 In August 2013, I accepted a position with XES as an Accounting and Financial
13 Consultant, and in October 2015, accepted a rotational position within the Controllers
14 Organization. In these roles, I was responsible for ensuring the accuracy of Xcel Energy's
15 regulatory ledger, revenue and expense analysis, and external financial reporting. In
16 February 2016, I accepted the position of Senior Rate Analyst; and in May 2018, I
17 accepted the position of Principal Rate Analyst in the Revenue Analysis department. In
18 these latter positions, I have been responsible for developing revenue requirements
19 models to support both retail and wholesale rates charged by PSCo.

20 Prior to working in the utility industry, I held positions in accounting and
21 consulting during and after graduating from college in 2007. I am a Certified Public
22 Accountant, registered in the state of North Carolina.

1 **Q. WHAT ARE YOUR DUTIES IN YOUR CURRENT POSITION?**

2 A. I provide technical expertise for jurisdictional cost of service studies, revenue
3 requirement determinations, formula rate administration, and related projects for the Xcel
4 Energy Operating Companies, with a focus on PSCo. My responsibilities include
5 developing revenue requirements models and preparing and analyzing the revenue
6 requirements that support both PSCo retail rates in Colorado and the wholesale formula
7 rates on file with the Federal Energy Regulatory Commission (“FERC” or
8 “Commission”).

9 **Q. HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY BEFORE THE**
10 **FEDERAL ENERGY REGULATORY COMMISSION OR ANY OTHER**
11 **REGULATORY COMMISSION?**

12 A. No, I have not submitted testimony before the Commission or any state commission. I
13 have, however, supported the preparation of pre-filed testimony submitted by other
14 witnesses within the Revenue Analysis department.

15 **Q. WERE YOUR TESTIMONY AND EXHIBITS PREPARED BY YOU OR UNDER**
16 **YOUR DIRECT SUPERVISION?**

17 A. Yes.

18 **II. PURPOSE OF TESTIMONY**

19 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

20 A. The purpose of my testimony is to support PSCo’s revisions to Attachment O-PSCo to
21 the Xcel Energy Operating Companies Open Access Transmission Tariff (“Xcel Energy
22 Tariff” or ”Tariff”). Attachment O-PSCo is a transmission formula rate template (the
23 “Template” or “Formula Rate Template”) used to calculate the rates applicable to PSCo’s

1 wholesale transmission service and ancillary services customers. As part of this filing,
2 PSCo is submitting a number of revisions to the Template. I refer to these revisions as
3 the “Revised Template.” In my testimony:

- 4 • I provide an overview of PSCo;
- 5 • I provide an overview of the filing and introduce PSCo’s other witness, Mr.
6 Mark P. Moeller;
- 7 • I explain PSCo’s changes to the Formula Rate Template. The Revised
8 Template reflects: (a) revised Common Utility Plant depreciation Rates in
9 Table 25 supported by Mr. Moeller, and (b) revisions to various tables related
10 to the calculation of ADIT to reflect “excess and deficient” ADIT balances
11 and the related amortization of those balances resulting from enactment of the
12 Tax Cuts and Jobs Act (“TCJA”);
- 13 • I explain PSCo’s changes to certain generation-related ancillary services
14 formulas to modify the calculation of the Fixed Charge Rate to also
15 incorporate the impacts of the TCJA on the income tax rate and ADIT
16 balances; and
- 17 • I discuss the estimated cost impact of the Revised Template on PSCo’s annual
18 transmission revenue requirement (“ATRR”) and PSCo’s Wholesale
19 Transmission Service Customer class.

20 **Q. ARE YOU SPONSORING ANY EXHIBITS?**

21 A. Yes. I am sponsoring the following exhibits which are attached to my testimony:

<u>Exhibit No.</u>	<u>Description</u>
XES – 301	Roadmap of Changes to Formula Rate Template
XES – 302	Transmission Customer Annual Revenue Impacts
XES – 303	Change in Ancillary Service Rates

22 I am also sponsoring Exhibits No. XES – 100 and XES – 101, which are the clean and
23 marked tariff pages to the Revised Template.

1 **III. OVERVIEW OF PSCO’S FILING**

2 **A. OVERVIEW OF PSCo**

3 **Q. PLEASE DESCRIBE PSCo.**

4 A. PSCo is a wholly-owned utility operating company subsidiary of Xcel Energy Inc. (“Xcel
5 Energy”), a public utility holding company. PSCo is an integrated electric utility that,
6 *inter alia*, generates, transmits, distributes, and sells electric energy at cost-based
7 regulated rates to approximately 1.5 million retail customers in the State of Colorado
8 subject to the regulatory authority of the CoPUC, and cost-based wholesale production
9 services to six customers. PSCo also provides cost-based retail natural gas service to
10 approximately 1.4 million customers in Colorado, and steam service to approximately
11 120 customers in Denver, Colorado, also subject to the jurisdiction of the CoPUC.

12 PSCo provides wholesale transmission service at cost-based rates to customers
13 under the Xcel Energy Operating Companies Open Access Transmission Tariff (“Xcel
14 Energy Tariff”). Wholesale customers comprise approximately eighteen (18) percent of
15 the transmission loads on the PSCo system.

16 **B. PSCo’s FILING AND OTHER WITNESS’ TESTIMONY**

17 **Q. PLEASE DESCRIBE THE CURRENTLY EFFECTIVE PSCo FORMULA RATE**
18 **TEMPLATE.**

19 A. The PSCo Formula Rate Template is a transmission formula rate. The Formula Rate
20 Template is on file with the Commission as Attachment O– PSCo to the Xcel Energy
21 Tariff. The Attachment O-PSCo Formula Rate Template was added to the Xcel Energy
22 Tariff in Docket No. ER12-1589-000 *et al.* In addition to the formula calculations

1 themselves, Appendix 1 to Attachment O-PSCo is a set of Annual Formula Rate
2 Implementation Procedures (the “Protocols”).

3 PSCo calculates its ATRR pursuant to the formulae set forth in the Template.
4 These annual transmission revenue requirements are then used to calculate rates for Firm
5 and Non-Firm Point-to-Point Transmission Service provided under Schedules 7 and 8
6 and Network Integration Transmission Service (“NITS”) provided under Schedule 13 of
7 the Tariff. PSCo employs a forward-looking Template, whereby the ATRR is projected
8 under the Template each year using estimated costs and loads. The ATRR projections
9 are then subject to an annual true-up (“Annual True-up”) based on actual costs and loads
10 (as reported in PSCo’s FERC Form No. 1 report) when actual data becomes available.
11 PSCo calculates the Annual True-up by June of the year following the estimated Rate
12 Year, and the true-up is applied to customer bills by the end of the year following the
13 estimated Rate Year through a one-time adjustment. For example, the Estimated Rates
14 for 2018 will be subject to true-up in June 2019, with the true-up applied to bills by the
15 end of 2019. In addition to postings on OASIS, customer meetings, discovery and
16 potential informal and formal challenge processes under the Protocols, PSCo submits an
17 annual informational filing with the Commission with the Estimated Rates for the
18 upcoming Rate Year and the Actual rates for the prior Rate Year. The 2018 and the 2019
19 annual informational filings were submitted in Docket No. ER12-1589-000 on January
20 12, 2018 and January 14, 2019, respectively.

21 **Q. PLEASE SUMMARIZE THE CHANGES TO THE FORMULA RATE**
22 **TEMPLATE PSCO IS SUBMITTING IN THIS FILING.**

1 A. In this proceeding, PSCo is submitting a Revised Template containing changes to
2 incorporate the remaining provisions of the Tax Cuts and Jobs Act (“TCJA”) not already
3 reflected in the Template, including the amortization of “Excess” ADIT resulting from
4 the reduction in in the federal corporate income tax rate from 35 percent to 21 percent on
5 January 1, 2018 as a result of enactment of the TCJA. Additionally, as supported in the
6 Direct Testimony of Mr. Moeller, PSCo is proposing to update its authorized Common
7 Utility Plant depreciation rates to reflect changes to those depreciation rates approved by
8 the Colorado Public Utilities Commission (“CoPUC”), also effective January 1, 2018.

9 **Q. WHAT IS THE PROPOSED EFFECTIVE DATE FOR THE REVISED**
10 **TEMPLATE?**

11 A. PSCo is requesting an effective date of January 1, 2018 for the Revised Template, so the
12 reductions in the 2018 ATRR can be reflected in the 2018 True-up, to be calculated later
13 in 2019 and reflected in invoices to customers before year-end 2019.

14 **Q. PLEASE INTRODUCE THE OTHER WITNESS PROVIDING TESTIMONY IN**
15 **SUPPORT OF PSCO’S PROPOSED TARIFF CHANGES.**

16 A. PSCo’s filing is also supported by the Direct Testimony and Exhibits of Mr. Mark P.
17 Moeller, Director of Capital Asset Accounting for XES, Exhibit Nos. XES - 200 to XES -
18 206 (the “Moeller Direct Testimony”).

19 **Q. WHAT DOES MR. MOELLER ADDRESS IN HIS TESTIMONY?**

20 A. Mr. Moeller supports PSCo’s updates to Table 25 of the Template to reflect revised
21 depreciation rates for Common Utility Plant. Mr. Moeller describes the process PSCo
22 used in calculating the proposed depreciation rates pursuant to a Depreciation Study
23 prepared by Alliance Consulting Group, sponsors the proposed Common Utility Plant

1 depreciation rates in Table 25 and removal of certain regulatory amortizations, and
2 calculates the resulting change in transmission depreciation expense on a total Company
3 basis.

4 **Q. HAVE YOU QUANTIFIED THE IMPACT OF THE REVISED TEMPLATE ON**
5 **PSCO'S WHOLESALE TRANSMISSION SERVICE CUSTOMERS?**

6 A. Yes. I present the annual customer impact in Exhibit No. XES - 302, which is attached to
7 my testimony. In Section VI of my testimony, I discuss my calculations of the annual
8 customer impact presented in Exhibit No. XES - 302.

9 **IV. TAX CUTS AND JOBS ACT TEMPLATE CHANGES**

10 **A. THE NEED FOR TEMPLATE CHANGES RELATED TO THE**
11 **TCJA**

12 **Q. PLEASE DESCRIBE THE TAX CUTS AND JOBS ACT AND HOW IT AFFECTS**
13 **PSCO.**

14 A. The TCJA is the most comprehensive revision of the United States Tax Code since 1986.
15 The TCJA affects regulated utilities, including PSCo, in several important ways:

16 (1) Corporate Tax Rate. The TCJA set the federal corporate income tax rate
17 applicable to utilities and other C corporations at a flat 21% rate beginning
18 on January 1, 2018, whereas under prior law a utility's taxable income was
19 subject to a graduated tax rate that topped out at 35%. Customers saw an
20 immediate benefit from the lower tax rate through a lower provision for
21 income taxes reflected in revenue requirements.

22 (2) End of Bonus Depreciation. Utilities are no longer eligible to use bonus
23 depreciation for assets placed into service after December 31, 2017, but
24 instead must use Modified Accelerated Cost Recovery System
25 depreciation rates for those assets. Although the TCJA provides for 100%
26 expensing of "qualified property" placed in service after December 31,
27 2017 and before January 1, 2023, "qualified property" is now defined to
28 exclude public utility property.

29 (3) Net Operating Loss ("NOL") Deductions. The NOL deduction is limited
30 to 80% of taxable income for losses arising in tax years beginning after

December 31, 2017.

- (4) Interest Expense Deductibility. The TCJA allows utilities to continue deducting all interest expense, whereas companies in other industries may not be able to deduct all of the interest expense they incur.
- (5) Manufacturing Deduction. The deduction formerly available for certain manufacturing activities under section 199 of the Internal Revenue Code (“IRC”) was eliminated effective January 1, 2018.
- (6) Meals and Entertainment Expense. The deductibility of meals and entertainment expense was modified effective January 1, 2018.
- (7) Executive Compensation. The deductibility of executive compensation expense was modified effective January 1, 2018.
- (8) Effect on ADIT Balances. This is explained in detail in my testimony below.

Q. DOES THE FORMULA RATE TEMPLATE NEED TO BE MODIFIED TO ACCOUNT FOR ALL OF THESE IMPACTS OF THE TAX CUTS AND JOBS ACT?

A. No. The calculation of the ATRR in the Template only requires changes due to (8) above. No change to the ATRR calculation is needed to reflect the effect of the first seven TCJA changes listed above for the calculation of transmission service rates: (1) corporate tax rate; (2) end of bonus depreciation; (3) NOL deductions, (4) interest expense deductibility, (5) manufacturing deduction, (6) meals and entertainment expense; and (7) executive compensation. Items 1, 2, and 4 are automatically incorporated in the Template via dynamic input cells or because the data is already embedded in PSCo’s books and records. For example, the federal corporate income tax rate “cell” in the Template is a blank cell that requires PSCo to calculate its ATRR using the currently effective tax rate. PSCo reflected the impact of the TCJA change in the federal corporate income tax rate from 35 percent to 21 percent in transmission service bills starting

1 January 1, 2018, pursuant to a Protocol waiver approved by the Commission.¹ In
2 addition, PSCo has already reflected the TCJA's effect on ADIT balances in rate base in
3 the 2018 Transmission rates. As such, transmission service rates for 2018 already reflect
4 some impacts of the TCJA without any change to the Template.

5 The remaining TCJA changes do not directly affect PSCo's transmission business
6 and therefore they require no changes to the Template. Specifically, Items 3, 5, 6, and 7
7 are not included in the calculation of the ATRR in the Template.

8 The calculation of the fixed charge component of Ancillary Service Rates in the
9 Transmission Formula Rate Template requires changes due to items 1 and 8, only.

10 **Q. PLEASE DESCRIBE THE CHANGES TO THE TEMPLATE REQUIRED TO**
11 **REFLECT THE IMPACT OF ITEM 8, THE EFFECT ON ADIT BALANCES.**

12 A. Two changes to the Template are needed to fully reflect the impacts of the TCJA. The
13 first change addresses the non-plant ADIT balances recorded to FERC Account 182.3
14 (Regulatory Assets) and Account 254 (Regulatory Liabilities). While the current Formula
15 Rate Template allows for the inclusion of these balances in Rate Base, as described in my
16 testimony below, PSCo will now explicitly present these balances in the "Other Rate
17 Base" section of the ATRR calculation (Tables 4 and 5, lines 44 and 45).

18 The second change addresses the TCJA's effect on income tax expense. In this
19 filing, PSCo is adding new worksheets in the Revised Template to detail the non-plant
20 ADIT balances included in rate base and the amortization of all excess and deficient

¹ *Public Service Company of Colorado*, 162 FERC ¶ 61,126 (2018).

ADIT balances.

As described in more detail below, PSCo also proposes to modify the calculation of the Fixed Charge Rate applicable to its Ancillary Service Rates formulas to also incorporate the impacts of the TCJA on the income tax rate and ADIT balances.

Q. IN DEVELOPING THE REVISED TEMPLATE TO RELECT THE TCJA, DID PSCO INCORPORATE COMMISSION GUIDANCE TO PUBLIC UTILITIES?

A. Yes. PSCo's ADIT-related changes to the Template are consistent with the preliminary guidance provided by the Commission in the Notice of Proposed Rulemaking ("ADIT NOPR") issued in 2018 in Docket No. RM19-5-000.² In the ADIT NOPR, the Commission proposed to require public utilities with transmission formula rates to incorporate a new permanent worksheet into their transmission formula rates that will annually track information related to excess or deficient ADIT under Section 35.24 of the Commission's regulations. The Commission also proposed that these ADIT worksheets include certain minimum ADIT-related information.

Although the ADIT NOPR is a proposed rule and not binding, PSCo's Revised Template includes the ADIT-related information described in the proposed rule. Specifically, PSCo is adding two new ADIT-related worksheets as Tables 8.1 and 9.1 of the Template. This filing also revises Tables 1, 2, 3, 4, 5, 32, and 39 of the Template. The Revised Template:

² *Public Utility Transmission Rate Changes to Address Accumulated Deferred Income Taxes*, Notice of Proposed Rulemaking, 165 FERC ¶ 61,117 (2018).

1. Presents PSCo's Excess ADIT balances recorded to FERC Accounts 182.3 and 254, as of the TCJA's effective date of January 1, 2018. *See* Table 8.1 and Table 9.1.
2. Includes excess and deficient ADIT amounts in Rate Base calculation. *See* Tables 4 and 5.
3. Provides the necessary details to determine whether excess or deficient ADIT is protected or unprotected. For unprotected balances (non-plant), *see* Tables 8.1 and 9.1, footnote 2. Plant-related protected and unprotected balances will be presented separately on an existing work paper.
4. Shows the change in the income tax calculation to incorporate the excess or deficient ADIT amortization. *See* Tables 4 and 5.
5. Provides the amortization period of the excess or deficient unprotected ADIT balances (and one protected balance, for the NOL ADIT item) being returned or recovered through PSCo's rates. *See* Tables 8.1 and 9.1.

Q. WHAT IS "EXCESS" AND "DEFICIENT" ADIT?

A. For ADIT amounts in FERC Account 190, the difference between the balance in the general ledger and the revalued balance reflecting the TCJA is a regulatory asset that will be recovered from customers. These amounts are "deficient" ADIT. For ADIT amounts in FERC Accounts 282 and 283, the difference between the balance in the general ledger and the revalued balance is a regulatory liability that will be refunded to customers. These amounts are "excess" ADIT. In the context of my testimony, I use the term "Excess ADIT" to refer to both the excess amounts to be refunded to customers as well as the deficient amounts to be recovered from customers because, for PSCo, the net is a regulatory liability that will be refunded over time.

Q. HOW DID THE TCJA AFFECT ADIT BALANCES?

A. The reduction in the federal corporate income tax rate gives rise to Excess ADIT because the deferred income tax expense collected in prior years' rates was based on a 35 percent income tax rate, but utilities will pay the deferred taxes to the Internal Revenue Service at

1 a 21 percent rate. After enactment of the TCJA, PSCo was required to revalue its ADIT
2 balances at the lower 21 percent federal corporate income tax rate, and the difference
3 between the ADIT balances on PSCo's books and the revalued ADIT balances was
4 Excess ADIT that PSCo booked in accordance with FASB-109. The ADIT balances
5 represent tax expense amounts PSCo will pay to the U.S. government at some point in the
6 future.

7 **Q. DOES THE CURRENT FORMULA RATE TEMPLATE FLOW THROUGH**
8 **SOME OF THE EXCESS ADIT CREATED BY THE TCJA?**

9 A. Yes. PSCo's currently effective Template provides for the inclusion of Excess ADIT
10 balances in rate base. Footnote C in Tables 4 and 5 allows PSCo to include contra
11 accounts to FERC Account 282, 283 and 190, provided the contra balances are identified
12 as regulatory liabilities or assets and are related to FASB 106, 109, 133, 158, or FASB
13 Interpretation No. 48.

14 **Q. WHAT CHANGES TO THE FORMULA RATE TEMPLATE ARE NECESSARY**
15 **TO ADDRESS THE EXCESS ADIT BALANCES?**

16 A. The Excess ADIT should be returned to customers over varying periods of time,
17 depending on the type of the underlying asset or liability. To address these ADIT
18 balances, changes must be made to both the calculation of rate base as well as the
19 calculation of income tax expense. Until the Excess ADIT is amortized, customers will
20 continue to receive the benefit of a rate base reduction for the Excess ADIT.

21 **Q. HOW DOES EXCESS ADIT IMPACT THE CALCULATION OF RATE BASE?**

22 A. When the TCJA was passed and the corporate income tax rate was reduced to 21 percent,
23 PSCo and other utilities were required to recalculate their ADIT balances under FASB-

1 109. The difference between the ADIT balances calculated using the 35 percent federal
2 income tax rate and the restated balance at the lower 21 percent income tax rate is
3 recorded as Excess ADIT. Because PSCo's transmission rates had been calculated
4 assuming a higher future tax liability (in other words a higher ADIT balance), these
5 Excess ADIT amounts need to be refunded to PSCo's transmission service customers
6 over time. Until the amounts are refunded, the un-refunded Excess ADIT balance will
7 remain as a credit to rate base.

8 **Q. PLEASE EXPLAIN THE RATE BASE RELATED TEMPLATE CHANGES.**

9 A. The Excess ADIT will be returned to customers over various periods of time depending
10 on the type of Excess ADIT (plant-related or non-plant related). The Excess ADIT
11 balances associated with PSCo's plant in service are recorded in FERC Accounts 190,
12 282 and 283. These accounts are already included in the Template so no changes are
13 necessary to include plant-related Excess ADIT. However, the Excess ADIT associated
14 with non-plant items are recorded in FERC Accounts 182.3 and 254, which are not
15 currently included in the Template. To reflect the treatment of non-plant related Excess
16 ADIT, the balances recorded in FERC Accounts 182.3 and 254 will now be included in
17 rate base. To explicitly present these balances, PSCo proposes to add lines to the Other
18 Rate Base section of the ATRR calculation in Tables 4 and 5. Any other items recorded
19 in these accounts are not included in rate base unless specifically approved by the
20 Commission.

21 **Q. PLEASE EXPLAIN WHY CHANGES TO THE CALCULATION OF INCOME**
22 **TAX EXPENSE ARE NECESSARY.**

1 A. Excess ADIT amounts will be returned to customers over various time periods,
2 depending on the type of Excess ADIT. The amortization of Excess ADIT is included in
3 deferred tax expense, which is not a component of the calculation of the transmission
4 revenue requirement in the current Template. The Revised Template includes the
5 amortization in Tables 4 and 5.

6 **Q. PLEASE EXPLAIN THE TYPES OF EXCESS ADIT AND HOW THE**
7 **AMORTIZATION OF EACH TYPE OF EXCESS ADIT IS CALCULATED?**

8 A. Excess ADIT falls into two categories depending on whether or not it is subject to IRS
9 normalization rules. Excess ADIT that is subject to normalization is referred to as
10 “protected” and Excess ADIT that is not subject to normalization is referred to as
11 “unprotected.” Protected Excess ADIT is required to be amortized using the Average
12 Rate Assumption Method (“ARAM”) by the IRS normalization rules, which amortizes
13 the Excess ADIT balance over the average remaining life of the underlying assets.

14 The Net Operating Loss or NOL Carryforward deferred tax asset is a protected
15 asset because the NOL was generated as a result of PSCo claiming bonus depreciation.
16 PSCo will amortize the NOL over 51 years, which is the average remaining life of all of
17 PSCo’s plant. There is no specified amortization period for unprotected ADIT balances.
18 PSCo’s plant-related Excess ADIT is made up of both protected and unprotected Excess
19 ADIT. The protected Excess ADIT will be amortized over the underlying assets’
20 remaining life using ARAM. The Revised Template will also amortize plant-related
21 unprotected Excess ADIT using ARAM over the remaining life of the assets to which the
22 Excess ADIT relates. PSCo’s non-plant Excess ADIT is all unprotected, and the Revised

1 Template will amortize the non-plant Excess ADIT related to pension over 10 years and
2 all other categories over 5 years.

3 **Q. PLEASE EXPLAIN WHY THESE AMORTIZATION PERIODS FOR NON-**
4 **PLANT EXCESS ADIT ARE REASONABLE**

5 A. ADIT accumulates and then reverses over the life of the underlying asset or liability that
6 generated the ADIT. The underlying assets and liabilities that gave rise to the non-plant
7 ADIT have varying lives. Some are very short term in nature and have lives that are only
8 a year or two in length. Other assets and liabilities have a longer remaining life, such as
9 those that are related to retirement obligations. PSCo's use of a 10-year amortization
10 period for pension-related items and a 5-year amortization period for all other items takes
11 into account inter-generational equity issues by providing a balance between PSCo's
12 current customers and its future customers.

13 **Q. HAS PSCO PROPOSED SIMILAR AMORTIZATION PERIODS FOR NON-**
14 **PLANT EXCESS ADIT IN ANY OF ITS OTHER JURISDICTIONS?**

15 A. Yes. The CoPUC-approved settlement for PSCo's Electric retail jurisdiction authorized
16 the use of 10-year (for pension-related items) and 5-year (for all other items) amortization
17 periods for non-plant unprotected Excess ADIT to calculate the impact of TCJA for retail
18 ratemaking in 2018 and 2019. Although PSCo's 2017 retail electric rate case (Case No.
19 17AL-0649E) was dismissed by the CoPUC, the CoPUC established Excess ADIT
20 accounting principles in Proceeding No. 18M-0074EG until PSCo filed its next retail
21 electric rate case. PSCo filed that rate case on May 19, 2019, in CoPUC Case No. 19AL-
22 0268E, with rates anticipated to be effective January 1, 2020.

**B. CHANGES RELATED TO TCJA IN THE CALCULATION OF
TRANSMISSION SERVICE RATES**

**Q. PLEASE DISCUSS THE SPECIFIC TEMPLATE CHANGES RELATED TO THE
TCJA.**

A. The changes related to the TCJA impact Tables 1, 2, 3, 4, 5, 32, and 39. In addition, two new tables were created, Tables 8.1 and 9.1. The changes to the Formula Rate Template include changes (1) to the calculation of rate base, (2) to the calculation of income tax expense, and (3) to the calculation of the fixed charge rate applied to the calculation of all ancillary service rates. A “road map” to the proposed changes is provided in Exhibit No. XES - 302 to my testimony.

**Q. PLEASE DESCRIBE THE CHANGES TO THE CALCULATION OF RATE
BASE IN THE REVISED TEMPLATE.**

A. The Template changes related to rate base are intended to bring clarity and transparency to the Template, consistent with the guidance in the ADIT NOPR. PSCo’s current Template provides for the inclusion of non-plant Excess ADIT balances in the calculation of rate base. However, the current Template does not distinguish ordinary ADIT amounts from the non-plant Excess ADIT amounts. The changes make clear the amount of ADIT being included in rate base and the amount of non-plant Excess ADIT being included in rate base.

To implement this, new tables Table 8.1 and Table 9.1 were created. These tables present the beginning and ending balance of non-plant related Excess ADIT recorded to FERC Accounts 254 and 182.3. Plant-related Excess ADIT is included with plant ADIT in the PSCo FERC Form 1 so it is already included in the formula rate template on Tables 8 and 9. Non-plant Excess ADIT is recorded in either FERC Account 182.3 or FERC

1 Account 254, depending on whether the Excess ADIT is related to a deferred tax asset or
2 a deferred tax liability. Tables 8.1 and 9.1 also present the annual amortization of the
3 Excess ADIT. Tables 4 and 5 then reference the Excess ADIT average balance and
4 amortization calculated on Tables 8.1 and 9.1.

5 Tables 8.1 and 9.1 were created to categorize and allocate the non-plant Excess
6 ADIT and the amortization of the Excess ADIT for both plant and non-plant. The new
7 Table 9.1 also contains lines for proration adjustments because the Excess ADIT related
8 to the NOL is protected and therefore must be prorated. The proration is calculated on
9 Table 39.

10 Table 39 was changed to add two new sections which calculate the proration
11 adjustment for the transmission-specific and general plant NOL Excess ADIT. The new
12 sections function in the same manner as the existing sections on Table 39. The proration
13 adjustment is then included in the total amount of adjustments to rate base calculated on
14 Table 9.1 and included in the calculation of rate base on Tables 4 and 5.

15 Table 4 (ATRR Estimated data) was changed to add two new lines in the Other
16 Rate Base section of the rate base calculation. Line 44 includes the Excess ADIT
17 recorded in FERC Account 182.3. Line 45 includes the Excess ADIT recorded in FERC
18 Account 254. Because the amounts in lines 44 and 45 are coming from Tables 8.1 and
19 9.1 already allocated, the balances are included in transmission rate base without further
20 allocation, which is consistent with the treatment of the other ADIT balances calculated
21 on Tables 8 and 9.

22 Table 5 (ATRR Actual data) was changed in the same manner as Table 4, except
23 that it references the actual data calculated on Tables 8.1 and 9.1.

1 **Q. PLEASE EXPLAIN HOW THE REVISED TEMPLATE ADDRESSES EXCESS**
2 **ADIT RELATED TO NOLS.**

3 A. As noted, PSCo will amortize the NOL over 51 years, which is the average remaining life
4 of all of PSCo's plant. PSCo currently functionalizes the NOL Carryforward ADIT
5 balance in Table 9 in the Formula Rate Template. The NOL Carryforward Excess ADIT
6 will be functionalized in the same manner.

7 **Q. PLEASE DESCRIBE HOW PROTECTED AND UNPROTECTED EXCESS ADIT**
8 **ITEMS WILL BE PRESENTED IN THE REVISED TEMPLATE.**

9 A. As described previously, there are four types of Excess ADIT balances:

- 10 1) Plant - Protected
11 2) Plant - Unprotected
12 3) Non-Plant - Protected
13 4) Non-Plant Unprotected

14 Protected and unprotected plant balances will be accumulated and reported
15 separately as deferred income tax items on the Accumulated Deferred Income Tax work
16 paper within the Template (Tables 8 and 9, sourced from PSCo's FERC Form 1, Pages
17 234 and 274). As described earlier in my testimony, PSCo accounts for the excess plant
18 ADIT balances within FERC Accounts 190, 282, and 283. Since the plant excess ADIT
19 balances are embedded in FERC accounts 190, 282, and 283, the balances reported
20 separately on Tables 8 and 9 will be for presentation purposes only.

21 The only protected excess non-plant ADIT balance is the NOL Carryforward. All
22 other excess non-plant ADIT items are unprotected. The following footnotes will be
23 presented on proposed Tables 8.1 and 9.1:

- 24 • Table 8.1 – "Excess ADIT Balances recorded in FERC Account 254 are
25 Unprotected."

- Table 9.1 – “With the exception of the NOL Carryforward balances, Excess ADIT Balances recorded in FERC Account 182.3 are Unprotected.”

Q. PLEASE DESCRIBE THE CHANGES TO THE TEMPLATE THAT AFFECT THE CALCULATION OF INCOME TAX EXPENSE.

A. Tables 8.1 and 9.1 present and allocate the amortization of both plant and non-plant Excess ADIT. The plant-related Excess ADIT amortization is input in the top section of the table which then allocates the amortization based on whether it is not transmission related, transmission-specific, plant related, or labor related. Similarly, the non-plant Excess ADIT amortization is categorized and allocated in the same manner.

The balances and remaining amortization periods are inputs to Tables 4 and 5. Once the Excess ADIT amortizations are allocated, the allocated amount is included in the calculation of income tax expense on Tables 4 and 5.

Table 4 (ATRR Estimated data) was changed by inserting four lines to include the Excess ADIT Amortization. Lines 119 and 120 reference the allocated Excess ADIT amortization calculated on Tables 8.1 and 9.1 for plant and non-plant. Lines 124 and 125 then apply the income tax gross up factor calculated on an existing line (Line 116) to gross up the amortizations to a revenue basis. Finally, the sum on Line 126 was adjusted to include the two new lines 124 and 125 in the total income tax expense amount.

C. CHANGES RELATED TO TCJA IN THE CALCULATION OF ANCILLARY SERVICE RATES

Q. HOW IS THE FIXED CHARGE RATE USED TO CALCULATE ANCILLARY SERVICES?

A. Ancillary service rates are calculated using historic data based on the most current FERC Form 1 data, and are not trued-up. Ancillary service rates are generally calculated by

1 multiplying the installed cost of the portion of the generation units supplying the service
2 by a Fixed Charge Rate (“FCR”). Specifically, the calculation of each ancillary service
3 that uses the FCR is described below:

- 4 (1) Schedule 2 – Reactive Supply and Voltage Control Service: The FCR is
5 multiplied by dual use production plant to derive the annual cost of
6 reactive power equipment and net production plant to derive the revenue
7 requirement for real power losses relate to reactive power equipment.
- 8 (2) Schedules 3 and 3A – Regulation and Frequency Response Service: The
9 FCR without the O&M component is multiplied by the installed cost, or
10 production investment amount, to derive the cost of providing reactive
11 supply services.
- 12 (3) Schedule 5 – Spinning Reserve Service: For only plants that provide
13 Spinning Reserve service, the FCR is multiplied by the total plant cost,
14 less a portion assigned to dual use for VAR production, to derive the
15 annual cost to provide service.
- 16 (4) Schedule 6 – Supplemental Reserve Service: For only plants that provide
17 Supplemental Reserve service, the FCR is multiplied by the total plant
18 cost, less a portion assigned to dual use for VAR production, to derive the
19 annual cost to provide service.
- 20 (5) Schedule 16 – Flex Reserve Service: The FCR without the O&M
21 component is multiplied by the installed cost, or production investment
22 amount, to derive the cost of providing reactive supply services.

23 **Q. PLEASE DESCRIBE THE CALCULATION OF THE EXISTING FIXED**
24 **CHARGE RATE.**

25 A. The fixed charge rate is the sum of individual component fixed charge rates. The
26 individual fixed charge rates are:

- 27 (1) Operations and Maintenance Expense - The O&M component fixed
28 charge rate is calculated by dividing production O&M expense by total
29 production plant (excluding asset retirement obligation amounts and
30 including generator step up amounts).
- 31 (2) Other Taxes Expense - The other taxes expense fixed charge rate is
32 calculated by dividing total taxes other than income by total electric plant.

(3) Administrative and General Expense - The A&G expense fixed charge rate is calculated by dividing an allocated share of total A&G expense by production plant (excluding asset retirement obligation amounts and including generator step up amounts). The allocated share of A&G expense is calculated using the percentage of production wages to total wages excluding A&G wages. The production labor percentage is then multiplied by total A&G expense to calculate A&G expense allocated to production.

(4) Return on Rate Base - The rate of return component is calculated in the same manner as is done for the transmission revenue requirement. For the calculation of capital structure (which is used to weight the cost of equity and cost of debt), common equity is calculated as total proprietary capital minus preferred stock, balances in account 216.1, and accumulated other comprehensive income. Long term debt is calculated as the sum of the balances of bonds (less reacquired bonds), advances from associated companies, and other long term debt.

The cost of equity is 9.72%, which is the cost of equity used in the calculation of the transmission ATRR in the Template. The cost of debt is calculated as total interest expense divided by long term debt as calculated above. Total interest expense is the sum of interest on long term debt, interest on debt to associated companies (long term portion only), amortization of debt discount and expense, amortization of loss on reacquired debt, less amortization of premium on debt and less amortization of gain on reacquired debt.

The weighted average cost of capital is simply the sum of the cost of debt and the cost of equity weighted by the debt/equity ratio.

(5) Depreciation Expense - The depreciation expense factor takes into account depreciation expense as well as the impact of accumulated depreciation on the revenue requirement. The calculation starts by dividing production depreciation expense by production plant (excluding asset retirement obligation amounts and including generator step ups). The result is the average depreciation rate. The average useful life of production plant is calculated as 1 divided by the average depreciation rate. The depreciation expense fixed charge rate is calculated as

$$\frac{\text{weighted avg cost of capital}}{(1+\text{weighted avg cost of capital})^{n-1}}$$

where n equals the average useful life calculated above.

(6) Composite Income Tax Expense - The composite income tax expense fixed charge rate is calculated as

$$\frac{\left(\frac{35}{65}\right) + \text{state tax rate}}{(1 - \text{state tax rate})} \times (\text{weighted average cost of capital} + \text{depreciation expense factor} - \text{avg depreciation rate}) \times \left(1 - \frac{\text{weighted avg cost of debt}}{\text{weighted avg cost of capital}}\right)$$

- (7) General and Intangible Plant - The general and intangible plant fixed charge rate accounts for the impact to the production fixed charge rate of general and intangible plant. It is calculated as the general and intangible plant revenue requirement (the portion allocated to production) divided by production plant (excluding asset retirement obligation amounts and including generator step ups). Total general and intangible plant balances are allocated to the production function based on the ratio of production wages to total wages (excluding A&G wages). A revenue requirement carrying charge rate is then applied to the production allocated general and intangible plant. The revenue requirement carrying charge rate is the sum of the fixed charge rates for the Other Taxes, Rate of Return, Depreciation, Composite Income Tax, Materials & Supplies, Excess/Deficient ADIT Amortization, and ADIT Adjustment components.
- (8) Cash Working Capital - The cash working capital fixed charge rate is currently zero and will not be changed absent a filing with FERC to approve a cash working capital amount. This item is included as a placeholder only.
- (9) Accumulated Deferred Income Taxes - The accumulated deferred income tax fixed charge rate component accounts for the impact of accumulated deferred income taxes on the revenue requirement. The factor is calculated as the return and income taxes on the production allocated portion of ADIT divided by electric plant (excluding asset retirement obligation amounts). Total ADIT is allocated to production based on the ratio of production plant (excluding asset retirement obligation amounts and including generator step ups) to total electric plant. Total ADIT includes the ADIT in FERC Accounts 190, 281, 282, and 283. The return and income taxes associated with the production allocated ADIT are calculated by multiplying the production allocated ADIT balance by the sum of the return and income tax fixed charge rate components.
- (10) Materials and Supplies - The materials and supplies fixed charge rate accounts for the carrying cost of non-fuel materials and supplies inventory held by PSCo. The factor is calculated as the return on non-fuel materials and supplies inventory allocated to the production function based on production plant in service as a proportion of total plant in service.

The sum of items (1) through (10) produce the total Fixed Charge Rate, which is then used as component into the calculation of Schedule 2, Schedule 3 and 3A, Schedule 5,

1 Schedule 6, and Schedule 16 ancillary services rates, as described previously. The Fixed
2 Charge Rate does not automatically adjust to include the impacts of the TCJA, however,
3 so PSCo is revising the Fixed Charge Rate calculation.

4 **Q. PLEASE DESCRIBE THE CHANGES TO THE CALCULATION OF THE FIXED**
5 **CHARGE RATE TO REFLECT THE TCJA.**

6 A. PSCo is updating the Income Tax Expense FCR component (item 6) to reflect a dynamic
7 input cell for the current federal income tax rate, consistent with the Template. The
8 federal income tax rate used in the current FCR calculation is a stated 35 percent, and
9 should be updated to reflect the effective tax rate of 21 percent. Rather than including a
10 specific rate, however, recognizing that federal corporate income tax rate may change
11 again in the future, PSCo is adding an input (or “yellow”) cell for the rate. PSCo also
12 modifies the formula calculating the Composite Income Tax rate to reference that cell, so
13 that the federal income tax rate may be automatically updated as appropriate.

14 Additionally, PSCo is modifying the Accumulated and Deferred Income Taxes
15 FCR component (item 9) to include the excess and deficient ADIT balances recorded to
16 FERC Accounts 254 (Regulatory Liabilities) and 182.3 (Regulatory Assets). These
17 balances will be included in the Total ADIT balance.

18 Finally, PSCo is adding a new FCR component for the amortization of ARAM,
19 excess and deficient ADIT. This component accounts for the impact to the fixed charge
20 rate of the flowback of Excess ADIT. It is calculated as the total Excess ADIT
21 amortization (grossed up to a revenue basis), allocated to the production function. The
22 Excess ADIT amortization is allocated to the production function based on production
23 plant in service as a proportion of total plant in service.

**V. COMMON UTILITY PLANT DEPRECIATION RATES
AND REGULATORY ASSET TEMPLATE CHANGES**

A. PSCO'S CHANGES TO ITS COMMON DEPRECIATION RATES

**Q. WHY IS PSCO UPDATING ITS DEPRECIATION RATES FOR COMMON
UTILITY PLANT?**

A. As discussed by Mr. Moeller, PSCO's Common Utility Plant Depreciation rates and amortizations currently used in PSCO's Transmission Formula have not changed since PSCO first implemented the Template in Docket No. ER12-1589. The current rates reflect the retail Common Utility Plant depreciation rates approved by the CoPUC in 2009 in CoPUC Decision No. C09-1446. PSCO is updating the Common Utility Plant depreciation rates in Table 25 to reflect the revised depreciation rates approved by the CoPUC in Case No. 16A-0231E. PSCO's updated Common Utility Plant depreciation rates impact the calculation of depreciation expense in the PSCO ATRR and result in a slightly lower ATRR and thus lower transmission rates than if Table 25 were not revised.

**VI. IMPACT OF TEMPLATE CHANGES ON PSCO'S WHOLESALE
TRANSMISSION SERVICE CUSTOMERS**

**Q. HAVE YOU CALCULATED THE IMPACT OF THE TEMPLATE CHANGES
ON WHOLESALE TRANSMISSION CUSTOMERS?**

A. Yes. Using the 2018 Estimated Rates, I quantified the impact of PSCO's Revised Template changes on PSCO's wholesale transmission ATRR. I also estimated the impact of the revised Fixed Charge Rate change on the Ancillary Service Rates.

**Q. WHAT IS THE DOLLAR IMPACT ON PSCO'S ATRR AND WHOLESALE
TRANSMISSION AND ANCILLARY SERVICES CUSTOMERS?**

1 A. Wholesale transmission customers taking service under the Tariff comprise
2 approximately 18 percent of the transmission loads on the PSCo system. The remaining
3 loads are PSCo retail native loads. The proposed TJCA Template changes result in an
4 estimated decrease in the PSCo ATRR of \$2.4 million using 2018 estimated data, and a
5 reduction in transmission charges to PSCo's wholesale transmission NITS customers of
6 \$392,000. The changes to the Common Utility Plant depreciation rates result in a
7 reduction to the PSCo ATRR of \$1.3 million, and an estimated decrease in transmission
8 charges to PSCo's wholesale transmission NITS customers of \$234,000. The changes to
9 the Fixed Charge Rate will result in an estimated decrease in ancillary service rated
10 charged to PSCo's wholesale customers to be effective in 2020.

11 The ATRR and customer impact is presented in more detail in Exhibit No. XES -
12 302 to my testimony. The proposed changes reduce Ancillary Services Rates, detailed in
13 Exhibit No. XES - 303 to my testimony.

14 **Q. PLEASE DESCRIBE HOW YOU CALCULATED THE ANNUAL CUSTOMER**
15 **IMPACTS.**

16 A. To quantify the impact of TCJA-related Template changes, I analyzed the impact to rate
17 base, deferred taxes, and the FCR calculation separately. For each of these analyses,
18 actual 2018 plant ARAM amortization and actual excess and deficient non-plant ADIT
19 balances as of 12/31/2017 and 12/31/2018 were used. For Rate Base, I identified the
20 specific Excess and Deficient ADIT balances attributable to the Transmission function.
21 ADIT in the Template is analyzed based upon an average of the beginning-of-year and
22 end-of-year balances; the balances were as of 12/31/2017 and 12/31/2018, in this
23 instance. These balances are either direct-assigned at 100 percent to the Transmission

1 function, or are assigned to the Transmission function based upon a labor or plant
2 allocator. The labor and plant allocators are derived within the Template, and are
3 updated with each iteration. Applying the appropriate allocation methodology allowed
4 me to determine the total Excess and Deficient ADIT balances attributable to the
5 Transmission Function. This amount is includable in Rate Base, and was multiplied by
6 the 2018 estimated Rate of Return, to determine Return on Investment. To determine the
7 allocation to the wholesale customer class, the Return on Investment was multiplied by
8 an estimated allocation percentage to the wholesale customer class. I determined this
9 allocation percentage by using the 2018 estimated billing determinants: wholesale
10 customer class' 12-month average coincident peak (less grandfathered agreement sales)
11 divided by PSCo's total transmission system peak.

12 To calculate the estimated impact to deferred taxes, I analyzed the impact of both
13 protected (generally, plant-related) ARAM amortization and unprotected (generally, not
14 related to plant) Excess and Deficient ADIT amortization. For protected ADIT items,
15 PSCo's system of record for capital asset data produces the annual ARAM amortization
16 amount based on current capital assumptions. For unprotected ADIT items, I identified
17 the specific Excess and Deficient ADIT balances attributable to the Transmission
18 function. For these items, the balances at 12/31/2017 (or when the TCJA took effect)
19 were divided by the aforementioned amortization periods to determine the annual
20 amortization expense. The annual amortization expense associated with each ADIT item
21 was allocated in the same manner described in the preceding paragraph to determine the
22 total amortization associated with Excess and Deficient ADIT balances. This
23 amortization amount, including the ARAM amortization amount, was multiplied by a tax

1 gross-up amount, to determine the grossed up impact to income tax expense. This impact
2 was multiplied by an estimated allocation percentage to the wholesale transmission
3 service customer class.

4 To quantify the impact of the revisions related to Common Utility Plant
5 depreciation rates, I allocated the total Company impact, as presented in Exhibit XES-204
6 to Mr. Moeller's testimony, first to the electric utility, using a common plant allocation
7 percentage; then to the Transmission function using a labor allocation percentage; and
8 finally, to the wholesale transmission service customer class using the estimated 2018 12-
9 CP billing determinants. These allocation methodologies are consistent with the
10 allocation methodologies used to calculation wholesale transmission costs in the
11 Template.

12 These calculations are presented in Exhibit No. XES - 302 to my testimony.

13 **Q. PLEASE DESCRIBE HOW YOU CALCULATED THE IMPACT TO**
14 **ANCILLARY SERVICE RATES.**

15 A. To calculate the impact to ancillary service rates due to the TCJA-related changes, I
16 incorporated the proposed FCR-related changes into the 2018 estimated FCR calculation
17 (calculated in the 2018 Estimated Template), leaving all other original inputs constant.
18 (These original inputs were used to derive the 2018 Ancillary Service Rates.) The
19 modified calculation and FCR amount flow through to the calculation of all Ancillary
20 Service Rates, in order to derive revised Ancillary Service Rates. To determine the
21 impact of the FCR-related changes, I compared the original 2018 Ancillary Rates to the
22 illustrative revised Rates, which are presented in Exhibit No. XES-303. The impact to the
23 2018 illustrative ancillary service rates is as follows:

1

Ancillary Service	Current 2018 Rate	Illustrative 2018 Rate (FCR Change)	Change
Schedule 2- Reactive Supply and Voltage Control From Generation Sources Service			
Monthly Point-to-Point Delivery	0.237	0.216	(0.0210) /kW-month
Schedule 3 and 3A- Regulation and Frequency Response Service			
Monthly Point-to-Point Delivery	7.680	6.952	(0.728) /kW-month
Schedule 5- Operating Reserve- Spinning Reserve Service			
Monthly Point-to-Point Delivery	8.816	8.066	(0.750) /kW-month
Schedule 6 - Operating Reserve - Supplemental Reserve Service			
Monthly Point-to-Point Delivery	2.208	2.020	(0.188) /kW-month
Schedule 16 - Flex Reserve			
Monthly Point-to-Point Delivery	6.101	5.739	(0.362) /kW-month

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**Q. WHAT IS THE RELATIONSHIP BETWEEN PSCO'S TCJA-RELATED
TEMPLATE CHANGES AND THE TRUE-UP PROCESS UNDER THE
PROTOCOLS?**

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A. As described previously, PSCO's currently effective Template provides for the inclusion of Excess ADIT balances in rate base. Therefore, PSCO included the Excess ADIT balances associated with the TCJA, revalued at December 31, 2017, in its 2017 true-up (calculated in June 2018 for the 2017 rate year), and will continue to include these balances in upcoming true-ups, including the 2018 Annual True-up.

1 Because the Excess ADIT balances will be included in the Annual True-up rates,
2 PSCo proposes to start the Excess ADIT amortization period on January 1, 2018.

3 **Q. HOW DOES PSCO PROPOSE TO IMPLEMENT THE TEMPLATE CHANGES**
4 **DESCRIBED HEREIN?**

5 A. PSCo proposes to implement all Revised Template changes described herein in effective
6 January 1, 2018. As part of the normal process of truing-up to 2018 actual costs, the
7 2018 Annual True-up will initially be determined in June 2019, and PSCo proposes to
8 incorporate the Template changes when determining the 2018 Annual True-up. PSCo
9 will reflect the Template changes when it calculates the 2018 true-up invoices later in
10 2019. This ensures that transmission service customers receive the full benefit of the
11 TJCA and reduced Common Utility Plant depreciation expense for all of 2018.

12 The Estimated Rates currently in effect for the 2019 rate year do not have the
13 proposed Template changes incorporated. These changes would be incorporated in the
14 2019 Annual True-up calculated in June 2020. Since the rate impact is a relatively small
15 reduction, PSCo does not anticipate a mid-rate year change to transmission rates.

16 As noted, ancillary service rates use historic data, calculated based on the most
17 current FERC Form 1 data, and are not trued-up. The currently effective 2019 rates were
18 calculated using 2017 FERC Form 1 data, which precedes the TCJA changes. If the
19 Commission allows a January 1, 2018 effective date, the proposed tariff changes would
20 not result in a change to the 2018 ancillary services rates (which were based on 2016
21 FERC Form 1 data) or the 2019 ancillary service rates (which are based on 2017 FERC
22 Form 1 data). The proposed Template changes would be incorporated in the calculation
23 of the 2020 Ancillary Service Rates, however, based on 2018 FERC Form 1 data.

VII. CONCLUSION

Q. PLEASE SUMMARIZE YOUR RECOMMENDATIONS.

A. I recommend that the Commission accept PSCo's revisions to the Attachment O-PSCo Formula Rate Template discussed in my testimony, effective on January 1, 2018. Each of these changes is just and reasonable because it improves the accuracy of how the Template measures and allocates PSCo's transmission cost of service. Assuming the Commission accepts the changes, PSCo will calculate the 2018 Annual True-up to reflect the impact of the Revised Template on the 2018 actual ATRR, and reflect the slightly lower ATRR in the true-up invoice adjustments issued later in 2019.

Q. DOES THIS CONCLUDE YOUR PRE-FILED DIRECT TESTIMONY?

A. Yes.

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

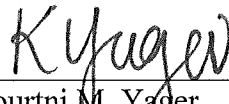
Public Service Company of Colorado

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Docket No. ER19-____-000

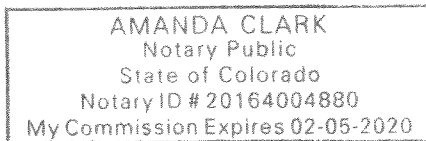
AFFIDAVIT

Kourtnei M. Yager, being duly sworn, deposes and states: that the Direct Testimony of Kourtnei M. Yager was prepared by me or under my direct supervision, and that the statements contained therein are true and correct to the best of my knowledge and belief.



Kourtnei M. Yager

SUBSCRIBED AND SWORN to before me this 7 day of June, 2019.





Notary Public

XES – 301 Roadmap of Changes to Formula Rate Template

Nature of Change	Table	Schedule/Work Paper	Description of Change
TCJA Impacts	1	Table of Contents	Add Table 8.1, WP_B-2 Excess ADIT and Table 9.1, WP_B-3 Deficient ADIT, which are new to the Template.
TCJA Impacts	2	Est. Rates	Update line references to ATRR Est tab, which changed due to the addition of lines to the Rate Base and Income Tax calculation sections.
TCJA Impacts	3	Actual Rates	Update line references to ATRR Act. tab, which changed due to the addition of lines to the Rate Base and Income Tax calculation sections.
TCJA Impacts	4 (Version 0.3.5)	ATRR Est	To incorporate the following changes: - Add lines to Other Production Base Items section to incorporate excess and deficient accumulated deferred income tax (ADIT) balances recorded to FERC accounts 254 and 182.3 - Add lines to the Income Taxes section to incorporate the amortization of excess and deficient ADIT - Add a footnote to further describe aforementioned ADIT amortization activity - Update line references, which changed due to the addition of new lines to this table
TCJA Impacts	4 (Version 0.4.5)	ATRR Est	To incorporate Table 4 TCJA redlines into the Tariff record effective 1/1/19.
TCJA Impacts	5 (Version 0.3.5)	ATRR Act.	To incorporate the following changes: - Add lines to Other Production Base Items section to incorporate excess and deficient accumulated deferred income tax (ADIT) balances recorded to FERC accounts 254 and 182.3 - Add lines to the Income Taxes section to incorporate the amortization of excess and deficient ADIT - Add a footnote to further describe aforementioned ADIT amortization activity - Update line references, which changed due to the addition of new lines to this table
TCJA Impacts	5 (Version 0.4.5)	ATRR Act.	To incorporate Table 5 TCJA redlines into the Tariff record effective 1/1/19.
TCJA Impacts	8.1	WP_B-2 - Excess ADIT	To create a new table, WP_B-2 Excess ADIT. The new table is required to incorporate two items into the Formula: 1) Excess ADIT balances recorded to FERC Account 254 2) Amortization of Excess ADIT balances This table provides the details of Excess ADIT Balances, related amortization activity, and amortization time period. Excess ADIT Balances will be included in Rate Base on the ATRR Est and ATRR Act. tabs, and amortization activity will be included in the Income Tax calculations on the same tabs.
TCJA Impacts	9.1	WP_B-3 - Deficient ADIT	To create a new table, WP_B-3 Deficient ADIT. The new table is required to incorporate two items into the Formula: 1) Deficient ADIT balances recorded to FERC Account 182.3 2) Amortization of Deficient ADIT balances This table provides the details of Deficient ADIT Balances, related amortization activity, and amortization time period. Deficient ADIT Balances will be included in Rate Base on the ATRR Est and ATRR Act. tabs, and amortization activity will be included in the Income Tax calculations on the same tabs.
TCJA Impacts	32	WP_FCR	To make the following changes related to TCJA: - Incorporate into the ADIT fixed charge rate the excess and deficient ADIT balances recorded to FERC Accounts 254 and 182.3 - To develop a new component of the fixed charge rate (FCR) to incorporate the amortization of excess and deficient ADIT, and to add this component to the overall fixed charge rate calculation
TCJA Impacts	39 (Version 0.1.5)	WP_ADIT Prorate	To include two additional ADIT proration adjustment calculations for the Plant-Related excess/Deficient ADIT balances.
TCJA Impacts	39 (Version 0.2.5)	WP_ADIT Prorate	To incorporate Table 39 TCJA redlines into the Tariff record effective 1/1/19.
New Common Depr. Rates	25	WP_H-1-Deprec and Amort Rates	To incorporate revised Common General and Common Intangible depreciation rates, and to remove references to distribution-only plant accounts.

Public Service Company of Colorado
Transmission Formula Rate Template
Twelve Months Ended December 31, 2018
Summary of Depreciation Impacts on 2018 Estimated Rates

Impact to Depreciation Expense

Estimated Change in Depreciation Expense (1)

Common General Plant	\$	(4,864,567)
Common Intangible Plant		(11,959,232)
		(16,823,799)
<i>Allocation of Transmission Common to Electric</i>		<i>7.91%</i>
Total Impact to ATRR	\$	(1,330,763)

Allocation to Wholesale		17.58%
Impact to Wholesale Class	\$	(233,961)

Allocators

2018 Transmission Common to Electric Allocator (CE)		7.91%

Wholesale customer class' 12-month average coincident peak (less grandfathered agreement sales) (kW)		1,021,834
PSCo's total transmission system peak (kW)		5,812,158
2018 Estimated Wholesale % of Transmission Revenue Requirement		17.58%

Note 1: Reference Exhibit XES-204 of Mr. Moeller's Direct Testimony.

Public Service Company of Colorado
Transmission Formula Rate Template
Twelve Months Ended December 31, 2018
Summary of TCJA Impacts on 2018 Estimated Rates

Rate Base Impact (1)	
Direct Assigned	2018 Estimated Annual Impact
Excess ADIT	\$ -
Deficient ADIT	\$ 2,288,296
Total Direct Assigned	2,288,296
Allocated Based on Labor	
Excess ADIT	(3,137,726)
Deficient ADIT	4,554,273
	1,416,547
<i>Labor Allocation Factor</i>	<i>11.02%</i>
Total Allocated on Labor	156,132
Allocated Based on Net Plant	
Excess ADIT	(1,062,229)
Deficient ADIT	59,137
	(1,003,091)
<i>Net Plant Allocation Factor</i>	<i>18.01%</i>
Total Allocated on Net Plant	(180,618)
Total Rate Base Impact	\$ 2,263,810
Rate of Return	7.35%
Total ATRR Impact	\$ 166,390
Allocation to Wholesale	17.58%
Total Rate Base impact to Wholesale Class	\$ 29,253

Public Service Company of Colorado
Transmission Formula Rate Template
Twelve Months Ended December 31, 2018
Summary of TCJA Impacts on 2018 Estimated Rates

Amortization Impact to Income Tax Expense

Direct Assigned to Transmission		2018 Estimated Annual Impact
Excess ADIT	\$	(1,298,238)
Deficient ADIT		7,405
Total Direct Assigned		(1,290,833)
Allocated Based on Labor		
Excess ADIT		(4,780,590)
Deficient ADIT		615,466
		(4,165,125)
<i>Labor Allocation Factor</i>		<i>11.02%</i>
Total Allocated on Labor		(459,080)
Allocated Based on Net Plant		
Excess ADIT		(236,051)
Deficient ADIT		(82,180)
		(318,230)
<i>Net Plant Allocation Factor</i>		<i>18.01%</i>
Total Allocated on Net Plant		(57,301)
Total Amortization Grossed Up		(1,807,214)
Income Tax Gross-Up		132.71%
Total Income Tax Expense Impact to ATRR		(2,398,427)
Allocation to Wholesale		17.58%
Total Income Tax Expense Impact to Wholesale Class	\$	(421,667)
Net Impact to Wholesale Class	\$	(392,414)

Allocators

2018 Estimated Required Rate of Return	7.35%
Labor Allocations Factor	11.02%
Net Plant Allocation Factor	18.01%
Wholesale customer class' 12-month average coincident peak (less grandfathered agreement sales) (kW)	1,021,834
PSCo's total transmission system peak (kW)	5,812,158
2018 Estimated Wholesale % of Transmission Revenue Requirement	17.58%

Note 1: The Rate Base impact presented represents non-plant items only, which are recorded in Regulatory Asset and Regulatory Liability accounts (FERC 182.3 and 254, respectively). Plant items are recorded in ADIT accounts that are included in the currently-approved Template (FERC Accounts 190 and 281-283).

Public Service Company of Colorado
Transmission Formula Rate Template
Twelve Months Ended December 31, 2018
Summary of Illustrative Change in Ancillary Service Rates

EXHIBIT NO. XES - 303

		Illustrative 2018		
		Rate		
Line No.	Description	Current 2018 Rate	(With FCR Change)	Change
1	Schedule 2- Reactive Supply and Voltage Control From Generation Sources Service			
2	Monthly Point-to-Point Delivery	0.237	0.216	\$ (0.0210) /kW-month
3				
4	Schedule 3 and 3A- Regulation and Frequency Response Service			
5	Monthly Point-to-Point Delivery	7.680	6.952	\$ (0.728) /kW-month
6				
7	Schedule 5- Operating Reserve- Spinning Reserve Service			
8	Monthly Point-to-Point Delivery	8.816	8.066	\$ (0.750) /kW-month
9				
10	Schedule 6 - Operating Reserve - Supplemental Reserve Service			
11	Monthly Point-to-Point Delivery	2.208	2.020	\$ (0.188) /kW-month
12				
13	Schedule 16 - Flex Reserve			
14	Monthly Point-to-Point Delivery	6.101	5.739	\$ (0.362) /kW-month

Ancillary Service Rates (2)						
1						
2	Schedule 1- Scheduling, System Control and Dispatch					
3	Monthly Point-to-Point Delivery	Schedule 1 Line 18	\$	0.062	/kW-month	
4	Weekly Point-to-Point Delivery	Schedule 1 Line 19	\$	0.014	/kW-week	
5	Daily Point-to-Point Delivery	Schedule 1 Line 20	\$	0.002	/kW-day	
6	Hourly Point-to-Point Delivery	Schedule 1 Line 21	\$	0.085	/MWh	
7	Network Integration Delivery	Schedule 1 Line 18	\$	0.062	/kW-month	
8	Ancillary Service Delivery	Schedule 1 Line 18	\$	0.062	/kW-month	
9						
10	Schedule 2- Reactive Supply and Voltage Control From Generation Sources Service					
11	Monthly Point-to-Point Delivery	Schedule 2 Line 24	\$	0.2370	/kW-month	
12	Weekly Point-to-Point Delivery	Schedule 2 Line 25	\$	0.0550	/kW-week	
13	Daily Point-to-Point Delivery	Schedule 2 Line 26	\$	0.0090	/kW-day	
14	Daily Point-to-Point Delivery off Peak	Schedule 2 Line 27	\$	0.0080	/kW-day	
15	Hourly Point-to-Point Delivery	Schedule 2 Line 28	\$	0.5630	/MWh	
16	Hourly Point-to-Point Delivery off Peak	Schedule 2 Line 29	\$	0.3330	/MWh	
17	Network Integration Delivery	Schedule 2 Line 24	\$	0.2370	/kW-month	
18	Ancillary Service Delivery	Schedule 2 Line 24	\$	0.2370	/kW-month	
19						
20	Schedule 3 and 3A- Regulation and Frequency Response Service			Load	Non-VER	VER
	Reserved Capacity Factor applicable to network load or					
21	reserved capacity	Schedule 3 and 3A Line 31		1.27%	0.24%	2.07%
46	Monthly Point-to-Point Delivery	Schedule 3 and 3A Line 33	\$	7.680	\$	7.680 /kW-month
47	Weekly Point-to-Point Delivery	Schedule 3 and 3A Line 34	\$	1.772	\$	1.772 /kW-week
48	Daily Point-to-Point Delivery on Peak	Schedule 3 and 3A Line 35	\$	295.381	\$	295.381 /MW-day
49	Daily Point-to-Point Delivery off Peak	Schedule 3 and 3A Line 36	\$	253.184	\$	253.184 /MW-day
50	Hourly Point-to-Point Delivery on Peak	Schedule 3 and 3A Line 37	\$	18.461	\$	18.461 /MWh
51	Hourly Point-to-Point Delivery off Peak	Schedule 3 and 3A Line 38	\$	10.549	\$	10.549 /MWh
52	Network Integration Delivery	Schedule 3 and 3A Line 39	\$	7.680	\$	7.680 /kW-month
53	Ancillary Service Delivery	Schedule 3 and 3A Line 40	\$	7.680	\$	7.680 /kW-month
54						
55	Schedule 5- Operating Reserve- Spinning Reserve Service					
	Reserved Capacity Factor applicable to network load or					
56	reserved capacity	Note 3		3.50%	x monthly Load	
57	Monthly Point-to-Point Delivery	Schedule 5 Line 22	\$	8.816	/kW-month	
58	Weekly Point-to-Point Delivery	Schedule 5 Line 23	\$	2.034	/kW-week	
59	Daily Point-to-Point Delivery	Schedule 5 Line 24	\$	0.339	/kW-day	
60	Daily Point-to-Point Delivery off Peak	Schedule 5 Line 25	\$	0.291	/kW-day	
61	Hourly Point-to-Point Delivery on Peak	Schedule 5 Line 26	\$	21.188	/MWh	
62	Hourly Point-to-Point Delivery off Peak	Schedule 5 Line 27	\$	12.125	/MWh	
63	Network Integration Delivery	Schedule 5 Line 22	\$	8.816	/kW-month	
64	Ancillary Service Delivery	Schedule 5 Line 22	\$	8.816	/kW-month	
65						
66	Schedule 6 - Operating Reserve - Supplemental Reserve Service					
	Reserved Capacity Factor applicable to network load or					
67	reserved capacity	Note 3		3.50%	x monthly Load	
68	Monthly Point-to-Point Delivery	Schedule 6 Line 22	\$	2.208	/kW-month	
69	Weekly Point-to-Point Delivery	Schedule 6 Line 23	\$	0.509	/kW-week	
70	Daily Point-to-Point Delivery	Schedule 6 Line 24	\$	0.085	/kW-day	
71	Daily Point-to-Point Delivery off Peak	Schedule 6 Line 25	\$	0.073	/kW-day	
72	Hourly Point-to-Point Delivery on Peak	Schedule 6 Line 26	\$	5.313	/MWh	
73	Hourly Point-to-Point Delivery off Peak	Schedule 6 Line 27	\$	3.042	/MWh	
74	Network Integration Delivery	Schedule 6 Line 22	\$	2.208	/kW-month	
75	Ancillary Service Delivery	Schedule 6 Line 22	\$	2.208	/kW-month	
76						
77	Schedule 16 - Flex Reserve					
	Reserved Capacity Factor applicable to network load or					
78	reserved capacity	Schedule 16 Line 29		14.95%	x monthly Load	
79	Monthly Point-to-Point Delivery	Schedule 16 Line 33	\$	6.101	/kW-month	
80	Weekly Point-to-Point Delivery	Schedule 16 Line 34	\$	1.408	/kW-week	
81	Daily Point-to-Point Delivery	Schedule 16 Line 35	\$	234.647	/kW-day	
82	Daily Point-to-Point Delivery off Peak	Schedule 16 Line 36	\$	201.126	/kW-day	
83	Hourly Point-to-Point Delivery on Peak	Schedule 16 Line 37	\$	14.665	/MWh	
84	Hourly Point-to-Point Delivery off Peak	Schedule 16 Line 38	\$	8.380	/MWh	
85	Network Integration Delivery	Schedule 16 Line 39	\$	6.101	/kW-month	
86	Ancillary Service Delivery	Schedule 16 Line 40	\$	6.101	/kW-month	
87						

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Note 2. Ancillary Service Schedules 2, 3, 5, 6 will be based on actual data from the latest FERC Form No. 1. These schedules will be

Note 3. Fixed value that cannot change without a Section 205 or 206 filing.

Ancillary Service Rates (2)					
1					
2	Schedule 1- Scheduling, System Control and Dispatch				
3	Monthly Point-to-Point Delivery	Schedule 1 Line 18	\$	0.062	/kW-month
4	Weekly Point-to-Point Delivery	Schedule 1 Line 19	\$	0.014	/kW-week
5	Daily Point-to-Point Delivery	Schedule 1 Line 20	\$	0.002	/kW-day
6	Hourly Point-to-Point Delivery	Schedule 1 Line 21	\$	0.085	/MWh
7	Network Integration Delivery	Schedule 1 Line 18	\$	0.062	/kW-month
8	Ancillary Service Delivery	Schedule 1 Line 18	\$	0.062	/kW-month
9					
10	Schedule 2- Reactive Supply and Voltage Control From Generation Sources Service				
11	Monthly Point-to-Point Delivery	Schedule 2 Line 24	\$	0.2160	/kW-month
12	Weekly Point-to-Point Delivery	Schedule 2 Line 25	\$	0.0500	/kW-week
13	Daily Point-to-Point Delivery	Schedule 2 Line 26	\$	0.0080	/kW-day
14	Daily Point-to-Point Delivery off Peak	Schedule 2 Line 27	\$	0.0070	/kW-day
15	Hourly Point-to-Point Delivery	Schedule 2 Line 28	\$	0.5000	/MWh
16	Hourly Point-to-Point Delivery off Peak	Schedule 2 Line 29	\$	0.2920	/MWh
17	Network Integration Delivery	Schedule 2 Line 24	\$	0.2160	/kW-month
18	Ancillary Service Delivery	Schedule 2 Line 24	\$	0.2160	/kW-month
19					
20	Schedule 3 and 3A- Regulation and Frequency Response Service				
	Reserved Capacity Factor applicable to network load or reserved capacity		Load	Non-VER	VER
21		Schedule 3 and 3A Line 31	1.27%	0.24%	2.07%
22	Monthly Point-to-Point Delivery	Schedule 3 and 3A Line 33	\$ 6.952	\$ 6.952	\$ 6.952 /kW-month
23	Weekly Point-to-Point Delivery	Schedule 3 and 3A Line 34	\$ 1.604	\$ 1.604	\$ 1.604 /kW-week
24	Daily Point-to-Point Delivery on Peak	Schedule 3 and 3A Line 35	\$ 267.365	\$ 267.365	\$ 267.365 /MW-day
25	Daily Point-to-Point Delivery off Peak	Schedule 3 and 3A Line 36	\$ 229.170	\$ 229.170	\$ 229.170 /MW-day
26	Hourly Point-to-Point Delivery on Peak	Schedule 3 and 3A Line 37	\$ 16.710	\$ 16.710	\$ 16.710 /MWh
27	Hourly Point-to-Point Delivery off Peak	Schedule 3 and 3A Line 38	\$ 9.549	\$ 9.549	\$ 9.549 /MWh
28	Network Integration Delivery	Schedule 3 and 3A Line 39	\$ 6.952	\$ 6.952	\$ 6.952 /kW-month
29	Ancillary Service Delivery	Schedule 3 and 3A Line 40	\$ 6.952	\$ 6.952	\$ 6.952 /kW-month
30					
31	Schedule 5- Operating Reserve- Spinning Reserve Service				
	Reserved Capacity Factor applicable to network load or reserved capacity	Note 3	3.50%	x monthly Load	
32	Monthly Point-to-Point Delivery	Schedule 5 Line 22	\$ 8.066	/kW-month	
33	Weekly Point-to-Point Delivery	Schedule 5 Line 23	\$ 1.861	/kW-week	
34	Daily Point-to-Point Delivery	Schedule 5 Line 24	\$ 0.310	/kW-day	
35	Daily Point-to-Point Delivery off Peak	Schedule 5 Line 25	\$ 0.266	/kW-day	
36	Hourly Point-to-Point Delivery on Peak	Schedule 5 Line 26	\$ 19.375	/MWh	
37	Hourly Point-to-Point Delivery off Peak	Schedule 5 Line 27	\$ 11.083	/MWh	
38	Network Integration Delivery	Schedule 5 Line 22	\$ 8.066	/kW-month	
39	Ancillary Service Delivery	Schedule 5 Line 22	\$ 8.066	/kW-month	
40					
41					
42	Schedule 6 - Operating Reserve - Supplemental Reserve Service				
	Reserved Capacity Factor applicable to network load or reserved capacity	Note 3	3.50%	x monthly Load	
43	Monthly Point-to-Point Delivery	Schedule 6 Line 22	\$ 2.020	/kW-month	
44	Weekly Point-to-Point Delivery	Schedule 6 Line 23	\$ 0.466	/kW-week	
45	Daily Point-to-Point Delivery	Schedule 6 Line 24	\$ 0.078	/kW-day	
46	Daily Point-to-Point Delivery off Peak	Schedule 6 Line 25	\$ 0.067	/kW-day	
47	Hourly Point-to-Point Delivery on Peak	Schedule 6 Line 26	\$ 4.875	/MWh	
48	Hourly Point-to-Point Delivery off Peak	Schedule 6 Line 27	\$ 2.792	/MWh	
49	Network Integration Delivery	Schedule 6 Line 22	\$ 2.020	/kW-month	
50	Ancillary Service Delivery	Schedule 6 Line 22	\$ 2.020	/kW-month	
51					
52					
53	Schedule 16 - Flex Reserve				
	Reserved Capacity Factor applicable to network load or reserved capacity	Schedule 16 Line 29	14.95%	x monthly Load	
54	Monthly Point-to-Point Delivery	Schedule 16 Line 33	\$ 5.739	/kW-month	
55	Weekly Point-to-Point Delivery	Schedule 16 Line 34	\$ 1.324	/kW-week	
56	Daily Point-to-Point Delivery	Schedule 16 Line 35	\$ 220.737	/kW-day	
57	Daily Point-to-Point Delivery off Peak	Schedule 16 Line 36	\$ 189.203	/kW-day	
58	Hourly Point-to-Point Delivery on Peak	Schedule 16 Line 37	\$ 13.796	/MWh	
59	Hourly Point-to-Point Delivery off Peak	Schedule 16 Line 38	\$ 7.883	/MWh	
60	Network Integration Delivery	Schedule 16 Line 39	\$ 5.739	/kW-month	
61	Ancillary Service Delivery	Schedule 16 Line 40	\$ 5.739	/kW-month	
62					
63					

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Ancillary Service Rates (2)						
1						
2	Schedule 1- Scheduling, System Control and Dispatch					
3	Monthly Point-to-Point Delivery	Schedule 1 Line 18	\$	-	/kW-month	
4	Weekly Point-to-Point Delivery	Schedule 1 Line 19	\$	-	/kW-week	
5	Daily Point-to-Point Delivery	Schedule 1 Line 20	\$	-	/kW-day	
6	Hourly Point-to-Point Delivery	Schedule 1 Line 21	\$	-	/MWh	
7	Network Integration Delivery	Schedule 1 Line 18	\$	-	/kW-month	
8	Ancillary Service Delivery	Schedule 1 Line 18	\$	-	/kW-month	
9						
10	Schedule 2- Reactive Supply and Voltage Control From Generation Sources Service					
11	Monthly Point-to-Point Delivery	Schedule 2 Line 24	\$	(0.0210)	/kW-month	
12	Weekly Point-to-Point Delivery	Schedule 2 Line 25	\$	(0.0050)	/kW-week	
13	Daily Point-to-Point Delivery	Schedule 2 Line 26	\$	(0.0010)	/kW-day	
14	Daily Point-to-Point Delivery off Peak	Schedule 2 Line 27	\$	(0.0010)	/kW-day	
15	Hourly Point-to-Point Delivery	Schedule 2 Line 28	\$	(0.0630)	/MWh	
16	Hourly Point-to-Point Delivery off Peak	Schedule 2 Line 29	\$	(0.0410)	/MWh	
17	Network Integration Delivery	Schedule 2 Line 24	\$	(0.0210)	/kW-month	
18	Ancillary Service Delivery	Schedule 2 Line 24	\$	(0.0210)	/kW-month	
19						
20	Schedule 3 and 3A- Regulation and Frequency Response Service			Load	Non-VER	VER
	Reserved Capacity Factor applicable to network load or					
21	reserved capacity	Schedule 3 and 3A Line 31		0.00%	0.00%	0.00%
46	Monthly Point-to-Point Delivery	Schedule 3 and 3A Line 33	\$	(0.728)	\$ (0.728)	\$ (0.728) /kW-month
47	Weekly Point-to-Point Delivery	Schedule 3 and 3A Line 34	\$	(0.168)	\$ (0.168)	\$ (0.168) /kW-week
48	Daily Point-to-Point Delivery on Peak	Schedule 3 and 3A Line 35	\$	(28.016)	\$ (28.016)	\$ (28.016) /MW-day
49	Daily Point-to-Point Delivery off Peak	Schedule 3 and 3A Line 36	\$	(24.014)	\$ (24.014)	\$ (24.014) /MW-day
50	Hourly Point-to-Point Delivery on Peak	Schedule 3 and 3A Line 37	\$	(1.751)	\$ (1.751)	\$ (1.751) /MWh
51	Hourly Point-to-Point Delivery off Peak	Schedule 3 and 3A Line 38	\$	(1.001)	\$ (1.001)	\$ (1.000) /MWh
52	Network Integration Delivery	Schedule 3 and 3A Line 39	\$	(0.728)	\$ (0.728)	\$ (0.728) /kW-month
53	Ancillary Service Delivery	Schedule 3 and 3A Line 40	\$	(0.728)	\$ (0.728)	\$ (0.728) /kW-month
54						
55	Schedule 5- Operating Reserve- Spinning Reserve Service					
	Reserved Capacity Factor applicable to network load or					
56	reserved capacity	Note 3		0.00%	x monthly Load	
57	Monthly Point-to-Point Delivery	Schedule 5 Line 22	\$	(0.750)	/kW-month	
58	Weekly Point-to-Point Delivery	Schedule 5 Line 23	\$	(0.173)	/kW-week	
59	Daily Point-to-Point Delivery	Schedule 5 Line 24	\$	(0.029)	/kW-day	
60	Daily Point-to-Point Delivery off Peak	Schedule 5 Line 25	\$	(0.025)	/kW-day	
61	Hourly Point-to-Point Delivery on Peak	Schedule 5 Line 26	\$	(1.813)	/MWh	
62	Hourly Point-to-Point Delivery off Peak	Schedule 5 Line 27	\$	(1.042)	/MWh	
63	Network Integration Delivery	Schedule 5 Line 22	\$	(0.750)	/kW-month	
64	Ancillary Service Delivery	Schedule 5 Line 22	\$	(0.750)	/kW-month	
65						
66	Schedule 6 - Operating Reserve - Supplemental Reserve Service					
	Reserved Capacity Factor applicable to network load or					
67	reserved capacity	Note 3		0.00%	x monthly Load	
68	Monthly Point-to-Point Delivery	Schedule 6 Line 22	\$	(0.188)	/kW-month	
69	Weekly Point-to-Point Delivery	Schedule 6 Line 23	\$	(0.043)	/kW-week	
70	Daily Point-to-Point Delivery	Schedule 6 Line 24	\$	(0.007)	/kW-day	
71	Daily Point-to-Point Delivery off Peak	Schedule 6 Line 25	\$	(0.006)	/kW-day	
72	Hourly Point-to-Point Delivery on Peak	Schedule 6 Line 26	\$	(0.438)	/MWh	
73	Hourly Point-to-Point Delivery off Peak	Schedule 6 Line 27	\$	(0.250)	/MWh	
74	Network Integration Delivery	Schedule 6 Line 22	\$	(0.188)	/kW-month	
75	Ancillary Service Delivery	Schedule 6 Line 22	\$	(0.188)	/kW-month	
76						
77	Schedule 16 - Flex Reserve					
	Reserved Capacity Factor applicable to network load or					
78	reserved capacity	Schedule 16 Line 29		0.00%	x monthly Load	
79	Monthly Point-to-Point Delivery	Schedule 16 Line 33	\$	(0.362)	/kW-month	
80	Weekly Point-to-Point Delivery	Schedule 16 Line 34	\$	(0.083)	/kW-week	
81	Daily Point-to-Point Delivery	Schedule 16 Line 35	\$	(13.910)	/kW-day	
82	Daily Point-to-Point Delivery off Peak	Schedule 16 Line 36	\$	(11.923)	/kW-day	
83	Hourly Point-to-Point Delivery on Peak	Schedule 16 Line 37	\$	(0.869)	/MWh	
84	Hourly Point-to-Point Delivery off Peak	Schedule 16 Line 38	\$	(0.497)	/MWh	
85	Network Integration Delivery	Schedule 16 Line 39	\$	(0.362)	/kW-month	
86	Ancillary Service Delivery	Schedule 16 Line 40	\$	(0.362)	/kW-month	
87						

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