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Denver CO, 80202

January 27, 2023

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*
 Docket No. ER23-____-000
 Open Access Transmission Tariff Revisions for Participation in the Western
 Energy Imbalance Service Market**

Dear Secretary Bose:

Pursuant to section 205 of the Federal Power Act¹ and section 35.13 of the Federal Energy Regulatory Commission's ("FERC" or "Commission") regulations,² Public Service Company of Colorado ("PSCo") hereby submits proposed revisions to the Xcel Energy Operating Companies' Joint Open Access Transmission Tariff ("Xcel Energy OATT").³ The enclosed revisions are necessary to facilitate PSCo's planned participation in the Western Energy Imbalance Service Market ("WEIS") administrated by Southwest Power Pool, Inc. ("SPP") beginning April 1, 2023.⁴

PSCo respectfully requests that the Commission grant an effective date of April 1, 2023, which is more than sixty (60) days from the date of this filing, for the Xcel Energy OATT revisions proposed herein to coincide with the start of PSCo's planned participation in SPP's WEIS market.⁵

¹ 16 U.S.C. § 824d (2018).

² 18 C.F.R. § 35.13 (2022).

³ PSCo is the designated e-Tariff filing entity for the Xcel Energy OATT, consistent with the requirements of Order No. 714. *Electronic Tariff Filings*, FERC Stats. & Regs. ¶ 31,276 (2008), *order on clarification*, Order No. 714-A, 147 FERC ¶ 61,115 (2014) ("Order No. 714").

⁴ Concurrently with this filing, PSCo is also submitting revisions to the PSCo's market-based rate tariff to facilitate PSCo's planned participation in the SPP WEIS Market beginning April 1, 2023.

⁵ The enclosed revisions do not modify or otherwise affect the Xcel Energy OATT provisions applicable to service over the facilities of the other Xcel Energy Operating Companies, which are Northern States Power company, a Minnesota corporation; Northern States Power Company, a Wisconsin corporation; and Southwestern Public Service Company.

I. BACKGROUND

A. Description of Public Service Company of Colorado

PSCo is a wholly owned utility operating company subsidiary of Xcel Energy Inc. (“Xcel Energy”), a public utility holding company. PSCo is a vertically integrated electric utility that, *inter alia*, owns and operates transmission facilities in the State of Colorado. PSCo provides wholesale transmission service pursuant to the Xcel Energy OATT on file with and accepted by the Commission.⁶ PSCo also operates a Balancing Authority Area (“BAA”) in the Western Interconnection region.

B. SPP’s WEIS Market

The WEIS Market is a five-minute energy imbalance service market operated by SPP that centrally dispatches all available participating resources across the WEIS Market footprint to help balance load and generation using security constrained economic dispatch (“SCED”) market optimization software. SPP calculates each market participant’s quantity of imbalance energy within the settlement area every five minutes and settles at the locational marginal price for that area. All imbalance energy within participating BAAs is settled in the WEIS Market.

The Commission accepted SPP’s proposal to establish the WEIS Market on December 23, 2020 in Docket Nos. ER21-3-000 and ER21-4-000.⁷ Specifically, the Commission accepted SPP’s proposed tariff to implement the WEIS Market (“SPP WEIS Tariff”), eight Western Joint Dispatch Agreements (“WJDA”) that establish the legal relationship between SPP and each of the market participants, and the Western Markets Executive Committee Charter that established the governing body for the WEIS Market.⁸

The WEIS Market began operations on February 1, 2021 and originally consisted of the Western Area Colorado Missouri (“WACM”) and Western Area Power Administration Upper Great Plains West (“WAUW”) BAAs and the following eight utilities: Western Area Power Administration (“WAPA”), separately and individually as WAPA Colorado River, WAPA Rocky Mountain, and WAPA Upper Great Plains Region; Basin Electric Power Cooperative (“Basin Electric”); Tri-State Generation and Transmission Association, Inc. (“Tri-State”); Deseret Generation & Transmission Cooperative (“Deseret”); Municipal Energy Agency of Nebraska; and Wyoming Municipal Power Agency. Since then, Colorado Springs Utilities and Guzman Energy LLC have also begun participation in the WEIS Market.

In order to become a WEIS Market participant, an entity must execute the WJDA with SPP. The WJDA establishes the legal relationship between SPP and the market participant and

⁶ The Xcel Energy OATT was restated in eTariff and accepted for filing in *Pub. Serv. Co. of Colo.*, Docket No. ER16-1422-000 (Aug. 16, 2016) (delegated letter order). PSCo also provides transmission services pursuant to certain grandfathered arrangements.

⁷ *Sw. Power Pool, Inc.*, 173 FERC ¶ 61,267 (2020) (“WEIS Market Approval Order”).

⁸ *Id.* at PP 1, 20.

includes the provisions for SPP's administration of the WEIS Market and the obligations of customers to pay administrative costs.

On February 11, 2022, SPP filed three WJDAs with the Commission in Docket No. ER22-1022-000, one between SPP and each of PSCo, Black Hills Colorado Electric, LLC ("Black Hills") and Platte River Power Authority ("PRPA"). The WJDAs indicated that PSCo's initial term in the WEIS Market would begin April 1, 2023. The Commission accepted these WJDAs by letter order on April 1, 2022.⁹

Transmission service providers participating in the WEIS Market have a limited obligation to offer Joint Dispatch Transmission Service under the WEIS Tariff.¹⁰ Such Joint Dispatch Transmission Service Providers must make available the otherwise unused physical capability of the transmission facilities under their individual tariffs for purposes of providing Joint Dispatch Transmission Service to support delivery of imbalance energy. Joint Dispatch Transmission Service may be used only for receipt or delivery of energy dispatched within a BAA in the WEIS Market on an intra-hour, non-firm basis to serve wholesale or retail native load. This service comes with limitations, including prohibitions of use of Joint Dispatch Transmission Service for (i) off-system sales of capacity or energy or (ii) direct or indirect provision of transmission service by the Joint Dispatch Transmission Service Customer to any third party.

Several original market participants in the WEIS Market—Tri-State, Deseret, and Basin Electric—each filed revisions to their respective open access transmission tariffs with the Commission to facilitate their participation in the WEIS Market. The Commission subsequently approved these tariff changes in Docket Nos. ER21-517-000, ER21-518-000 and ER21-519-000, respectively.¹¹ WAPA also filed changes to its non-jurisdictional open access transmission tariff with the Commission to facilitate the participation of WAPA Colorado River and WAPA Rocky Mountain in the WEIS Market. The Commission found that the revised terms and conditions were necessary to facilitate participation in the WEIS Market and that the WEIS Market-related provisions substantially conformed with or were superior to the Commission's pro forma Open Access Transmission Tariff.¹²

C. The Joint Dispatch Service Agreement

In 2015, PSCo filed the first iteration of the Joint Dispatch Service Agreement ("JDSA") with the Commission in order to facilitate the centralized intra-hour dispatch of the resources of the parties to the JDSA within PSCo's BAA. The JDSA establishes an organized and cost-effective means for the JDSA parties to meet their own native load requirements within the PSCo

⁹ *Sw. Power Pool, Inc.* Docket No. ER22-1022-000 (Apr 1, 2022) (delegated letter order).

¹⁰ See WEIS Tariff at Attachment D.

¹¹ *Tri-State Generation and Transmission Association, Inc.*, 174 FERC ¶ 61,061 (2021) (accepting Tri-State's tariff changes in Docket No. ER21-517-000); *Deseret Generation & Transmission Co-operative, Inc.*, 174 FERC ¶ 61,062 (2021) (accepting Deseret's tariff changes in Docket No. ER21-518-000 and -001); *Basin Electric Power Cooperative*, 174 FERC ¶ 61,063 (2021) (accepting Basin's tariff changes in Docket No. ER21-519-000).

¹² *Western Area Power Administration*, 174 FERC ¶ 61,072 at P 23 (2021).

BAA. The Commission accepted the JDSA and Part V of the Xcel Energy OATT, which establishes Joint Dispatch Transmission Service associated with the JDSA, subject to a requirement that PSCo file an annual report addressing the benefits to the JDSA Parties from JDSA implementation.¹³ The JDSA has subsequently been amended multiple times, and the current Second Revised JDSA among PSCo, Black Hills and PRPA was filed with and accepted by the Commission in Docket No. ER22-2492-000.¹⁴ Once PSCo joins the WEIS Market, operations under the JDSA will cease and Joint Dispatch Transmission Service under Part V the Xcel Energy OATT will no longer be required.

II. PROPOSED TARIFF REVISIONS

PSCo respectfully requests that the Commission approve the revisions to the Xcel Energy OATT proposed herein to facilitate PSCo's participation in the WEIS Market. FERC has authorized PSCo's participation in the SPP WEIS Market through its acceptance of the WJDA between SPP and PSCo, as described above.¹⁵ Under the accepted WJDA, PSCo is to begin participation on April 1, 2023. As part of this filing, PSCo is proposing revisions to the following sections of it's the Xcel Energy OATT:

- Table of Contents;
- Section 1 (Definitions);
- Section 3 (Ancillary Services);
- Section 16.1 (Transmission Customer Responsibilities);
- Section 28.1 (Nature of Network Integration Transmission Service – Scope of Service);
- Part IV Preamble (Balancing Ancillary Services);
- Section 37.2 (Nature of Balancing Authority Services – Source and Acquisition of BA Services);
- Schedule 4 (Energy Imbalance Service); and
- Schedule 9 (Generator Imbalance Service).

PSCo is also proposing the addition of a new Schedule 8A (WEIS Joint Dispatch Transmission Service) and a new Attachment X (WEIS Market Provisions).

Lastly, PSCo is also proposing to remove Part V of the Xcel Energy OATT, which provides the terms and conditions for Joint Dispatch Transmission Service associated with the JDSA because operations under the JDSA will cease once PSCo begins participation in the WEIS Market.

These revisions, additions and deletions can be organized into the following categories: (i) new definitions; (ii) revisions to sections throughout the Xcel Energy OATT to ensure the applicability of the new WEIS Market Provisions provided in Attachment X; (iii) the new

¹³ *Pub. Serv. Co. of Colo.*, 154 FERC ¶ 61,107 (2016).

¹⁴ *Pub. Serv. Co. of Colo.*, Docket No. ER22-2492-000 (Sept. 21, 2022) (delegated letter order).

¹⁵ *See supra* n.9.

Attachment X; and (iv) the removal of Joint Dispatch Transmission Service associated with JDSA operations. The revisions proposed herein are consistent with or identical to the revisions to the Open Access Transmission Tariffs of Basin, Deseret and Tri-State (the “WEIS Participants’ OATTs”) to implement their participation in the WEIS Market that have been accepted by the Commission.¹⁶

A. New Definitions

Section 1 (Definitions) of the Xcel Energy OATT includes new definitions of terms associated with the WEIS Market and PSCo’s obligation under the WEIS Tariff to: (i) settle energy and generator imbalances per the WEIS Tariff; and (ii) provide WEIS Joint Dispatch Transmission Service—an intra-hour non-firm, as available service used to transmit energy dispatched pursuant to WEIS Tariff—across facilities that are within the WEIS Market footprint. The definitions added are consistent with those included in the WEIS Participants’ OATTs (i.e., WEIS, WEIS Market, WEIS Market Footprint, WEIS Market Operator, WEIS Joint Dispatch Transmission Service, WEIS Joint Dispatch Transmission Service Customer, WEIS Joint Dispatch Transmission Service Provider, WEIS Region, WEIS Tariff, and WEIS Transmission Provider’s Facilities).

B. Revisions to Ensure Applicability of Attachment X

Section 3 (Ancillary Services) of the Xcel Energy OATT has been revised to make clear that with respect to service provided over the WEIS Transmission Provider’s Facilities to either deliver Energy Imbalance pursuant to Schedule 4 of the Xcel Energy OATT for load, or Generator Imbalance Service pursuant to Schedule 9 of the Xcel Energy OATT for generators using such facilities, that those ancillary services will be settled pursuant to the WEIS Tariff and further specified in a new Attachment X, discussed below. Sections 3.4 and 3.8 also include a new reference to Attachment X.

Section 16.1 (Conditions Required of Transmission Customers) has been amended to add new subpart (g), which specifies that Transmission Customers that take point-to-point transmission service pursuant to Part II of the Xcel Energy OATT agree to comply with the WEIS Market provisions in Attachment X. A comparable provision has been added in Section 28.1 (Nature of Network Integration Transmission Service – Scope of Service) with respect to Transmission Customers that take network integration transmission service pursuant to Part III of the Xcel Energy OATT. These references are not intended to affect or otherwise modify transmission service under the Xcel Energy OATT that does not utilize WEIS Transmission Provider’s Facilities. Ancillary services for other transmission arrangements will continue to be addressed in accordance with the Xcel Energy OATT.

Schedule 4 (Energy Imbalance Service) to the Xcel Energy OATT has been amended to make clear that: (i) energy imbalances within the WEIS Market are determined based on dispatch intervals, not single hours; and (ii) a Transmission Customer procuring Schedule 4 imbalance

¹⁶ See *supra* n.11.

service for load in the WEIS Market has the option to purchase service directly from the WEIS Market Operator in addition to the existing means of securing the service. Parallel changes are proposed for Schedule 9 (Generator Imbalance Service). As with the changes to Section 3, a cross-reference to the WEIS Market provisions included as Attachment X is included at the end of both Schedules 4 and 9.

A new Schedule 8A (WEIS Joint Dispatch Transmission Service) has been added which specifies the rate for the intra-hour non-firm point-to-point transmission service available to WEIS Joint Dispatch Transmission Service Customers. Consistent with the WEIS Participants' OATTs, the rate for such service will initially be set to \$0.00/MWh for both on-peak and off-peak hours. Adding a new Schedule 8A separates the rates for WEIS Joint Dispatch Transmission Service from other non-firm services that will continue to be provided pursuant to Schedule 8 of the Xcel Energy OATT.

C. New Attachment X

A new Attachment X (WEIS Market Provisions) has been added to provide specific details concerning the impacts of the WEIS Market on other existing Xcel Energy OATT provisions and the nature of the WEIS Joint Dispatch Transmission Service being provided. Attachment X is consistent with or identical to the attachments in the WEIS Participants' OATTs that the Commission has accepted.

Section 1 of Attachment X clarifies that any capitalized terms not otherwise defined in Section 1 of the Xcel Energy OATT shall have the meaning ascribed to them in the WEIS Tariff.

Section 2 of Attachment X explains that the provisions of the Attachment apply to the entire PSCo BAA and that all loads and Resources in the PSCo BAA will be subject to settlement in the WEIS Market in accordance with Attachment A of the WEIS Tariff.

Section 3 of Attachment X identifies the specific provisions of Xcel Energy OATT that are modified for those Transmission Customers and Network Customers taking service over the WEIS Transmission Provider's Facilities when the Transmission Provider is participating in the WEIS Market.

First, Section 3.1 clarifies that notwithstanding Sections 1.29 (Network Resource), 30.1 (Designation of Network Resources), 30.2 (Designation of New Network Resources), and 30.4 (Operation of Network Resources) of the Xcel Energy OATT, Network Customers may also utilize Network Resources for purposes of fulfilling obligations under the WEIS Market, such as WEIS Market generation dispatch instructions. This clarifies that designated Network Resources may be called upon to provide energy or generator imbalance services in the WEIS Market, which is consistent with the availability of such resources to provide energy or generator imbalance services under Schedules 4 and 9 of the Xcel Energy OATT. Section 3.1 also clarifies that notwithstanding the provisions in Section 28.6 (Restrictions on Use of Service) of the Xcel Energy OATT, Network Customers may utilize WEIS Joint Dispatch Transmission Service for purposes of fulfilling obligations under the WEIS Market, such as WEIS Market generation dispatch instructions. This

ensures that Network Customers may use WEIS Joint Dispatch Transmission Service rather than Point-to-Point Transmission Service to participate in the WEIS Market and is consistent with the fact that Network Customers currently are not required to purchase Point-to-Point Transmission Service to obtain energy and generator imbalance service under Schedules 4 and 9 of the Xcel Energy OATT.

Second, Section 3.3 clarifies that real power losses associated with the WEIS Joint Dispatch Transmission Service due to WEIS Market energy transactions are addressed under the WEIS Market settlements pursuant to the WEIS Tariff rather than under the provisions of the Xcel Energy OATT. This proposed provision is consistent with revisions to the WEIS Participants' OATTs that the Commission previously accepted and Commission precedent permitting Transmission Owners to pass through costs incurred in course of providing service.¹⁷

Finally, Section 3.4 provides that the standard of liability for the actions of the Transmission Provider performed consistent with this Attachment X shall be subject to a higher gross negligence or intentional wrongdoing standard than the existing ordinary negligence standard of liability that applies to PSCo's responsibilities as the Transmission Provider under the Xcel Energy OATT. This is consistent with the provisions of the WEIS Tariff,¹⁸ PSCo's voluntary assumption of the additional responsibilities required of WEIS Market Participants, the standard accepted by the Commission with respect to the WEIS Participants' OATTs, and Commission precedent.¹⁹ The Commission has recognized that this higher gross negligence or intentional wrongdoing standard is reasonable because it offers an "equitable balance between lower rates for all market participants and the burden of limited recovery of liability for some."²⁰

Section 4 of Attachment X describes the nature of WEIS Joint Dispatch Transmission Service available under the Xcel Energy OATT and is consistent with Section 4 of the WEIS Participants' OATTs previously accepted by the Commission.

Sections 4.1 and 4.2 provide that WEIS Joint Dispatch Transmission Service will be available on a real-time intra-hour basis as a non-firm service. In addition, it will be made available only to the extent that there is transfer capability in excess of that needed for Transmission Customers taking Point-to-Point Transmission Service and Network Customers taking Network Integration Transmission Service, respectively, under the Xcel Energy OATT.

¹⁷ See *supra* n.11; see also *Ameren Servs. Co.*, 117 FERC ¶ 61,358, at PP 1, 6 (2006), *order on compliance*, 119 FERC ¶ 61,098, at P 21 (2007) (accepting an Ancillary Services Tariff that includes the pass through of "actual costs of ancillary services under the anticipated ancillary services supply agreements").

¹⁸ WEIS Tariff, Section 5.3.

¹⁹ See *Cal. Indep. Sys. Operator Corp.*, 139 FERC ¶ 61,198 (2012); *Cal. Indep. Sys. Operator Corp.*, 123 FERC ¶ 61,285 at P 241 (2008) (accepting gross negligence standard in Section 14.5.1 of the CAISO Tariff); *Sw. Power Pool*, 112 FERC ¶ 61,100 at PP 36-44 (2005); *Midwest Indep. Transmission Sys. Operator, Inc.*, 110 FERC ¶ 61,164 at P 29 (2005); *PJM Interconnection LLC*, 112 FERC ¶ 61,264 at PP 9-10 (2005); *ISO New England, Inc.*, 106 FERC ¶ 61,280 at PP 230-231 (2004); *Central Hudson Gas & Elec. Corp.*, 88 FERC ¶ 61,138, at 61,384 (1999).

²⁰ *Cal. Indep. Sys. Operator Corp.*, 123 FERC ¶ 61,285 at P 241 (2008).

Section 4.3 specifies that WEIS Joint Dispatch Transmission Service may be used only for receipt or delivery of energy dispatched by the WEIS Market Operator within a BAA in the WEIS Market pursuant to the provisions of the WEIS Tariff. As set out above, WEIS Joint Dispatch Transmission Service may not be used for: (i) off-system sales of capacity or energy not related to fulfilling obligations under the WEIS Market; or (ii) direct or indirect provision of transmission service by the WEIS Joint Dispatch Transmission Service Customer to any third party.

Section 4.4 states that WEIS Joint Dispatch Transmission Service Customers are not required to submit schedules for WEIS Joint Dispatch Transmission Service. This is because of the nature of the WEIS Market and the fact that the service is available on an intra-hour basis.

Section 4.5 provides the Transmission Provider with the right to curtail (or cause to be curtailed), without liability on the Transmission Provider's part, WEIS Joint Dispatch Transmission Service for reliability reasons when an emergency or other unforeseen conditions threatens to impair or degrade the reliability of the Transmission System or the systems directly or indirectly interconnected with the Transmission Provider's Transmission System.²¹

Section 4.6 clarifies that the Transmission Provider has no obligation to plan, construct, or maintain its Transmission System for the benefit of any WEIS Joint Dispatch Transmission Customer. This is consistent with the Transmission Provider's responsibilities with respect to Non-Firm Point-to-Point Transmission Service.

Section 4.7 states that WEIS Joint Dispatch Transmission Service does not need to be reserved by the WEIS Joint Dispatch Transmission Service Customer. In addition, while no application or service agreement is required, any entity requesting WEIS Joint Dispatch Transmission Service must provide any information reasonably requested to facilitate the provision of such service to the Transmission Provider or the WEIS Market Operator.

Lastly, Section 4.8 states that the rates for WEIS Joint Dispatch Transmission Service are provided in the new Schedule 8A included with this filing.

Finally, Section 5.1 of Attachment X includes a penalty for unreserved use. The Commission has held that a transmission provider must "provide adequate support for the precise level of penalties as being sufficient to discourage inappropriate practices without being exorbitant or exploitative."²² The Commission will accept "penalty provisions as long as they are capped at a level equal to twice the standard rate for the service at issue," and directed "companies whose penalty provisions exceed this cap to revise their compliance tariffs accordingly."²³ For this

²¹ The WEIS Tariff also makes clear that this service has the lowest curtailment priority. *See, e.g.*, WEIS Tariff, Attachment D.

²² *Sierra Pac. Power Co.*, 92 FERC ¶ 61,179, at 61,627-28 (2000); *see also Midwest Indep. Transmission Sys. Operator, Inc.*, 103 FERC ¶ 61,282, at P 24 (2003).

²³ *Allegheny Power Sys., Inc.*, 80 FERC ¶ 61,143, at 61,545-46 (1997), *order on reh'g*, 85 FERC ¶ 61,235 (1998); *see also Am. Elec. Power Co.*, 85 FERC ¶ 61,201, at 61,824 (1998) (finding that a "penalty of two times the applicable

reason, treatment of unreserved use penalties is not standardized, and may vary from Transmission Provider to Transmission Provider within the WEIS Footprint.

WEIS Joint Dispatch Transmission Service is a point-to-point service, and PSCo accordingly proposes to apply its existing unreserved use penalty provision for point-to-point service to WEIS Joint Dispatch Transmission Service. Section VI of both Schedule 7 (Long-Term Firm and Short-Term Firm Point-to-Point Transmission Service) and Schedule 8 (Non-Firm Point-to-Point Transmission Service) of the Xcel Energy OATT states that PSCo will assess a penalty for unreserved use based on a rate equal to twice the applicable rate for Firm Point-to-Point Transmission Service in addition to otherwise applicable charges. Section 5.1 of Attachment X provides that the same unreserved use penalty will apply to unreserved use associated with WEIS Joint Dispatch Transmission Service. This provision is also consistent with Section 5.1 of Attachment S of Deseret's OATT, which contains similar existing unreserved use penalties and which the Commission accepted in Docket No. ER21-518-000.²⁴

D. Removal of JDSA-Related Provisions

Lastly, PSCo is proposing to remove Part V of the Xcel Energy OATT, which provides for Joint Dispatch Transmission Service associated with operations under the JDSA, because operations under the JDSA will cease once PSCo's participation in the WEIS Market begins. As a result, this service will no longer be provided beginning April 1, 2023 when PSCo joins the WEIS Market.

III. 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)

This filing consists of the following items, which are included as attachments to the XML package:

- (a) This transmittal letter;
- (b) A clean copy of the proposed revisions to the Xcel Energy OATT in eTariff format; and
- (c) A marked copy of the proposed revisions to the Xcel Energy OATT in eTariff format.

transmission charge for failure to respond to a curtailment directive or for exceeding a point-to-point reservation" is "consistent with the Commission's policy of allowing penalty provisions that are capped at twice the standard transmission rate for the service at issue").

²⁴ See *Deseret Generation & Transmission Co-operative, Inc.*, 174 FERC ¶ 61,062 (2021).

2. Proposed Effective Date – Section 35.13(b)(2)

PSCo respectfully requests an effective date of April 1, 2023, which is more than sixty (60) days after filing.

3. 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 Xcel Energy OATT. A courtesy copy will be served on the 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.

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

As described above in Sections I and II above, PSCo proposes to make certain revision to the Xcel Energy OATT to facilitate its participation in the WEIS Market. Because the WEIS Joint Dispatch Transmission Service would be a new service provided under the Xcel Energy OATT at a rate of \$0.00/MWh, the proposed changes will not affect PSCo's annual transmission revenue requirement.

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

As described above in Sections I and II above, PSCo has executed a WJDA with SPP so that it may participate in the WEIS Market. The changes proposed herein are designed to facilitate that participation.

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

PSCo is not required to obtain agreement from any additional party in order to make this filing.

7. 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. Requests for Waivers

The revisions to the Xcel Energy OATT proposed herein qualify for abbreviated filing requirements as a rate change other than a rate increase under 18 C.F.R. § 35.13(a)(iii) such that PSCo is only required to provide the information required in paragraphs (b) and (c) of 18 C.F.R. § 35.13. PSCo respectfully requests waiver of the filings requirements set forth in 18 C.F.R. §

35.13(c) and any other filing requirements under the Commission's regulations which the Commission deems necessary to accept the enclosed revisions, including any applicable requirements of the cost-of-service regulations in 18 C.F.R. § 35.13. As discussed above, the revisions proposed herein do not affect rates, and the revisions to add WEIS Joint Dispatch Transmission Service, which would be a new service provided under the Xcel Energy OATT at a rate of \$0.00/MWh, will accordingly have no impact on PSCo's annual transmission revenue requirement. Granting such waivers would otherwise be consistent with Commission precedent, which permits waiver of the cost-of-service statements for formula rates.²⁵

C. Communications

PSCo respectfully requests that all correspondence, pleadings, and communications with respect to this filing be addressed to the following individuals²⁶:

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²⁵ See, e.g., *Pacific Gas & Electric Co.*, 165 FERC ¶ 61,194 at P 33 (2018); *Pub. Serv. Co. of New Mex.*, 142 FERC ¶ 61,168 at P 29 (2013); *Empire Dist. Elec. Co.*, 140 FERC ¶ 61,087 at P 49 (2012); *S. Cal. Edison Co.*, 136 FERC ¶ 61,074 at P 29; *Xcel Energy Servs., Inc.*, 122 FERC ¶ 61,098 at P 75 (2008); *Am. Elec. Power Serv. Corp.*, 120 FERC ¶ 61,205 at PP 40-41 (2007); *Trans-Allegheny Interstate Line Co.*, 119 FERC ¶ 61,219 at P 57 (2007); *Allegheny Power Sys. Operating Cos.*, 111 FERC ¶ 61,308 at PP 55-56 (2005), *order on reh'g*, 115 FERC ¶ 61,156 (2006); *Commonwealth Edison Co.*, 119 FERC ¶ 61,238 at PP 93-94 (2007).

²⁶ PSCo respectfully requests waiver of Rule 203(b)(3) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.203(b), to permit the persons listed to be placed on the official service list for this proceeding.

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January 27, 2023

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IV. CONCLUSION

PSCo respectfully requests that the Commission accept the revisions to the Xcel Energy OATT proposed herein, without suspension or hearing, to be effective April 1, 2023.

Respectfully submitted,

/s/ David E. Pettit

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Counsel for

Public Service Company of Colorado

Cc: Colorado Public Utilities Commission
Transmission Tariff Customers
Director, Electric Power Regulation (West)

Attachments

CERTIFICATE OF SERVICE

I, Elizabeth Walkup, hereby certify that I have this day served a notice of the enclosed document filing, electronically, on the Colorado Public Utilities Commission and on each customer taking transmission service from PSCo.

Dated at Minneapolis, Minnesota this 27th day of January, 2023.

/s/ Elizabeth Walkup

Elizabeth Walkup
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**Additional Volumes of
Xcel Energy Operating Companies
Transmission Service Tariffs**

<u>Volume No.</u>	<u>Contents</u>
	Joint Open Access Transmission Tariff
Original Volume 2	Reserved for Future Use
	FERC Electric Transmission Tariff
Original Volume 3	Northern States Power Company transmission rate schedules
Original Volume 4	Northern States Power Company (Wisconsin) transmission rate schedules
Original Volume 5	Public Service Company of Colorado transmission rate schedules
Original Volume 6	Southwestern Public Service Company) transmission rate schedules
Original Volume 7	WestConnect Point-to-Point Regional Transmission Service Experiment Tariff

Note: The noted tariff volumes contain transmission-related rate schedules filed by the Transmission Services function of the Xcel Energy Operating Companies.

Rate schedules related to electric supply services may be found in the Electric Services Tariffs separately maintained by the Xcel Energy Markets function.

1 Definitions

- 1.1 Affiliate:** With respect to a corporation, partnership, or other entity, each such other corporation, partnership or other entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such corporation, partnership or other entity.
- 1.2 Ancillary Services:** Those services, that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of the Transmission Provider's Transmission System in accordance with Good Utility Practice.
- 1.3 Annual Transmission Costs:** The total annual cost of the Transmission System for purposes of Network Integration Transmission Service shall be the amount specified in Attachment H until amended by the Transmission Provider or modified by the Commission.
- 1.4 Application:** A request by an Eligible Customer for transmission service pursuant to the provisions of the Tariff.
- 1.5 Commission:** The Federal Energy Regulatory Commission.
- 1.6 Completed Application:** An Application that satisfies all of the information and other requirements of the Tariff, including any required deposit.
- 1.7 Control Area:** Control Area shall have the same meaning as Balancing Authority Area, as defined in 36.3. A Control Area is an electric power system or combination of electric power systems to which a common automatic generation control scheme is applied in order to:
- (1) match, at all times, the power output of the generators within the electric power system(s) and capacity and energy purchased from entities outside the electric power system(s), with the load within the electric power system(s);
 - (2) maintain scheduled interchange with other Control Areas, within the limits of Good Utility Practice;
 - (3) maintain the frequency of the electric power system(s) within reasonable limits in accordance with Good Utility Practice; and
 - (4) provide sufficient generating capacity to maintain operating reserves in accordance with Good Utility Practice.
- 1.8 Curtailment:** A reduction in firm or non-firm transmission service in response to a transfer capability shortage as a result of system reliability conditions.
- 1.9 Delivering Party:** The entity supplying capacity and energy to be transmitted at Point(s) of Receipt.

- 1.10 Designated Agent:** Any entity that performs actions or functions on behalf of the Transmission Provider, an Eligible Customer, or the Transmission Customer required under the Tariff.
- 1.11 Direct Assignment Facilities:** Facilities or portions of facilities that are constructed by the Transmission Provider for the sole use/benefit of a particular Transmission Customer or a set of Transmission Customers being studied in a cluster requesting service under the Tariff. Direct Assignment Facilities shall be specified in the Service Agreement that governs service to the Transmission Customer and shall be subject to Commission approval.
- 1.12 Eligible Customer:** (i) Any electric utility (including the Transmission Provider and any power marketer), Federal power marketing agency, or any person generating electric energy for sale for resale is an Eligible Customer under the Tariff. Electric energy sold or produced by such entity may be electric energy produced in the United States, Canada or Mexico. However, with respect to transmission service that the Commission is prohibited from ordering by Section 212(h) of the Federal Power Act, such entity is eligible only if the service is provided pursuant to a state requirement that the Transmission Provider offer the unbundled transmission service, or pursuant to a voluntary offer of such service by the Transmission Provider. (ii) Any retail customer taking unbundled transmission service pursuant to a state requirement that the Transmission Provider offer the transmission service, or pursuant to a voluntary offer of such service by the Transmission Provider, is an Eligible Customer under the Tariff.
- 1.13 Facilities Study:** An engineering study conducted by the Transmission Provider to determine the required modifications to the Transmission Provider's Transmission System, including the cost and scheduled completion date for such modifications that will be required to provide the requested transmission service.
- 1.14 Firm Point-To-Point Transmission Service:** Transmission Service under this Tariff that is reserved and/or scheduled between specified Points of Receipt and Delivery pursuant to Part II of this Tariff.
- 1.15 Good Utility Practice:** Any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region, including those practices required by Federal Power Act section 215(a)(4).
- 1.16 Interruption:** A reduction in non-firm transmission service due to economic reasons pursuant to Section 14.7.

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- 1.17 Load Ratio Share:** For Network Integration Transmission Service where PSCo is the Transmission Provider, the Load Ratio Share shall be the ratio of a Transmission Customer's Average Network Load to the Transmission Provider's Average Transmission System Load computed in accordance with Sections 34.3 and 34.6 of the Network Integration Transmission Service under Part III of the Tariff.

For Network Integration Transmission Service where NSP is the Transmission Provider, the Load Ratio Share shall be the ratio of a Transmission Customer's Network Load to the Transmission Provider's total Transmission System Load computed in accordance with Section 34.5 of the Network Integration Transmission Service under Part III of the Tariff.

For Network Integration Transmission Service where SPS is the Transmission Provider, the Load Ratio Share shall be the ratio of a Transmission Customer's Average Network Load to the Transmission Provider's Average Transmission System Load computed in accordance with Sections 34.3 and 34.6 of the Network Integration Transmission Service under Part III of the Tariff.

- 1.18 Load Shedding:** The systematic reduction of system demand by temporarily decreasing load in response to transmission system or area capacity shortages, system instability, or voltage control considerations under Part III of the Tariff.
- 1.19 Long-Term Firm Point-To-Point Transmission Service:** Firm Point-To-Point Transmission Service under Part II of the Tariff with a term of one year or more.
- 1.20 Native Load Customers:** The wholesale and retail power customers of the Transmission Provider on whose behalf the Transmission Provider, by statute, franchise, regulatory requirement, or contract, has undertaken an obligation to construct and operate the Transmission Provider's system to meet the reliable electric needs of such customers.
- 1.21 NERC TLR Procedures:** Transmission Loading Relief procedures developed by the North American Electric Reliability Council ("NERC") which enable Transmission Providers to curtail transactions both on and off the contract path that contribute to an overload on the electric system in order to preserve system reliability.
- 1.22 Network Customer:** An entity receiving transmission service pursuant to the terms of the Transmission Provider's Network Integration Transmission Service under Part III of the Tariff.
- 1.23 Network Integration Transmission Service:** The transmission service provided under Part III of the Tariff.
- 1.24 Network Load:** The load that a Network Customer designates for Network Integration Transmission Service under Part III of the Tariff. The Network Customer's Network Load shall include all load served by the output of any Network Resources designated by the Network Customer. A Network Customer may elect to designate less than its total load as Network Load but may not designate only part of the load at a discrete Point of

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Delivery. Where an Eligible Customer has elected not to designate a particular load at discrete points of delivery as Network Load, the Eligible Customer is responsible for making separate arrangements under Part II of the Tariff for any Point-To-Point Transmission Service that may be necessary for such non-designated load.

- 1.25 Network Operating Agreement:** An executed agreement that contains the terms and conditions under which the Network Customer shall operate its facilities and the technical and operational matters associated with the implementation of Network Integration Transmission Service under Part III of the Tariff.
- 1.26 Network Operating Committee:** A group made up of representatives from the Network Customer(s) and the Transmission Provider established to coordinate operating criteria and other technical considerations required for implementation of Network Integration Transmission Service under Part III of this Tariff.
- 1.27 Network Resource:** Any designated generating resource owned, purchased or leased by a Network Customer under the Network Integration Transmission Service Tariff. Network Resources do not include any resource, or any portion thereof, that is committed for sale to third parties or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis, except for purposes of fulfilling obligations under a reserve sharing program.
- 1.28 Network Upgrades:** Modifications or additions to transmission-related facilities that are integrated with and support the Transmission Provider's overall Transmission System for the general benefit of all users of such Transmission System.
- 1.29 Non-Firm Point-To-Point Transmission Service:** Point-To-Point Transmission Service under the Tariff that is reserved and scheduled on an as-available basis and is subject to Curtailment or Interruption as set forth in Section 14.7 under Part II of this Tariff. Non-Firm Point-To-Point Transmission Service is available on a stand-alone basis for periods ranging from one hour to one month.
- 1.30 Non-Firm Sale:** An energy sale for which receipt or delivery may be interrupted for any reason or no reason, without liability on the part of either the buyer or seller.
- 1.31 Non-Variable Energy Resource:** Non-Variable Energy Resource is a device for the production of electricity that is not a Variable Energy Resource.
- 1.32 Open Access Same-Time Information System (OASIS):** The information system and standards of conduct contained in Part 37 of the Commission's regulations and all additional requirements implemented by subsequent Commission orders dealing with OASIS.
- 1.33 Part I:** Tariff Definitions and Common Service Provisions contained in Sections 2 through 12.

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- 1.34 Part II:** Tariff Sections 13 through 27 pertaining to Point-To-Point Transmission Service in conjunction with the applicable Common Service Provisions of Part I and appropriate Schedules and Attachments.
- 1.35 Part III:** Tariff Sections 28 through 35 pertaining to Network Integration Transmission Service in conjunction with the applicable Common Service Provisions of Part I and appropriate Schedules and Attachments.
- 1.35A Part IV:** Tariff Sections 36 through 40 pertaining to Balancing Authority Ancillary Services in conjunction with the applicable Common Service Provisions of Part I and appropriate Schedules and Attachments.
- 1.36 Parties:** The Transmission Provider and the Transmission Customer or Ancillary Service Customer receiving service under the Tariff.
- 1.37 Point(s) of Delivery:** Point(s) on the Transmission Provider's Transmission System where capacity and energy transmitted by the Transmission Provider will be made available to the Receiving Party under Part II of the Tariff. The Point(s) of Delivery shall be specified in the Service Agreement for Long-Term Firm Point-To-Point Transmission Service.
- 1.38 Point(s) of Receipt:** Point(s) of interconnection on the Transmission Provider's Transmission System where capacity and energy will be made available to the Transmission Provider by the Delivering Party under Part II of the Tariff. The Point(s) of Receipt shall be specified in the Service Agreement for Long-Term Firm Point-To-Point Transmission Service.
- 1.39 Point-To-Point Transmission Service:** The reservation and transmission of capacity and energy on either a firm or non-firm basis from the Point(s) of Receipt to the Point(s) of Delivery under Part II of the Tariff.
- 1.40 Power Purchaser:** The entity that is purchasing the capacity and energy to be transmitted under the Tariff.
- 1.41 Pre-Confirmed Application:** An Application that commits the Eligible Customer to execute a Service Agreement upon receipt of notification that the Transmission Provider can provide the requested Transmission Service.
- 1.42 Receiving Party:** The entity receiving the capacity and energy transmitted by the Transmission Provider to Point(s) of Delivery.
- 1.43 Regional Transmission Group (RTG):** A voluntary organization of transmission owners, transmission users and other entities approved by the Commission to efficiently coordinate transmission planning (and expansion), operation and use on a regional (and interregional) basis.
- 1.44 Reserved Capacity:** The maximum amount of capacity and energy that the Transmission Provider agrees to transmit for the Transmission Customer over the

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Transmission Provider's Transmission System between the Point(s) of Receipt and the Point(s) of Delivery under Part II of the Tariff. Reserved Capacity shall be expressed in terms of whole megawatts (500 kW per hour on the NSP System) on a sixty (60) minute interval (commencing on the clock hour) basis.

- 1.45 Service Agreement:** The initial agreement and any amendments or supplements thereto entered into by the Transmission Customer or Ancillary Service Customer and the Transmission Provider for service under the Tariff.
- 1.46 Service Commencement Date:** The date the Transmission Provider begins to provide service pursuant to the terms of an executed Service Agreement, or the date the Transmission Provider begins to provide service in accordance with Section 15.3, Section 29.1, or Section 37.5 under the Tariff.
- 1.47 Short-Term Firm Point-To-Point Transmission Service:** Firm Point-To-Point Transmission Service under Part II of the Tariff with a term of less than one year.
- 1.48 System Condition:** A specified condition on the Transmission Provider's system or on a neighboring system, such as a constrained transmission element or flowgate that may trigger Curtailment of Long-Term Firm Point-to-Point Transmission Service using the curtailment priority pursuant to Section 13.6. Such conditions must be identified in the Transmission Customer's Service Agreement.
- 1.49 System Impact Study:** An assessment by the Transmission Provider of (i) the adequacy of the Transmission System to accommodate a request for either Firm Point-To-Point Transmission Service or Network Integration Transmission Service and (ii) whether any additional costs may be incurred in order to provide transmission service.
- 1.50 Third-Party Sale:** Any sale for resale in interstate commerce to a Power Purchaser that is not designated as part of Network Load under the Network Integration Transmission Service that utilizes the Transmission Provider's transmission system.
- 1.51 Transmission Customer:** Any Eligible Customer (or its Designated Agent) that (i) executes a Service Agreement, or (ii) requests in writing that the Transmission Provider file with the Commission, a proposed unexecuted Service Agreement to receive transmission service under Part II of the Tariff. This term is used in the Part I Common Service Provisions to include customers receiving transmission service under Part II and Part III of this Tariff.
- 1.52 Transmission Provider:** Northern States Power Company (Minnesota) (or its intended successor-in-interest to its utility business) and Northern States Power Company (Wisconsin) (collectively "NSP Companies" or as "NSP"), Public Service Company of Colorado ("PSCo"), or Southwestern Public Service Company ("SPS"), each of which is an operating subsidiary of Xcel Energy Inc. ("Xcel"). NSP, PSCo, and SPS are public utilities that own, control, or operate facilities used for the transmission of electric energy in interstate commerce and provide transmission service under the Tariff. For Network Integration Transmission Service across the Lamar Tie between SPS and PSCo that implements transactions under the Xcel Energy Joint Operating Agreement, the

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Transmission Provider is both SPS and PSCo. For non-grandfathered Network Integration Transmission Service or Point to Point Service between SPS and PSCo across the Lamar Tie, the Transmission Provider is both the Southwest Power Pool, Inc. under the SPP Open Access Transmission Tariff (SPP OATT) and PSCo under the Tariff.

- 1.53 Transmission Provider's Monthly Transmission System Peak:** The maximum firm usage of the Transmission Provider's Transmission System in a calendar month, including all Network Load and Firm Point-To-Point Transmission Service.
- 1.54 Transmission Service:** Point-To-Point Transmission Service provided under Part II of the Tariff on a firm and non-firm basis.
- 1.55 Transmission System:** The facilities owned, controlled or operated by the Transmission Provider that are used to provide transmission service under Part II, Part III and Part IV of the Tariff.
- 1.56 Variable Energy Resource:** A Variable Energy Resource shall mean a device for the production of electricity that is characterized by an energy source that: (1) is renewable; (2) cannot be stored by the facility owner or operator; and (3) has variability that is beyond the control of the facility owner or operator.
- 1.57 WEIS Joint Dispatch Transmission Service (or JDTS):** Intra-hour non-firm transmission service, as available, across transmission facilities of a Market Participant, as defined in the WEIS Tariff, that is used to transmit energy dispatched pursuant to the provisions of the WEIS Tariff.
- 1.58 WEIS Joint Dispatch Transmission Service Customer (or JDTS Customer):** Any Market Participant, as defined in the WEIS Tariff, representing load in a Control Area participating in the WEIS Market.
- 1.59 WEIS Joint Dispatch Transmission Service Provider (or JDTS Provider):** Any Market Participant, as defined in the WEIS Tariff, that provides Joint Dispatch Transmission Service and that is in a Control Area participating in the WEIS Market or Southwest Power Pool, Inc.
- 1.60 WEIS Market:** An energy imbalance service market in the Western Interconnection, administered by the WEIS Market Operator under the WEIS Tariff.
- 1.61 WEIS Market Footprint:** The loads and resources that are located within a Control Area participating in the WEIS Market under the WEIS Tariff.
- 1.62 WEIS Market Operator:** The entity that operates the WEIS Market in accordance with the WEIS Tariff and acts as the interface point of reliability functions with commercial functions. Currently, the WEIS Market Operator is Southwest Power Pool, Inc.
- 1.63 WEIS Region:** The geographic region of the WEIS Market operated by the WEIS Market Operator under the WEIS Tariff.

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- 1.64 WEIS Tariff:** The Western Energy Imbalance Service Tariff, as approved by FERC, including all schedules or attachments thereto, as amended from time to time and approved by FERC.
- 1.65 WEIS Transmission Provider's Facilities:** Those facilities included in the Public Service Company of Colorado Transmission System that are located within the WEIS Region and over which the Public Service Company of Colorado has agreed to allow the WEIS Market Operator to transmit energy dispatched pursuant to the provisions of the WEIS Tariff.
- 1.66 Western Energy Imbalance Service (WEIS):** The Schedule 1 Service defined in the WEIS Tariff for the WEIS Region.

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3 Ancillary Services

Ancillary Services are needed with transmission service to maintain reliability within and among the Control Areas affected by the transmission service. The Transmission Provider is required to provide (or offer to arrange with the local Control Area operator as discussed below), and the Transmission Customer is required to purchase, the following Ancillary Services: (i) Scheduling, System Control and Dispatch, and (ii) Reactive Supply and Voltage Control from Generation or Other Sources.

The Transmission Provider is required to offer to provide (or offer to arrange with the local Control Area operator as discussed below) the following Ancillary Services only to the Transmission Customer serving load within the Transmission Provider's Control Area: (i) Regulation and Frequency Response, (ii) Energy Imbalance, (iii) Operating Reserve - Spinning, (iv) Operating Reserve – Supplemental and (v) for service provided over the Public Service Company of Colorado system, Flex Reserve Service. The Transmission Customer serving load within the Transmission Provider's Control Area is required to acquire these Ancillary Services, whether from the Transmission Provider, from a third party, or by self-supply. Solely with respect to service provided over the WEIS Transmission Provider's Facilities, the Transmission Customer's or Ancillary Service Customer's Energy Imbalance for load served using the WEIS Transmission Provider's Facilities shall be settled pursuant to the WEIS Tariff and as further specified in Attachment X.

The Transmission Provider is required to provide (or offer to arrange with the local Control Area Operator as discussed below), to the extent it is physically feasible to do so from its resources or from resources available to it, Generator Imbalance Service when Transmission Service is used to deliver energy from a generator located within its Control Area. The Transmission Customer using Transmission Service to deliver energy from a generator located within the Transmission Provider's Control Area is required to acquire Generator Imbalance Service, whether from the Transmission Provider, from a third party, or by self-supply. Solely with respect to service provided over the WEIS Transmission Provider's Facilities, the Transmission Customer's or Ancillary Service Customer's Generator Imbalance for Generating Resources using the WEIS Transmission Provider's Facilities shall be settled pursuant to the WEIS Tariff and as further specified in Attachment X.

The Transmission Customer may not decline the Transmission Provider's offer of Ancillary Services unless it demonstrates that it has acquired the Ancillary Services from another source. The Transmission Customer must list in its Application which Ancillary Services it will purchase from the Transmission Provider. A Transmission Customer that exceeds its firm reserved capacity at any Point of Receipt or Point of Delivery or an Eligible Customer that uses Transmission Service at a Point of Receipt or Point of Delivery that it has not reserved is required to pay for all of the Ancillary Services identified in this section that were provided by the Transmission Provider associated with the unreserved service. The Transmission Customer or Eligible Customer will pay for Ancillary Services based on the amount of transmission service it used but did not

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reserve.

If the Transmission Provider is a public utility providing transmission service but is not a Control Area operator, it may be unable to provide some or all of the Ancillary Services. In this case, the Transmission Provider can fulfill its obligation to provide Ancillary Services by acting as the Transmission Customer's agent to secure these Ancillary Services from the Control Area operator or through the WEIS Market. The Transmission Customer may elect to (i) have the Transmission Provider act as its agent, (ii) secure the Ancillary Services directly from the Control Area operator or through the WEIS Market, or (iii) secure the Ancillary Services (discussed in Schedules 3, 4, 5, 6, 16(applicable to service over the Public Service Company of Colorado system), and 9) from a third party or by self-supply when technically feasible.

The Transmission Provider shall specify the rate treatment and all related terms and conditions in the event of an unauthorized use of Ancillary Services by the Transmission Customer. The specific Ancillary Services, prices and/or compensation methods are described on the Schedules and Attachments that are attached to and made a part of the Tariff. Three principal requirements apply to discounts for Ancillary Services provided by the Transmission Provider in conjunction with its provision of transmission service as follows:

(1) any offer of a discount made by the Transmission Provider must be announced to all Eligible Customers solely by posting on the OASIS, (2) any customer-initiated requests for discounts (including requests for use by one's wholesale merchant or an Affiliate's use) must occur solely by posting on the OASIS, and (3) once a discount is negotiated, details must be immediately posted on the OASIS. A discount agreed upon for an Ancillary Service must be offered for the same period to all Eligible Customers on the Transmission Provider's system.

Transmission Provider shall credit any Schedule 4 or Schedule 9 revenues in excess of incremental costs on an hourly basis. Penalty revenues received from offending customers each hour shall be credited to all non-offending customers for that same hour in proportion to each non-offending customer's usage of the transmission system in MW during that hour, including the Transmission Provider's bundled load. Any credits shall be applied to customers' bills in the next billing month after hourly pricing is final.

Sections 3.1 through 3.8 below list the eight Ancillary Services.

- 3.1 Scheduling, System Control and Dispatch Service:** The rates and/or methodology are described in Schedule 1.
- 3.2 Reactive Supply and Voltage Control from Generation or Other Sources Service:** The rates and/or methodology are described in Schedule 2.
- 3.3 Regulation and Frequency Response Service:** Where applicable the rates and/or methodology are described in Schedule 3 and Schedule 3A.
- 3.4 Energy Imbalance Service:** Where applicable the rates and/or methodology are

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described in Schedule 4 and Attachment X.

- 3.5 Operating Reserve** - Spinning Reserve Service: Where applicable the rates and/or methodology are described in Schedule 5.
- 3.6 Operating Reserve** - Supplemental Reserve Service: Where applicable the rates and/or methodology are described in Schedule 6.
- 3.7 Flex Reserve Service** - Where applicable the rates and/or methodology are described in Schedule 16 for service provided over the Public Service Company of Colorado system.
- 3.8 Generator Imbalance Service:** Where applicable the rates and/or methodology are described in Schedule 9 and Attachment X.

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16 Transmission Customer Responsibilities

16.1 Conditions Required of Transmission Customers: Point-To-Point Transmission Service shall be provided by the Transmission Provider only if the following conditions are satisfied by the Transmission Customer:

- a. The Transmission Customer has pending a Completed Application for service;
- b. The Transmission Customer meets the creditworthiness criteria set forth in Section 11;
- c. The Transmission Customer will have arrangements in place for any other transmission service necessary to effect the delivery from the generating source to the Transmission Provider prior to the time service under Part II of the Tariff commences;
- d. The Transmission Customer agrees to pay for any facilities constructed and chargeable to such Transmission Customer under Part II of the Tariff, whether or not the Transmission Customer takes service for the full term of its reservation;
- e. The Transmission Customer provides the information required by the Transmission Provider's planning process established in Attachment R; and
- f. The Transmission Customer has executed a Point-To-Point Service Agreement or has agreed to receive service pursuant to Section 15.3.
- g. Notwithstanding any provisions in Part II of this Tariff to the contrary, the Transmission Customer must comply with the WEIS Market provisions in Attachment X, as applicable, when the Transmission Provider participates in the WEIS Market as described in Attachment X.

16.2 Transmission Customer Responsibility for Third-Party Arrangements: Any scheduling arrangements that may be required by other electric systems shall be the responsibility of the Transmission Customer requesting service. The Transmission Customer shall provide, unless waived by the Transmission Provider, notification to the Transmission Provider identifying such systems and authorizing them to schedule the capacity and energy to be transmitted by the Transmission Provider pursuant to Part II of the Tariff on behalf of the Receiving Party at the Point of Delivery or the Delivering Party at the Point of Receipt. However, the Transmission Provider will undertake reasonable efforts to assist the Transmission Customer in making such arrangements, including without limitation, providing any information or data required by such other electric system pursuant to Good Utility Practice.

28 Nature of Network Integration Transmission Service

- 28.1 Scope of Service:** Network Integration Transmission Service is a transmission service that allows Network Customers to efficiently and economically utilize their Network Resources (as well as other non-designated generation resources) to serve their Network Load located in the Transmission Provider's Control Area and any additional load that may be designated pursuant to Section 31.3 of the Tariff. The Network Customer taking Network Integration Transmission Service must obtain or provide Ancillary Services pursuant to Section 3. Notwithstanding any provisions in Part III of this Tariff to the contrary, the Network Customer must comply with WEIS Market provisions in Attachment X, as applicable, when the Transmission Provider participates in the WEIS Market as described in Attachment X.
- 28.2 Transmission Provider Responsibilities:** The Transmission Provider will plan, construct, operate and maintain its Transmission System in accordance with Good Utility Practice and its planning obligations in Attachment R in order to provide the Network Customer with Network Integration Transmission Service over the Transmission Provider's Transmission System. The Transmission Provider, on behalf of its Native Load Customers, shall be required to designate resources and loads in the same manner as any Network Customer under Part III of this Tariff. This information must be consistent with the information used by the Transmission Provider to calculate available transfer capability. The Transmission Provider shall include the Network Customer's Network Load in its Transmission System planning and shall, consistent with Good Utility Practice and Attachment R, endeavor to construct and place into service sufficient transfer capability to deliver the Network Customer's Network Resources to serve its Network Load on a basis comparable to the Transmission Provider's delivery of its own generating and purchased resources to its Native Load Customers.
- 28.3 Network Integration Transmission Service:** The Transmission Provider will provide firm transmission service over its Transmission System to the Network Customer for the delivery of capacity and energy from its designated Network Resources to service its Network Loads on a basis that is comparable to the Transmission Provider's use of the Transmission System to reliably serve its Native Load Customers.
- 28.4 Secondary Service:** The Network Customer may use the Transmission Provider's Transmission System to deliver energy to its Network Loads from resources that have not been designated as Network Resources. Such energy shall be transmitted, on an as-available basis, at no additional charge. Secondary service shall not require the filing of an Application for Network Integration Transmission Service under the Tariff. However, all other requirements of Part III of the Tariff (except for transmission rates) shall apply to secondary service. Deliveries from resources other than Network Resources will have a higher priority than any Non-Firm Point-To-Point Transmission Service under Part II of the Tariff.

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- 28.5 Real Power Losses:** Real Power Losses are associated with all transmission service. The Transmission Provider is not obligated to provide Real Power Losses. The Network Customer is responsible for replacing losses associated with all transmission service as calculated by the Transmission Provider. The applicable Real Power Losses are as follows:

For Service on the NSP Transmission System: 2.4%

For Service on the PSCo System:

	<u>Demand</u>	<u>Energy</u>
Transmission System:	2.20%	1.70%
Distribution System – Primary Voltage:	3.75%	2.07%

For Service on the SPS System:

	<u>Demand</u>	<u>Energy</u>
Transmission System:	2.738606%	3.203203%
Distribution System – Primary Voltage:	8.846390%	6.327826%

The loss factors for Direct Assignment Facilities shall be determined on a case by case basis.

- 28.6 Restrictions on Use of Service:** The Network Customer shall not use Network Integration Transmission Service for (i) sales of capacity and energy to non-designated loads, or (ii) direct or indirect provision of transmission service by the Network Customer to third parties. All Network Customers taking Network Integration Transmission Service shall use Point-To-Point Transmission Service under Part II of the Tariff for any Third-Party Sale which requires use of the Transmission Provider's Transmission System. The Transmission Provider shall specify any appropriate charges and penalties and all related terms and conditions applicable in the event that a Network Customer uses Network Integration Transmission Service or secondary service pursuant to Section 28.4 to facilitate a wholesale sale that does not serve a Network Load.

IV. BALANCING AUTHORITY ANCILLARY SERVICES

Preamble

Service under Part IV shall be applicable only to the Public Service Company of Colorado (PSCo) system. This Part IV shall not apply to ancillary services that are provided pursuant to: (1) Part II or Part III of this Tariff; (2) a pre-Order No. 888 agreement providing for transmission service; or (3) a wholesale agreement (such as a wholesale sales service agreement) that includes payment to PSCo for Ancillary Services. Ancillary Service Customers shall compensate PSCo for ancillary services provided by the PSCo Balancing Authority. Notwithstanding any provisions in Part IV of this Tariff to the contrary, the Transmission Customer must comply with the WEIS Market provisions in Attachment X, as applicable, when the Transmission Provider participates in the WEIS Market as described in Attachment X.

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37 Nature of Balancing Authority Services

37.1 Requirement to Provide and Obtain BA Services: An Ancillary Service Customer (ASC) shall purchase from the BA Operator, self-provide, or purchase from a third party BA Services for all load or generating units in the PSCo BAA. The ASC shall obtain BA Services pursuant to the rates, terms, and conditions specified in this Part IV and the provisions of the Service Agreement set forth as Attachment T of this Tariff.

37.2 Source and Acquisition of BA Services:

- (a) The BA Operator shall provide and the ASC is required to purchase Scheduling, System Control, and Dispatch Service as provided in Schedule 1 to this Tariff.
- (b) The BA Operator shall also offer to provide the following BA Services: (i) Reactive Supply and Voltage Control from Generation Sources as specified in Schedule 2 to this Tariff; (ii) Regulation and Frequency Response Service as specified in Schedule 3; (iii) Energy Imbalance Service as specified in Schedule 4; (iv) Operating Reserve—Spinning Reserve Service as specified in Schedule 5; (v) Operating Reserve—Supplemental Reserve Service as specified in Schedule 6; (vi) Flex Reserve Service as specified in Schedule 16; (vii) Generator Imbalance service as specified in Schedule 9, and (viii) real power losses.
- (c) The ASC shall designate the BA Services to be provided by the BA Operator in the service agreement between the ASC and BA Operator, in the form provided in Attachment T. The ASC must acquire such BA Services from the BA Operator unless the ASC demonstrates to the satisfaction of the BA Operator that the ASC has acquired such BA Services from another source, either by self-providing or purchasing from a third party.
- (d) Each ASC subject to this Part IV must specify on the Service Agreement set forth in Attachment T and required under this Part IV (a) those BA Services the ASC will purchase from the BA Operator, and (b) the loads designated for such BA services. If the Balancing Authority Operator and Ancillary Service Customer disagree on the load to be designated as subject to Part IV, the Balancing Authority Operator shall file the unexecuted Service Agreement with the Commission.
- (e) Each ASC subject to this Part IV must provide an attestation annually that specifies the amounts of VER generation and non-VER generation owned or controlled by the ASC.
- (f) Notwithstanding any provisions in Part IV of this Tariff to the contrary, the

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Transmission Customer must comply with the WEIS Market provisions in Attachment X, as applicable, when the Transmission Provider participates in the WEIS Market as described in Attachment X. Imbalance Service shall be settled pursuant to the WEIS Tariff and as further specified in Attachment X.

37.3 Sufficiency of Balancing Authority Services: The BA Operator shall determine the sufficiency of any BA Service obtained by an ASC pursuant to the requirements of this Part IV. In the event of a dispute, the Dispute Resolution provisions of Section 12 shall apply.

37.4 Real Power Losses: Real Power Losses are associated with all transmission transactions scheduled by ASCs within the PSCo BAA. The BA Operator is not obligated to provide Real Power Losses. The ASC is responsible for replacing losses associated with all BA Services as calculated by the BA Operator. The ASC's Real Power Loss obligation will be determined based on the location of the ASC's metered points on the transmission system; however, the exact identification of loss obligations for ASC's will be determined at the time the ASC's form of service agreement is executed. The ASC will be charged for Real Power Losses on all transactions that are delivered across the BAA to serve the ASC's load, less any losses supplied to the BA or billed to the ASC under Part II or Part III of this Joint OATT or pursuant to any other agreement. The applicable Real Power Losses are as follows

For Service in the PSCo BAA:	<u>Demand</u>	<u>Energy</u>
	2.20%	1.70%

37.5 Service Agreements: The BA Operator shall offer a standard form of Service Agreement to an ASC, as set forth in Attachment T to this Tariff. An executed Service Agreement completed consistent with the requirements of this Part IV will be reported to the Commission in compliance with applicable Commission regulations. If an ASC does not execute the Service Agreement required by this Part IV, the BA Operator may file an unexecuted Service Agreement with the Commission. The BA Operator shall file any unexecuted Service Agreement with the Commission by the earlier of (i) thirty (30) days after receiving a request from the ASC to file an unexecuted Service Agreement or (ii) thirty (30) days after service commences.

37.6 No Transmission Service Provided: The provision of BA Services under this Part IV does not include or constitute a commitment by Transmission Provider to provide any other type of Service under this Tariff.

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V. Reserved for Future Use

41 Reserved for Future Use

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42 Reserved for Future Use

43 Reserved for Future Use

SCHEDULE 4

Energy Imbalance Service

Availability: Available on the PSCo system. Schedule 4 Service on the NSP and SPS systems shall be available from the Midcontinent ISO and SPP, respectively.

Energy Imbalance Service is provided when a difference occurs between the scheduled and the actual delivery of energy to a load located within a Control Area over a single hour or, as applicable, dispatch interval in the WEIS Market.

- (a) In the case of service under Parts II or III of this Tariff, the Transmission Provider must offer this service when the transmission service is used to serve load within its Control Area. The Transmission Customer must purchase this service directly from the WEIS Market Operator, from the Control Area operator, from the Transmission Provider, or make alternative comparable arrangements, which may include use of non-generation resources capable of providing this service, to satisfy its Energy Imbalance Service obligation. To the extent the WEIS Market Operator or the Control Area operator performs this service for the Transmission Provider, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to the Transmission Provider by the WEIS Market Operator or that Control Area operator. The Transmission Provider may charge a Transmission Customer a penalty for either hourly energy imbalances under this Schedule or a penalty for hourly generator imbalances under Schedule 9 for imbalances occurring during the same hour, but not both unless the imbalances aggravate rather than offset each other.
- (b) In the case of service under Part IV of this Tariff, the Balancing Authority Operator must offer this service to the Ancillary Service Customer (ASC). The ASC must purchase this service directly from the WEIS Market Operator, from the Balancing Authority Operator (i.e. the Control Area) or make alternative comparable arrangements, which may include use of non-generation resources capable of providing this service, to satisfy the ASC's Energy Imbalance Service obligation. The Balancing Authority Operator may charge an Ancillary Service Customer a penalty for either hourly energy imbalances under this Schedule or a penalty for hourly generator imbalances under Schedule 9 for imbalances occurring during the same hour, but not both unless the imbalances aggravate rather than offset each other.
- (c) PSCo is both the Transmission Provider and Balancing Authority (Control Area) Operator for purposes of this Schedule 4.

The Imbalance Charge is calculated for each tariff service purchased by the Transmission Customer or ASC each hour as follows, where an imbalance charge greater than zero represents amounts due to the Transmission Provider from the Transmission Customer or ASC, and an imbalance charge less than zero represents amounts due to the Transmission Customer

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or ASC from the Transmission Provider, with the resulting hourly charges netted on a monthly basis and settled financially:

$$\text{Imbalance Charge} = \text{Energy Charge} + \text{Penalty Charge}$$

$$\text{Energy Charge} = \text{Qty} \times \text{Rate}$$

$$\text{Penalty Charge} = |\text{Rate}| \times (10\% \times \text{T2Qty} + 25\% \times \text{T3Qty})$$

Where:

Qty = Imbalance quantity, calculated as Actual Deliveries (the sum of the Transmission Customer's or ASC's measured load, grossed up for real power losses, rounded to the nearest MWh) minus Scheduled Energy (the sum of the Transmission Customer's or ASC's scheduled deliveries to its load, including schedules for real power losses if the Transmission Customer or ASC provides real power losses in kind or an allowance for real power losses if the Transmission Customer or ASC has elected to financially settle real power losses with the Transmission Provider, rounded to the nearest MWh).

T1Qty = Imbalance quantity for the first penalty tier (zero percent), calculated as the portion of the absolute value of Qty that is less than or equal to 2 MW or 1.5% of Scheduled Energy, whichever is greater.

T2Qty = Imbalance quantity for the second penalty tier (10 percent), calculated as the portion of the absolute value of Qty that is greater than T1Qty and less than T3Qty.

T3Qty = Imbalance quantity for the third penalty tier (25 percent), calculated as the portion of the absolute value of Qty that is greater than 10 MW or 7.5% of Scheduled Energy, whichever is greater.

Rate = Energy rate. For purchases of energy from the Transmission Provider (Scheduled Energy < Actual Deliveries), incremental cost applies; for sales of energy to the Transmission Provider (Scheduled Energy > Actual Deliveries), decremental cost applies. Incremental cost and decremental cost are defined below.

$$|\text{Rate}| = \text{Absolute value of Rate}$$

Components of Incremental/Decremental Cost

For purposes of this Schedule, incremental and decremental cost shall equal Transmission Provider's actual average hourly cost of the last 10 MW dispatched for any purpose; e.g., to supply the Transmission Provider's Native Load Customers, correct imbalances, or make off-system sales, based on the replacement cost of fuel, unit heat rates, start-up costs (including any commitment and redispatch costs), incremental operation and maintenance costs, and purchased and interchange power costs and taxes, as applicable. The components of such cost include:

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Fuel Costs

Incremental fuel costs are calculated using the following criteria. For natural gas generation units, the incremental costs are the estimated daily spot gas commodity price plus the transportation costs to move the commodity to the plants. The inputs for coal fired units are defined as monthly spot coal prices for units that have the ability to take delivery of spot coal, and contract coal prices for plants that have full requirements coal contracts. Oil prices shall be updated when used.

Heat Rate Coefficients

Heat rate coefficients used in determining incremental cost will be consistent with coefficients used in the PSCo Energy Management System (EMS) to dispatch PSCo's actual generating system and consistent with coefficients used in the production and unit commit/economic dispatch models. These heat rate coefficients are updated as necessary to reflect changes in the operating parameters of plant equipment.

Start up Costs

If a generating unit is started to support short term off-system sales, all the start up costs associated with that unit will be assigned to incremental cost for the first hour of the unit's operation.

Unit Minimums and Contract Minimums

All of PSCo's generating units have minimum levels of operation, and all of the purchased power agreements have minimum scheduling requirements. If a generation resource is started specifically to make an off-system sale or to meet reserve requirements because of such a sale, then the cost of the entire operating range of the resource will be included in incremental cost. If a generation resource is started for Native Load, then only the output above the minimum level is included in incremental cost.

Unit Minimum Run Times

Certain PSCo generating units have minimum run time requirements in place to support reliable unit operation. Such generating units will not be started for off-system sales unless the scheduled and/or contracted duration of the sale is equal to or greater than the minimum run time requirement. Should such off-system sale be curtailed prior to the completion of the generating unit's minimum run time, any uneconomic costs associated with the remaining unit run time will be assigned to incremental cost. Uneconomic costs are defined as the difference in cost between the cost of energy produced by the unit started for the sale and the cost of the energy displaced by the output of such unit, plus any other additional expenses created by the generating unit started for the sale.

Dispatchable Resources

All dispatchable resources are available for cost assignment to off-system sales. Dispatchable

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resources are defined as those generating units or long term purchases whose output can be raised or lowered intra-day to respond to changes in loads. If a dispatchable resource is started to provide energy for Native Load, only the cost of output above the resource's operational or contractual minimum load is available to be assigned to incremental cost.

Variable O&M and Tolling Costs

Variable operation and maintenance (O&M) and tolling costs are assigned to each of the generating units, and when applicable under contract, such costs will be assigned to purchased power resources. These costs will be included in incremental cost.

Intraday Purchases (Not Prescheduled)

All hourly power purchases may be assigned to incremental cost. If an hourly purchase, including all transmission costs, is higher than the incremental cost of a PSCo dispatchable resource, the cost of such purchase will be allocated to incremental cost. If an hourly purchase, including all transmission costs, is lower than the incremental cost of a PSCo dispatchable resource, the cost of the higher priced dispatchable resource will be assigned to incremental cost.

Pumped Storage Costs

The cost of pumped storage energy will be deemed to be the hourly cost of the highest dispatchable resource cost available during the hours of the previous pumping cycle after the highest dispatchable resource cost has been assigned to short term off-system sales for such hours. The hour-by-hour energy for pumping and cost assignment will be documented.

Methodology for Calculating Incremental and Decremental Cost

PSCo uses a computer program (Cost Calculator) to assign costs to serve non-native short term wholesale off-system sales. The program determines the cost to serve short-term off-system sales, including fuel associated with generation and applicable economic purchase transaction costs. The general principle is to assign the most expensive resources to short-term off-system sales first, allowing the less expensive resources to be assigned to PSCo's native load. For each hour, the program stacks the resources that supplied energy during the hour based on their costs in one MW increments. After all costs have been assigned and stacked, the simple average will be calculated for the last 10 MWs to determine PSCo's actual average hourly cost of the last 10 MW dispatched for any purpose.

Social Cost of Carbon

The Social Cost of Carbon is a system characteristic that is used, until PSCo participates in an organized market, in the unit commitment of resources owned or controlled by PSCo. As required by the Colorado Public Utility Commission's Decision No. C22-0459 in proceeding no. 21A-0141E, the Social Cost of Carbon is \$71.42/ton. The Social Cost of Carbon is not an expense that is directly recovered through rates under this Schedule.

Pursuant to Section 3 of this Tariff, Energy Imbalance Services associated with service provided

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within the Transmission Provider's Control Area will be subject to settlement in the WEIS Market, as described in Attachment X.

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SCHEDULE 8A

WEIS Joint Dispatch Transmission Service

The Transmission Customer shall compensate the Transmission Provider for WEIS Joint Dispatch Transmission Service up to the sum of the applicable charges set forth below:

1. Hourly delivery:

- a.** On-Peak Hours: the on-peak rate \$0.00/MWh.
- b.** Off-Peak Hours: the off-peak rate \$0.00/MWh.

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SCHEDULE 9

Generator Imbalance Service

Availability: Available on the PSCo system. Schedule 9 Service on the NSP and SPS systems shall be available from the Midwest ISO and SPP, respectively.

Generator Imbalance Service is provided when a difference occurs between the output of a generator located in the Transmission Provider's Control Area and a delivery schedule from that generator to (1) another Control Area or (2) a load within the Transmission Provider's Control Area over a single hour or, as applicable, dispatch interval in the WEIS Market.

- (a) In the case of service under Parts II or III of this Tariff, the Transmission Provider must offer this service, to the extent it is physically feasible to do so from its resources or from resources available to it, when Transmission Service is used to deliver energy from a generator located within its Control Area. The Transmission Customer must purchase this service directly from the WEIS Market Operator, from the Control Area operator, from the Transmission Provider, or make alternative comparable arrangements, which may include use of non-generation resources capable of providing this service, to satisfy its Generator Imbalance Service obligation. To the extent the WEIS Market Operator or the Control Area operator performs this service for the Transmission Provider, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to the Transmission Provider by the WEIS Market Operator or that Control Area Operator. The Transmission Provider may charge a Transmission Customer a penalty for either hourly generator imbalances under this Schedule or a penalty for hourly energy imbalances under Schedule 4 for imbalances occurring during the same hour, but not both unless the imbalances aggravate rather than offset each other.
- (b) In the case of service under Part IV of this Tariff, the Balancing Authority Operator must offer this service to the Ancillary Service Customer. The Ancillary Service Customer must purchase this service from the directly from the WEIS Market Operator, Balancing Authority Operator (Control Area operator) or make alternative comparable arrangements, which may include use of non-generation resources capable of providing this service, to satisfy its Generator Imbalance Service obligation. The Balancing Authority Operator may charge an Ancillary Service Customer a penalty for either hourly generator imbalances under this Schedule or a penalty for hourly energy imbalances under Schedule 4 for imbalances occurring during the same hour, but not both unless the imbalances aggravate rather than offset each other.
- (c) PSCo is both the Transmission Provider and the Balancing Authority (Control Area) Operator for purposes of this Schedule 9.

The Transmission Provider shall establish charges for generator imbalance based on the deviation bands as follows: (i) deviations within +/- 1.5 percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of

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the Transmission Customer's scheduled transaction(s) will be netted on a monthly basis and settled financially, at the end of each month, at 100 percent of incremental or decremental cost, (ii) deviations greater than +/- 1.5 percent up to 7.5 percent (or greater than 2 MW up to 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be settled financially, at the end of each month, at 110 percent of incremental cost or 90 percent of decremental cost, and (iii) deviations greater than +/- 7.5 percent (or 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be settled at 125 percent of incremental cost or 75 percent of decremental cost, except that an intermittent resource will be exempt from this deviation band and will pay the deviation band charges for all deviations greater than the larger of 1.5 percent or 2 MW. An intermittent resource, for the limited purpose of this Schedule is an electric generator that is not dispatchable and cannot store its fuel source and therefore cannot respond to changes in system demand or respond to transmission security constraints.

Notwithstanding the foregoing, deviations from scheduled transactions in order to respond to directives by the Transmission Provider, a balancing authority, or a reliability coordinator shall not be subject to the deviation bands identified above and, instead, shall be settled financially, at the end of the month, at 100 percent of incremental and decremental cost. Such directives may include instructions to correct frequency decay, respond to a reserve sharing event, or change output to relieve congestion.

For purposes of this Schedule, incremental cost and decremental cost represent the Transmission Provider's actual average hourly cost of the last 10 MW dispatched for any purpose, e.g., to supply the Transmission Provider's Native Load Customers, correct imbalances, or make off-system sales, based on the replacement cost of fuel, unit heat rates, start-up costs (including any commitment and redispatch costs), incremental operation and maintenance costs, and purchased and interchange power costs and taxes, as applicable.

Components of Incremental/Decremental Cost

For purposes of this Schedule, incremental and decremental cost shall equal Transmission Provider's actual average hourly cost of the last 10 MW dispatched for any purpose. The components of such cost include:

Fuel Costs

Incremental fuel costs are calculated using the following criteria. For natural gas generation units, the incremental costs are the estimated daily spot gas commodity price plus the transportation costs to move the commodity to the plants. The inputs for coal fired units are defined as monthly spot coal prices for units that have the ability to take delivery of spot coal, and contract coal prices for plants that have full requirements coal contracts. Oil prices shall be updated when used.

Heat Rate Coefficients

Heat rate coefficients used in determining incremental cost will be consistent with coefficients used in the PSCo Energy Management System (EMS) to dispatch PSCo's actual generating

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system and consistent with coefficients used in the production and unit commit/economic dispatch models. These heat rate coefficients are updated as necessary to reflect changes in the operating parameters of plant equipment.

Start up Costs

If a generating unit is started to support short term off-system sales, all the start up costs associated with that unit will be assigned to incremental cost for the first hour of the unit's operation.

Unit Minimums and Contract Minimums

All of PSCo's generating units have minimum levels of operation, and all of the purchased power agreements have minimum scheduling requirements. If a generation resource is started specifically to make an off-system sale or to meet reserve requirements because of such a sale, then the cost of the entire operating range of the resource will be included in incremental cost. If a generation resource is started for Native Load, then only the output above the minimum level is included in incremental cost.

Unit Minimum Run Times

Certain PSCo generating units have minimum run time requirements in place to support reliable unit operation. Such generating units will not be started for off-system sales unless the scheduled and/or contracted duration of the sale is equal to or greater than the minimum run time requirement. Should such off-system sale be curtailed prior to the completion of the generating unit's minimum run time, any uneconomic costs associated with the remaining unit run time will be assigned to incremental cost. Uneconomic costs are defined as the difference in cost between the cost of energy produced by the unit started for the sale and the cost of the energy displaced by the output of such unit, plus any other additional expenses created by the generating unit started for the sale.

Dispatchable Resources

All dispatchable resources are available for cost assignment to off-system sales. Dispatchable resources are defined as those generating units or long term purchases whose output can be raised or lowered intra-day to respond to changes in loads. If a dispatchable resource is started to provide energy for Native Load, only the cost of output above the resource's operational or contractual minimum load is available to be assigned to incremental cost.

Variable O&M and Tolling Costs

Variable operation and maintenance (O&M) and tolling costs are assigned to each of the generating units, and when applicable under contract, such costs will be assigned to purchased power resources. These costs will be included in incremental cost.

Intraday Purchases (Not Prescheduled)

All hourly power purchases may be assigned to incremental cost. If an hourly purchase,

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including all transmission costs, is higher than the incremental cost of a PSCo dispatchable resource, the cost of such purchase will be allocated to incremental cost. If an hourly purchase, including all transmission costs, is lower than the incremental cost of a PSCo dispatchable resource, the cost of the higher priced dispatchable resource will be assigned to incremental cost.

Pumped Storage Costs

The cost of pumped storage energy will be deemed to be the hourly cost of the highest dispatchable resource cost available during the hours of the previous pumping cycle after the highest dispatchable resource cost has been assigned to short term off-system sales for such hours. The hour-by-hour energy for pumping and cost assignment will be documented.

Methodology for Calculating Incremental and Decremental Cost

PSCo uses a computer program (Cost Calculator) to assign costs to serve non-native short term wholesale off-system sales. The program determines the cost to serve short-term off-system sales, including fuel associated with generation and applicable economic purchase transaction costs. The general principle is to assign the most expensive resources to short-term off-system sales first, allowing the less expensive resources to be assigned to PSCo's native load. For each hour, the program stacks the resources that supplied energy during the hour based on their costs in one MW increments. After all costs have been assigned and stacked, the simple average will be calculated for the last 10 MWs to determine PSCo's actual average hourly cost of the last 10 MW dispatched for any purpose.

Social Cost of Carbon

The Social Cost of Carbon is a system characteristic that is used, until PSCo participates in an organized market, in the unit commitment of resources owned or controlled by PSCo. As required by the Colorado Public Utility Commission's Decision No. C22-0459 in proceeding no. 21A-0141E, the Social Cost of Carbon is \$71.42/ton. The Social Cost of Carbon is not an expense that is directly recovered through rates under this Schedule.

Pursuant to Section 3 of this Tariff, Generator Imbalance Service associated with service provided over the Transmission Provider's Control Area will be subject to settlement in the WEIS Market, as described in Attachment X.

ATTACHMENT X

Western Energy Imbalance Service Market Provisions

1.0 Definitions

Capitalized Terms in this Attachment not otherwise defined in this Tariff shall have the meaning ascribed to them in the WEIS Tariff, as such tariff may be amended from time to time.

2.0 Applicability

Attachment X to this Tariff shall apply solely to the PSCo Balancing Authority Area. All loads and Resources in the PSCo Balancing Authority Area shall be subject to settlement in the WEIS Market in accordance with Attachment A of the WEIS Tariff.

3.0 Tariff Provisions Modified by WEIS Market Participation

The following provisions in this Tariff are modified for Transmission Customers and Network Customers taking service over the WEIS Transmission Provider's Facilities when the Transmission Provider is participating in the WEIS Market.

3.1 Network Resources:

- 3.1.1 Notwithstanding the limitations in Sections 1.27 (Network Resource), 30.1 (Designation of Network Resources), 30.2 (Designation of New Network Resources) and 30.4 (Operation of Network Resources) of the Tariff, Network Customers may also utilize Network Resources for purposes of fulfilling obligations under the WEIS Market, such as WEIS Market generation dispatch instructions.
- 3.1.2 Notwithstanding the provisions in Section 28.6 (Restrictions on Use of Service) of the Tariff, Network Customers may utilize WEIS Joint Dispatch Transmission Service for purposes of fulfilling obligations under the WEIS Market, such as WEIS Market generation dispatch instructions.

3.2 Real Power Losses:

- 3.2.1 Notwithstanding the provisions in Sections 15.7 (Real Power Losses), 28.5 (Real Power Losses), and 37.4 (Real Power Losses) of the Tariff, the requirements for replacing real power losses associated with the WEIS Joint Dispatch Transmission Service due to WEIS Market energy transactions are addressed under the WEIS Market settlements pursuant to the WEIS Tariff.

3.3 Indemnification:

- 3.3.1 Notwithstanding the provisions in Section 10.2 (Indemnification) of the Tariff, the standard of liability for the actions of the Transmission Provider performed consistent with this Attachment X shall be gross

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negligence or intentional wrongdoing.

4.0 Nature of Joint Dispatch Transmission Service

Notwithstanding any limitations in Sections 14 (Nature of Non-Firm Point-To-Point Transmission Service), 15 (Service Availability), 16 (Transmission Customer Responsibilities), 18 (Procedures for Arranging Non-Firm Point-To-Point Transmission Service), 24 (Metering and Power Factor Correction at Receipt and Delivery Point(s)), and 25 (Compensation for Transmission Service) of the Tariff, the Transmission Provider, as the WEIS Joint Dispatch Transmission Service Provider, shall provide WEIS Joint Dispatch Transmission Service on the WEIS Transmission Provider's Facilities to a WEIS Joint Dispatch Transmission Service Customer commensurate with, and to accommodate, the energy dispatched within the WEIS Market, as set forth in the WEIS Tariff, as follows:

4.1 Term:

WEIS Joint Dispatch Transmission Service shall be available on a real-time intra-hour basis.

4.2 Reservation Priority:

WEIS Joint Dispatch Transmission Service is non-firm and shall be available from transfer capability in excess of that needed for Transmission Customers taking Transmission Service and Network Customers taking Network Integration Transmission Service, respectively, under the Tariff.

4.3 Restrictions on the use of WEIS Joint Dispatch Transmission Service:

WEIS Joint Dispatch Transmission Service may be used on the Transmission System included in the WEIS Market Footprint only for receipt or delivery of Energy dispatched by the WEIS Market Operator within a Balancing Authority Area in the WEIS Market pursuant to the provisions of the WEIS Tariff. The WEIS Joint Dispatch Transmission Service Customer shall not use WEIS Joint Dispatch Transmission Service for (i) off-system sales of capacity or Energy not related to fulfilling obligations under the WEIS Market, such as WEIS Market generation dispatch instructions or (ii) direct or indirect provision of transmission service by the WEIS Joint Dispatch Transmission Service Customer to any third party.

4.4 Scheduling:

WEIS Joint Dispatch Transmission Service Customers are not required to submit schedules for WEIS Joint Dispatch Transmission Service.

4.5 Curtailment of WEIS Joint Dispatch Transmission Service:

The Transmission Provider reserves the right to curtail (or cause to be curtailed) without liability on the Transmission Provider's part, in whole or in part, WEIS Joint Dispatch Transmission Service provided under this Attachment X for reliability reasons when an emergency or other unforeseen conditions threatens to impair or degrade the reliability of the Transmission System or the systems directly or indirectly interconnected with the

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Transmission Provider's Transmission System.

4.6 Limited Joint Dispatch Transmission Service Provider Responsibilities:

The Transmission Provider shall have no obligation to plan, construct, or maintain its Transmission System for the benefit of any WEIS Joint Dispatch Transmission Service Customer.

4.7 Procedures for Arranging WEIS Joint Dispatch Transmission Service:

WEIS Joint Dispatch Transmission Service does not need to be reserved by the WEIS Joint Dispatch Transmission Service Customer. No application or service agreement is required. An entity requesting WEIS Joint Dispatch Transmission Service shall provide any information reasonably requested, if any, by the WEIS Market Operator or the Transmission Provider

4.8 Compensation for WEIS Joint Dispatch Transmission Service:

Rates for WEIS Joint Dispatch Transmission Service are provided in Schedule 8A to the Tariff.

5.0 Other Provisions

5.1 Unreserved Use:

Any use of Transmission Provider's Transmission System not otherwise authorized pursuant to this Attachment X shall be subject to unreserved use penalties in excess of Reserved Capacity, as set out in Schedule 8, Section VI of the Tariff.

An unreserved use penalty will apply to the amount of actual metered generation in a Dispatch Interval, if any, which is in excess of the positive Operating Tolerance above a WEIS Market Resource's average Setpoint Instruction over such Dispatch Interval. Any ancillary service charges that are applicable to such unreserved use shall apply. For the amounts exceeding Reserved Capacity, the Transmission Customer also must purchase losses as required by this Tariff.

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**Additional Volumes of
Xcel Energy Operating Companies
Transmission Service Tariffs**

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Original Volume 6	Southwestern Public Service Company) transmission rate schedules
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Original Volume 7	WestConnect Point-to-Point Regional Transmission Service Experiment Tariff
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Note: The noted tariff volumes contain transmission-related rate schedules filed by the Transmission Services function of the Xcel Energy Operating Companies.

Rate schedules related to electric supply services may be found in the Electric Services Tariffs separately maintained by the Xcel Energy Markets function.

1 Definitions

- 1.1 Affiliate:** With respect to a corporation, partnership, or other entity, each such other corporation, partnership or other entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such corporation, partnership or other entity.
- 1.2 Ancillary Services:** Those services, that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of the Transmission Provider's Transmission System in accordance with Good Utility Practice.
- 1.3 Annual Transmission Costs:** The total annual cost of the Transmission System for purposes of Network Integration Transmission Service shall be the amount specified in Attachment H until amended by the Transmission Provider or modified by the Commission.
- 1.4 Application:** A request by an Eligible Customer for transmission service pursuant to the provisions of the Tariff.
- 1.5 Commission:** The Federal Energy Regulatory Commission.
- 1.6 Completed Application:** An Application that satisfies all of the information and other requirements of the Tariff, including any required deposit.
- 1.7 Control Area:** Control Area shall have the same meaning as Balancing Authority Area, as defined in 36.3. A Control Area is an electric power system or combination of electric power systems to which a common automatic generation control scheme is applied in order to:
- (1) match, at all times, the power output of the generators within the electric power system(s) and capacity and energy purchased from entities outside the electric power system(s), with the load within the electric power system(s);
 - (2) maintain scheduled interchange with other Control Areas, within the limits of Good Utility Practice;
 - (3) maintain the frequency of the electric power system(s) within reasonable limits in accordance with Good Utility Practice; and
 - (4) provide sufficient generating capacity to maintain operating reserves in accordance with Good Utility Practice.
- 1.8 Curtailment:** A reduction in firm or non-firm transmission service in response to a transfer capability shortage as a result of system reliability conditions.
- 1.9 Delivering Party:** The entity supplying capacity and energy to be transmitted at Point(s) of Receipt.

- 1.10 Designated Agent:** Any entity that performs actions or functions on behalf of the Transmission Provider, an Eligible Customer, or the Transmission Customer required under the Tariff.
- 1.11 Direct Assignment Facilities:** Facilities or portions of facilities that are constructed by the Transmission Provider for the sole use/benefit of a particular Transmission Customer or a set of Transmission Customers being studied in a cluster requesting service under the Tariff. Direct Assignment Facilities shall be specified in the Service Agreement that governs service to the Transmission Customer and shall be subject to Commission approval.
- 1.12 Eligible Customer:** (i) Any electric utility (including the Transmission Provider and any power marketer), Federal power marketing agency, or any person generating electric energy for sale for resale is an Eligible Customer under the Tariff. Electric energy sold or produced by such entity may be electric energy produced in the United States, Canada or Mexico. However, with respect to transmission service that the Commission is prohibited from ordering by Section 212(h) of the Federal Power Act, such entity is eligible only if the service is provided pursuant to a state requirement that the Transmission Provider offer the unbundled transmission service, or pursuant to a voluntary offer of such service by the Transmission Provider. (ii) Any retail customer taking unbundled transmission service pursuant to a state requirement that the Transmission Provider offer the transmission service, or pursuant to a voluntary offer of such service by the Transmission Provider, is an Eligible Customer under the Tariff.
- 1.13 Facilities Study:** An engineering study conducted by the Transmission Provider to determine the required modifications to the Transmission Provider's Transmission System, including the cost and scheduled completion date for such modifications that will be required to provide the requested transmission service.
- 1.14 Firm Point-To-Point Transmission Service:** Transmission Service under this Tariff that is reserved and/or scheduled between specified Points of Receipt and Delivery pursuant to Part II of this Tariff.
- 1.15 Good Utility Practice:** Any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region, including those practices required by Federal Power Act section 215(a)(4).
- 1.16 Interruption:** A reduction in non-firm transmission service due to economic reasons pursuant to Section 14.7.

- 1.17 Load Ratio Share:** For Network Integration Transmission Service where PSCo is the Transmission Provider, the Load Ratio Share shall be the ratio of a Transmission Customer's Average Network Load to the Transmission Provider's Average Transmission System Load computed in accordance with Sections 34.3 and 34.6 of the Network Integration Transmission Service under Part III of the Tariff.

For Network Integration Transmission Service where NSP is the Transmission Provider, the Load Ratio Share shall be the ratio of a Transmission Customer's Network Load to the Transmission Provider's total Transmission System Load computed in accordance with Section 34.5 of the Network Integration Transmission Service under Part III of the Tariff.

For Network Integration Transmission Service where SPS is the Transmission Provider, the Load Ratio Share shall be the ratio of a Transmission Customer's Average Network Load to the Transmission Provider's Average Transmission System Load computed in accordance with Sections 34.3 and 34.6 of the Network Integration Transmission Service under Part III of the Tariff.

- 1.18 Load Shedding:** The systematic reduction of system demand by temporarily decreasing load in response to transmission system or area capacity shortages, system instability, or voltage control considerations under Part III of the Tariff.
- 1.19 Long-Term Firm Point-To-Point Transmission Service:** Firm Point-To-Point Transmission Service under Part II of the Tariff with a term of one year or more.
- 1.20 Native Load Customers:** The wholesale and retail power customers of the Transmission Provider on whose behalf the Transmission Provider, by statute, franchise, regulatory requirement, or contract, has undertaken an obligation to construct and operate the Transmission Provider's system to meet the reliable electric needs of such customers.
- 1.21 NERC TLR Procedures:** Transmission Loading Relief procedures developed by the North American Electric Reliability Council ("NERC") which enable Transmission Providers to curtail transactions both on and off the contract path that contribute to an overload on the electric system in order to preserve system reliability.
- 1.22 Network Customer:** An entity receiving transmission service pursuant to the terms of the Transmission Provider's Network Integration Transmission Service under Part III of the Tariff.
- 1.23 Network Integration Transmission Service:** The transmission service provided under Part III of the Tariff.
- 1.24 Network Load:** The load that a Network Customer designates for Network Integration Transmission Service under Part III of the Tariff. The Network Customer's Network Load shall include all load served by the output of any Network Resources designated by the Network Customer. A Network Customer may elect to designate less than its total load as Network Load but may not designate only part of the load at a discrete Point of

Delivery. Where an Eligible Customer has elected not to designate a particular load at discrete points of delivery as Network Load, the Eligible Customer is responsible for making separate arrangements under Part II of the Tariff for any Point-To-Point Transmission Service that may be necessary for such non-designated load.

- 1.25 Network Operating Agreement:** An executed agreement that contains the terms and conditions under which the Network Customer shall operate its facilities and the technical and operational matters associated with the implementation of Network Integration Transmission Service under Part III of the Tariff.
- 1.26 Network Operating Committee:** A group made up of representatives from the Network Customer(s) and the Transmission Provider established to coordinate operating criteria and other technical considerations required for implementation of Network Integration Transmission Service under Part III of this Tariff.
- 1.27 Network Resource:** Any designated generating resource owned, purchased or leased by a Network Customer under the Network Integration Transmission Service Tariff. Network Resources do not include any resource, or any portion thereof, that is committed for sale to third parties or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis, except for purposes of fulfilling obligations under a reserve sharing program.
- 1.28 Network Upgrades:** Modifications or additions to transmission-related facilities that are integrated with and support the Transmission Provider's overall Transmission System for the general benefit of all users of such Transmission System.
- 1.29 Non-Firm Point-To-Point Transmission Service:** Point-To-Point Transmission Service under the Tariff that is reserved and scheduled on an as-available basis and is subject to Curtailment or Interruption as set forth in Section 14.7 under Part II of this Tariff. Non-Firm Point-To-Point Transmission Service is available on a stand-alone basis for periods ranging from one hour to one month.
- 1.30 Non-Firm Sale:** An energy sale for which receipt or delivery may be interrupted for any reason or no reason, without liability on the part of either the buyer or seller.
- 1.31 Non-Variable Energy Resource:** Non-Variable Energy Resource is a device for the production of electricity that is not a Variable Energy Resource.
- 1.32 Open Access Same-Time Information System (OASIS):** The information system and standards of conduct contained in Part 37 of the Commission's regulations and all additional requirements implemented by subsequent Commission orders dealing with OASIS.
- 1.33 Part I:** Tariff Definitions and Common Service Provisions contained in Sections 2 through 12.

- 1.34 Part II:** Tariff Sections 13 through 27 pertaining to Point-To-Point Transmission Service in conjunction with the applicable Common Service Provisions of Part I and appropriate Schedules and Attachments.
- 1.35 Part III:** Tariff Sections 28 through 35 pertaining to Network Integration Transmission Service in conjunction with the applicable Common Service Provisions of Part I and appropriate Schedules and Attachments.
- 1.35A Part IV:** Tariff Sections 36 through 40 pertaining to Balancing Authority Ancillary Services in conjunction with the applicable Common Service Provisions of Part I and appropriate Schedules and Attachments.
- 1.36 Parties:** The Transmission Provider and the Transmission Customer or Ancillary Service Customer receiving service under the Tariff.
- 1.37 Point(s) of Delivery:** Point(s) on the Transmission Provider's Transmission System where capacity and energy transmitted by the Transmission Provider will be made available to the Receiving Party under Part II of the Tariff. The Point(s) of Delivery shall be specified in the Service Agreement for Long-Term Firm Point-To-Point Transmission Service.
- 1.38 Point(s) of Receipt:** Point(s) of interconnection on the Transmission Provider's Transmission System where capacity and energy will be made available to the Transmission Provider by the Delivering Party under Part II of the Tariff. The Point(s) of Receipt shall be specified in the Service Agreement for Long-Term Firm Point-To-Point Transmission Service.
- 1.39 Point-To-Point Transmission Service:** The reservation and transmission of capacity and energy on either a firm or non-firm basis from the Point(s) of Receipt to the Point(s) of Delivery under Part II of the Tariff.
- 1.40 Power Purchaser:** The entity that is purchasing the capacity and energy to be transmitted under the Tariff.
- 1.41 Pre-Confirmed Application:** An Application that commits the Eligible Customer to execute a Service Agreement upon receipt of notification that the Transmission Provider can provide the requested Transmission Service.
- 1.42 Receiving Party:** The entity receiving the capacity and energy transmitted by the Transmission Provider to Point(s) of Delivery.
- 1.43 Regional Transmission Group (RTG):** A voluntary organization of transmission owners, transmission users and other entities approved by the Commission to efficiently coordinate transmission planning (and expansion), operation and use on a regional (and interregional) basis.
- 1.44 Reserved Capacity:** The maximum amount of capacity and energy that the Transmission Provider agrees to transmit for the Transmission Customer over the

Transmission Provider's Transmission System between the Point(s) of Receipt and the Point(s) of Delivery under Part II of the Tariff. Reserved Capacity shall be expressed in terms of whole megawatts (500 kW per hour on the NSP System) on a sixty (60) minute interval (commencing on the clock hour) basis.

- 1.45 Service Agreement:** The initial agreement and any amendments or supplements thereto entered into by the Transmission Customer or Ancillary Service Customer and the Transmission Provider for service under the Tariff.
- 1.46 Service Commencement Date:** The date the Transmission Provider begins to provide service pursuant to the terms of an executed Service Agreement, or the date the Transmission Provider begins to provide service in accordance with Section 15.3, Section 29.1, or Section 37.5 under the Tariff.
- 1.47 Short-Term Firm Point-To-Point Transmission Service:** Firm Point-To-Point Transmission Service under Part II of the Tariff with a term of less than one year.
- 1.48 System Condition:** A specified condition on the Transmission Provider's system or on a neighboring system, such as a constrained transmission element or flowgate that may trigger Curtailment of Long-Term Firm Point-to-Point Transmission Service using the curtailment priority pursuant to Section 13.6. Such conditions must be identified in the Transmission Customer's Service Agreement.
- 1.49 System Impact Study:** An assessment by the Transmission Provider of (i) the adequacy of the Transmission System to accommodate a request for either Firm Point-To-Point Transmission Service or Network Integration Transmission Service and (ii) whether any additional costs may be incurred in order to provide transmission service.
- 1.50 Third-Party Sale:** Any sale for resale in interstate commerce to a Power Purchaser that is not designated as part of Network Load under the Network Integration Transmission Service that utilizes the Transmission Provider's transmission system.
- 1.51 Transmission Customer:** Any Eligible Customer (or its Designated Agent) that (i) executes a Service Agreement, or (ii) requests in writing that the Transmission Provider file with the Commission, a proposed unexecuted Service Agreement to receive transmission service under Part II of the Tariff. This term is used in the Part I Common Service Provisions to include customers receiving transmission service under Part II and Part III of this Tariff.
- 1.52 Transmission Provider:** Northern States Power Company (Minnesota) (or its intended successor-in-interest to its utility business) and Northern States Power Company (Wisconsin) (collectively "NSP Companies" or as "NSP"), Public Service Company of Colorado ("PSCo"), or Southwestern Public Service Company ("SPS"), each of which is an operating subsidiary of Xcel Energy Inc. ("Xcel"). NSP, PSCo, and SPS are public utilities that own, control, or operate facilities used for the transmission of electric energy in interstate commerce and provide transmission service under the Tariff. For Network Integration Transmission Service across the Lamar Tie between SPS and PSCo that implements transactions under the Xcel Energy Joint Operating Agreement, the

Transmission Provider is both SPS and PSCo. For non-grandfathered Network Integration Transmission Service or Point to Point Service between SPS and PSCo across the Lamar Tie, the Transmission Provider is both the Southwest Power Pool, Inc. under the SPP Open Access Transmission Tariff (SPP OATT) and PSCo under the Tariff.

- 1.53 Transmission Provider's Monthly Transmission System Peak:** The maximum firm usage of the Transmission Provider's Transmission System in a calendar month, including all Network Load and Firm Point-To-Point Transmission Service.
- 1.54 Transmission Service:** Point-To-Point Transmission Service provided under Part II of the Tariff on a firm and non-firm basis.
- 1.55 Transmission System:** The facilities owned, controlled or operated by the Transmission Provider that are used to provide transmission service under Part II, Part III and Part IV of the Tariff.
- 1.56 Variable Energy Resource:** A Variable Energy Resource shall mean a device for the production of electricity that is characterized by an energy source that: (1) is renewable; (2) cannot be stored by the facility owner or operator; and (3) has variability that is beyond the control of the facility owner or operator.
- 1.57 WEIS Joint Dispatch Transmission Service (or JDTS):** Intra-hour non-firm transmission service, as available, across transmission facilities of a Market Participant, as defined in the WEIS Tariff, that is used to transmit energy dispatched pursuant to the provisions of the WEIS Tariff.
- 1.58 WEIS Joint Dispatch Transmission Service Customer (or JDTS Customer):** Any Market Participant, as defined in the WEIS Tariff, representing load in a Control Area participating in the WEIS Market.
- 1.59 WEIS Joint Dispatch Transmission Service Provider (or JDTS Provider):** Any Market Participant, as defined in the WEIS Tariff, that provides Joint Dispatch Transmission Service and that is in a Control Area participating in the WEIS Market or Southwest Power Pool, Inc.
- 1.60 WEIS Market:** An energy imbalance service market in the Western Interconnection, administered by the WEIS Market Operator under the WEIS Tariff.
- 1.61 WEIS Market Footprint:** The loads and resources that are located within a Control Area participating in the WEIS Market under the WEIS Tariff.
- 1.62 WEIS Market Operator:** The entity that operates the WEIS Market in accordance with the WEIS Tariff and acts as the interface point of reliability functions with commercial functions. Currently, the WEIS Market Operator is Southwest Power Pool, Inc.
- 1.63 WEIS Region:** The geographic region of the WEIS Market operated by the WEIS Market Operator under the WEIS Tariff.

- 1.64 WEIS Tariff:** The Western Energy Imbalance Service Tariff, as approved by FERC, including all schedules or attachments thereto, as amended from time to time and approved by FERC.
- 1.65 WEIS Transmission Provider's Facilities:** Those facilities included in the Public Service Company of Colorado Transmission System that are located within the WEIS Region and over which the Public Service Company of Colorado has agreed to allow the WEIS Market Operator to transmit energy dispatched pursuant to the provisions of the WEIS Tariff.
- 1.66 Western Energy Imbalance Service (WEIS):** The Schedule 1 Service defined in the WEIS Tariff for the WEIS Region.

3 Ancillary Services

Ancillary Services are needed with transmission service to maintain reliability within and among the Control Areas affected by the transmission service. The Transmission Provider is required to provide (or offer to arrange with the local Control Area operator as discussed below), and the Transmission Customer is required to purchase, the following Ancillary Services: (i) Scheduling, System Control and Dispatch, and (ii) Reactive Supply and Voltage Control from Generation or Other Sources.

The Transmission Provider is required to offer to provide (or offer to arrange with the local Control Area operator as discussed below) the following Ancillary Services only to the Transmission Customer serving load within the Transmission Provider's Control Area: (i) Regulation and Frequency Response, (ii) Energy Imbalance, (iii) Operating Reserve - Spinning, (iv) Operating Reserve – Supplemental and (v) for service provided over the Public Service Company of Colorado system, Flex Reserve Service. The Transmission Customer serving load within the Transmission Provider's Control Area is required to acquire these Ancillary Services, whether from the Transmission Provider, from a third party, or by self-supply. Solely with respect to service provided over the WEIS Transmission Provider's Facilities, the Transmission Customer's or Ancillary Service Customer's Energy Imbalance for load served using the WEIS Transmission Provider's Facilities shall be settled pursuant to the WEIS Tariff and as further specified in Attachment X.

The Transmission Provider is required to provide (or offer to arrange with the local Control Area Operator as discussed below), to the extent it is physically feasible to do so from its resources or from resources available to it, Generator Imbalance Service when Transmission Service is used to deliver energy from a generator located within its Control Area. The Transmission Customer using Transmission Service to deliver energy from a generator located within the Transmission Provider's Control Area is required to acquire Generator Imbalance Service, whether from the Transmission Provider, from a third party, or by self-supply. Solely with respect to service provided over the WEIS Transmission Provider's Facilities, the Transmission Customer's or Ancillary Service Customer's Generator Imbalance for Generating Resources using the WEIS Transmission Provider's Facilities shall be settled pursuant to the WEIS Tariff and as further specified in Attachment X.

The Transmission Customer may not decline the Transmission Provider's offer of Ancillary Services unless it demonstrates that it has acquired the Ancillary Services from another source. The Transmission Customer must list in its Application which Ancillary Services it will purchase from the Transmission Provider. A Transmission Customer that exceeds its firm reserved capacity at any Point of Receipt or Point of Delivery or an Eligible Customer that uses Transmission Service at a Point of Receipt or Point of Delivery that it has not reserved is required to pay for all of the Ancillary Services identified in this section that were provided by the Transmission Provider associated with the unreserved service. The Transmission Customer or Eligible Customer will pay for Ancillary Services based on the amount of transmission service it used but did not

reserve.

If the Transmission Provider is a public utility providing transmission service but is not a Control Area operator, it may be unable to provide some or all of the Ancillary Services. In this case, the Transmission Provider can fulfill its obligation to provide Ancillary Services by acting as the Transmission Customer's agent to secure these Ancillary Services from the Control Area operator or through the WEIS Market. The Transmission Customer may elect to (i) have the Transmission Provider act as its agent, (ii) secure the Ancillary Services directly from the Control Area operator or through the WEIS Market, or (iii) secure the Ancillary Services (discussed in Schedules 3, 4, 5, 6, 16 (applicable to service over the Public Service Company of Colorado system), and 9) from a third party or by self-supply when technically feasible.

The Transmission Provider shall specify the rate treatment and all related terms and conditions in the event of an unauthorized use of Ancillary Services by the Transmission Customer. The specific Ancillary Services, prices and/or compensation methods are described on the Schedules and Attachments that are attached to and made a part of the Tariff. Three principal requirements apply to discounts for Ancillary Services provided by the Transmission Provider in conjunction with its provision of transmission service as follows:

(1) any offer of a discount made by the Transmission Provider must be announced to all Eligible Customers solely by posting on the OASIS, (2) any customer-initiated requests for discounts (including requests for use by one's wholesale merchant or an Affiliate's use) must occur solely by posting on the OASIS, and (3) once a discount is negotiated, details must be immediately posted on the OASIS. A discount agreed upon for an Ancillary Service must be offered for the same period to all Eligible Customers on the Transmission Provider's system.

Transmission Provider shall credit any Schedule 4 or Schedule 9 revenues in excess of incremental costs on an hourly basis. Penalty revenues received from offending customers each hour shall be credited to all non-offending customers for that same hour in proportion to each non-offending customer's usage of the transmission system in MW during that hour, including the Transmission Provider's bundled load. Any credits shall be applied to customers' bills in the next billing month after hourly pricing is final.

Sections 3.1 through 3.8 below list the eight Ancillary Services.

- 3.1 Scheduling, System Control and Dispatch Service:** The rates and/or methodology are described in Schedule 1.
- 3.2 Reactive Supply and Voltage Control from Generation or Other Sources Service:** The rates and/or methodology are described in Schedule 2.
- 3.3 Regulation and Frequency Response Service:** Where applicable the rates and/or methodology are described in Schedule 3 and Schedule 3A.
- 3.4 Energy Imbalance Service:** Where applicable the rates and/or methodology are

described in Schedule 4 and Attachment X.

- 3.5 Operating Reserve** - Spinning Reserve Service: Where applicable the rates and/or methodology are described in Schedule 5.
- 3.6 Operating Reserve** - Supplemental Reserve Service: Where applicable the rates and/or methodology are described in Schedule 6.
- 3.7 Flex Reserve Service** - Where applicable the rates and/or methodology are described in Schedule 16 for service provided over the Public Service Company of Colorado system.
- 3.8 Generator Imbalance Service:** Where applicable the rates and/or methodology are described in Schedule 9 and Attachment X.

16 Transmission Customer Responsibilities

16.1 Conditions Required of Transmission Customers: Point-To-Point Transmission Service shall be provided by the Transmission Provider only if the following conditions are satisfied by the Transmission Customer:

- a. The Transmission Customer has pending a Completed Application for service;
- b. The Transmission Customer meets the creditworthiness criteria set forth in Section 11;
- c. The Transmission Customer will have arrangements in place for any other transmission service necessary to effect the delivery from the generating source to the Transmission Provider prior to the time service under Part II of the Tariff commences;
- d. The Transmission Customer agrees to pay for any facilities constructed and chargeable to such Transmission Customer under Part II of the Tariff, whether or not the Transmission Customer takes service for the full term of its reservation;
- e. The Transmission Customer provides the information required by the Transmission Provider's planning process established in Attachment R; and
- f. The Transmission Customer has executed a Point-To-Point Service Agreement or has agreed to receive service pursuant to Section 15.3.
- g. Notwithstanding any provisions in Part II of this Tariff to the contrary, the Transmission Customer must comply with the WEIS Market provisions in Attachment X, as applicable, when the Transmission Provider participates in the WEIS Market as described in Attachment X.

16.2 Transmission Customer Responsibility for Third-Party Arrangements: Any scheduling arrangements that may be required by other electric systems shall be the responsibility of the Transmission Customer requesting service. The Transmission Customer shall provide, unless waived by the Transmission Provider, notification to the Transmission Provider identifying such systems and authorizing them to schedule the capacity and energy to be transmitted by the Transmission Provider pursuant to Part II of the Tariff on behalf of the Receiving Party at the Point of Delivery or the Delivering Party at the Point of Receipt. However, the Transmission Provider will undertake reasonable efforts to assist the Transmission Customer in making such arrangements, including without limitation, providing any information or data required by such other electric system pursuant to Good Utility Practice.

28 Nature of Network Integration Transmission Service

- 28.1 Scope of Service:** Network Integration Transmission Service is a transmission service that allows Network Customers to efficiently and economically utilize their Network Resources (as well as other non-designated generation resources) to serve their Network Load located in the Transmission Provider's Control Area and any additional load that may be designated pursuant to Section 31.3 of the Tariff. The Network Customer taking Network Integration Transmission Service must obtain or provide Ancillary Services pursuant to Section 3. Notwithstanding any provisions in Part III of this Tariff to the contrary, the Network Customer must comply with WEIS Market provisions in Attachment X, as applicable, when the Transmission Provider participates in the WEIS Market as described in Attachment X.
- 28.2 Transmission Provider Responsibilities:** The Transmission Provider will plan, construct, operate and maintain its Transmission System in accordance with Good Utility Practice and its planning obligations in Attachment R in order to provide the Network Customer with Network Integration Transmission Service over the Transmission Provider's Transmission System. The Transmission Provider, on behalf of its Native Load Customers, shall be required to designate resources and loads in the same manner as any Network Customer under Part III of this Tariff. This information must be consistent with the information used by the Transmission Provider to calculate available transfer capability. The Transmission Provider shall include the Network Customer's Network Load in its Transmission System planning and shall, consistent with Good Utility Practice and Attachment R, endeavor to construct and place into service sufficient transfer capability to deliver the Network Customer's Network Resources to serve its Network Load on a basis comparable to the Transmission Provider's delivery of its own generating and purchased resources to its Native Load Customers.
- 28.3 Network Integration Transmission Service:** The Transmission Provider will provide firm transmission service over its Transmission System to the Network Customer for the delivery of capacity and energy from its designated Network Resources to service its Network Loads on a basis that is comparable to the Transmission Provider's use of the Transmission System to reliably serve its Native Load Customers.
- 28.4 Secondary Service:** The Network Customer may use the Transmission Provider's Transmission System to deliver energy to its Network Loads from resources that have not been designated as Network Resources. Such energy shall be transmitted, on an as-available basis, at no additional charge. Secondary service shall not require the filing of an Application for Network Integration Transmission Service under the Tariff. However, all other requirements of Part III of the Tariff (except for transmission rates) shall apply to secondary service. Deliveries from resources other than Network Resources will have a higher priority than any Non-Firm Point-To-Point Transmission Service under Part II of the Tariff.

- 28.5 Real Power Losses:** Real Power Losses are associated with all transmission service. The Transmission Provider is not obligated to provide Real Power Losses. The Network Customer is responsible for replacing losses associated with all transmission service as calculated by the Transmission Provider. The applicable Real Power Losses are as follows:

For Service on the NSP Transmission System: 2.4%

For Service on the PSCo System:

	<u>Demand</u>	<u>Energy</u>
Transmission System:	2.20%	1.70%
Distribution System – Primary Voltage:	3.75%	2.07%

For Service on the SPS System:

	<u>Demand</u>	<u>Energy</u>
Transmission System:	2.738606%	3.203203%
Distribution System – Primary Voltage:	8.846390%	6.327826%

The loss factors for Direct Assignment Facilities shall be determined on a case by case basis.

- 28.6 Restrictions on Use of Service:** The Network Customer shall not use Network Integration Transmission Service for (i) sales of capacity and energy to non-designated loads, or (ii) direct or indirect provision of transmission service by the Network Customer to third parties. All Network Customers taking Network Integration Transmission Service shall use Point-To-Point Transmission Service under Part II of the Tariff for any Third-Party Sale which requires use of the Transmission Provider's Transmission System. The Transmission Provider shall specify any appropriate charges and penalties and all related terms and conditions applicable in the event that a Network Customer uses Network Integration Transmission Service or secondary service pursuant to Section 28.4 to facilitate a wholesale sale that does not serve a Network Load.

IV. **BALANCING AUTHORITY ANCILLARY SERVICES**

Preamble

Service under Part IV shall be applicable only to the Public Service Company of Colorado (PSCo) system. This Part IV shall not apply to ancillary services that are provided pursuant to: (1) Part II or Part III of this Tariff; (2) a pre-Order No. 888 agreement providing for transmission service; or (3) a wholesale agreement (such as a wholesale sales service agreement) that includes payment to PSCo for Ancillary Services. Ancillary Service Customers shall compensate PSCo for ancillary services provided by the PSCo Balancing Authority. Notwithstanding any provisions in Part IV of this Tariff to the contrary, the Transmission Customer must comply with the WEIS Market provisions in Attachment X, as applicable, when the Transmission Provider participates in the WEIS Market as described in Attachment X.

37 Nature of Balancing Authority Services

37.1 Requirement to Provide and Obtain BA Services: An Ancillary Service Customer (ASC) shall purchase from the BA Operator, self-provide, or purchase from a third party BA Services for all load or generating units in the PSCo BAA. The ASC shall obtain BA Services pursuant to the rates, terms, and conditions specified in this Part IV and the provisions of the Service Agreement set forth as Attachment T of this Tariff.

37.2 Source and Acquisition of BA Services:

- (a) The BA Operator shall provide and the ASC is required to purchase Scheduling, System Control, and Dispatch Service as provided in Schedule 1 to this Tariff.
- (b) The BA Operator shall also offer to provide the following BA Services: (i) Reactive Supply and Voltage Control from Generation Sources as specified in Schedule 2 to this Tariff; (ii) Regulation and Frequency Response Service as specified in Schedule 3; (iii) Energy Imbalance Service as specified in Schedule 4; (iv) Operating Reserve—Spinning Reserve Service as specified in Schedule 5; (v) Operating Reserve—Supplemental Reserve Service as specified in Schedule 6; (vi) Flex Reserve Service as specified in Schedule 16; (vii) Generator Imbalance service as specified in Schedule 9, and (viii) real power losses.
- (c) The ASC shall designate the BA Services to be provided by the BA Operator in the service agreement between the ASC and BA Operator, in the form provided in Attachment T. The ASC must acquire such BA Services from the BA Operator unless the ASC demonstrates to the satisfaction of the BA Operator that the ASC has acquired such BA Services from another source, either by self-providing or purchasing from a third party.
- (d) Each ASC subject to this Part IV must specify on the Service Agreement set forth in Attachment T and required under this Part IV (a) those BA Services the ASC will purchase from the BA Operator, and (b) the loads designated for such BA services. If the Balancing Authority Operator and Ancillary Service Customer disagree on the load to be designated as subject to Part IV, the Balancing Authority Operator shall file the unexecuted Service Agreement with the Commission.
- (e) Each ASC subject to this Part IV must provide an attestation annually that specifies the amounts of VER generation and non-VER generation owned or controlled by the ASC.

(f) Notwithstanding any provisions in Part IV of this Tariff to the contrary, the

Transmission Customer must comply with the WEIS Market provisions in Attachment X, as applicable, when the Transmission Provider participates in the WEIS Market as described in Attachment X. Imbalance Service shall be settled pursuant to the WEIS Tariff and as further specified in Attachment X.

37.3 Sufficiency of Balancing Authority Services: The BA Operator shall determine the sufficiency of any BA Service obtained by an ASC pursuant to the requirements of this Part IV. In the event of a dispute, the Dispute Resolution provisions of Section 12 shall apply.

37.4 Real Power Losses: Real Power Losses are associated with all transmission transactions scheduled by ASCs within the PSCo BAA. The BA Operator is not obligated to provide Real Power Losses. The ASC is responsible for replacing losses associated with all BA Services as calculated by the BA Operator. The ASC's Real Power Loss obligation will be determined based on the location of the ASC's metered points on the transmission system; however, the exact identification of loss obligations for ASC's will be determined at the time the ASC's form of service agreement is executed. The ASC will be charged for Real Power Losses on all transactions that are delivered across the BAA to serve the ASC's load, less any losses supplied to the BA or billed to the ASC under Part II or Part III of this Joint OATT or pursuant to any other agreement. The applicable Real Power Losses are as follows

For Service in the PSCo BAA:	<u>Demand</u>	<u>Energy</u>
	2.20%	1.70%

37.5 Service Agreements: The BA Operator shall offer a standard form of Service Agreement to an ASC, as set forth in Attachment T to this Tariff. An executed Service Agreement completed consistent with the requirements of this Part IV will be reported to the Commission in compliance with applicable Commission regulations. If an ASC does not execute the Service Agreement required by this Part IV, the BA Operator may file an unexecuted Service Agreement with the Commission. The BA Operator shall file any unexecuted Service Agreement with the Commission by the earlier of (i) thirty (30) days after receiving a request from the ASC to file an unexecuted Service Agreement or (ii) thirty (30) days after service commences.

37.6 No Transmission Service Provided: The provision of BA Services under this Part IV does not include or constitute a commitment by Transmission Provider to provide any other type of Service under this Tariff.

V. Reserved for Future Use

~~V. JOINT DISPATCH TRANSMISSION SERVICE (Applicable to Public Service Company of Colorado only)~~

~~—— Preamble~~

~~Service under Part V shall be applicable only to load serving entities in the PSCo Balancing Authority Area that are signatories to a Joint Dispatch Agreement (JDA) under which: (1) participating generating resources of the parties are dispatched as a pool on a least-cost basis respecting transmission limitations; (2) the Joint Dispatch Transmission Service Customers' respective transmission service providers have provided within their OATT a transmission service schedule for energy dispatched pursuant to the JDA at a rate equal to zero dollars on a non-firm, as-available basis with the lowest curtailment priority, pursuant to the provisions of this Part V of the Tariff.~~

41 Reserved for Future UseDefinitions

~~In addition to the Definitions and Terms set forth in the Common Service Provisions found in Part 1 of this Tariff, the following definitions shall apply to this Part V, the Joint Dispatch Services set forth in Schedule 15 and Attachment V of this Tariff.~~

~~**41.1 Joint Dispatch Arrangement:** An operating arrangement whereby participating generation resources owned, operated or controlled by load serving entities within the PSCo Balancing Authority Area are dispatched as a pool on a least-cost basis respecting transmission limitations in order to economically optimize dispatch on an aggregate real-time basis among all participants in the Joint Dispatch Arrangement.~~

~~**41.2 Joint Dispatch Agreement:** An agreement detailing the rights and obligations of participants in a Joint Dispatch Arrangement.~~

~~**41.3 Joint Dispatch Transmission Service:** Non-firm transmission service across transmission facilities of the Transmission Provider that is used to transmit energy dispatched pursuant to a Joint Dispatch Agreement and that is subject to the provisions of this Part V of the Tariff. Joint Dispatch Transmission Service will be made available from posted ATC after procurement and scheduling deadlines have passed the current operating hour, as specified in the Transmission Provider's Business Practices posted on OASIS.~~

~~**41.4 Service Agreement for Joint Dispatch Transmission Service ("Service Agreement"):** An agreement between the Transmission Provider and a Joint Dispatch Transmission Service Customer for Joint Dispatch Transmission Service.~~

~~**41.5 Joint Dispatch Transmission Service Customer:** Any entity (or its Designated Agent) that: (i) executes a Service Agreement; or (ii) requests in writing that the Transmission Provider file with the Commission a proposed unexecuted Service Agreement.~~

42 Reserved for Future Use

Nature of Joint Dispatch Transmission Service

~~Joint Dispatch Transmission Service is an optional service available to any load serving entity in the PSCo Balancing Authority Area that: (1) has entered into a Joint Dispatch Agreement; and (2) makes Joint Dispatch Transmission Service on its transmission system, if any, available to PSCo and all other parties to the Joint Dispatch Agreement at the same rate, terms, and conditions as set out in this Part V of the Tariff and related schedules and attachments. As further detailed herein, Joint Dispatch Transmission Service may only be used to deliver energy dispatched under a Joint Dispatch Agreement to the entity's wholesale and retail native load customers. Joint Dispatch Transmission Service is provided only on a non-firm, as available basis and has the lowest curtailment priority.~~

~~42.1 Limited Transmission Provider Responsibilities. The Transmission Provider shall have the obligation to operate its Transmission System in accordance with Good Utility Practice. For purposes of Joint Dispatch Transmission Service, the Transmission Provider shall have no obligation to plan, construct, or maintain its Transmission System for Future the benefit of any Joint Dispatch Transmission Service Customer.~~

~~42.2 Real Power Losses. Real Power Losses are associated with all transmission service. The Joint Dispatch Transmission Service Customer shall be responsible for all losses associated with Joint Dispatch Transmission Service, which responsibility shall be manifested as the difference between the amount of energy dispatched on behalf of the Joint Dispatch Transmission Service Customer and the amount of energy actually delivered to such customer based on the following loss factors:~~

Seller Buyer	PRPA	PSCO	BHCE	CSU
PRPA	-	PSCO %	PSCO % + BHCE %	PSCO % + CSU %
PSCO	PRPA %	-	BHCE %	CSU %
BHCE	PRPA % + PSCO %	PSCO %	-	CSU %
CSU	PRPA % + PSCO %	PSCO %	BHCE %	-

~~Where:~~

~~PRPA %= Loss Factor set forth in PRPA's OATT Section 15.7~~

~~PSCo %= Loss Factor set forth in PSCo OATT Section 15.7~~

~~BHCE %= Loss Factor set forth in BHCE OATT Section 15.7~~

~~CSU %= Loss Factor set forth in CSU OATT Section 15.7~~

~~**42.3—Restrictions on Use of Service.** The Joint Dispatch Transmission Service Customer shall not use Joint Dispatch Transmission Service for (i) off-system sales of capacity or energy or (ii) direct or indirect provision of transmission service by the Joint Dispatch Transmission Service Customer to any third party. Joint Dispatch Transmission Service may be used only for receipt or delivery of energy dispatched within the PSCo Balancing Authority Area on a non-firm basis to serve wholesale or retail native load of any participant in a Joint Dispatch Agreement.~~

~~**42.4—Imbalance Service.** The purpose of the Joint Dispatch Arrangement is to balance loads and resources of the parties by optimizing dispatch of the parties' resources. As a result, the Transmission Provider shall not assess energy imbalance charges under Ancillary Service Schedule 4 or 9 to any Joint Dispatch Transmission Service Customer.~~

43 Reserved for Future UseInitiating Service

~~**43.1 Condition Precedent Receiving Service.** Subject to the terms and conditions of this Part V of the Tariff, and related schedules and attachments, the Transmission Provider will provide Joint Dispatch Transmission Service to any eligible customer, provided that (i) the eligible customer has wholesale or retail native load in the Transmission Provider's Balancing Authority area; (ii) the eligible customer has entered into a Joint Dispatch Agreement; (iii) the eligible customer's transmission provider has a transmission service tariff offering Joint Dispatch Transmission Service on the same terms and conditions as offered under this Part V of the Tariff, and related schedules and attachments; and (iv) the eligible customer executes a Service Agreement pursuant to Attachment V for service under this Part V of the Tariff or requests in writing that the Transmission Provider file a proposed unexecuted Service Agreement with the Commission.~~

~~**43.2 Application Procedures.** An Eligible Customer requesting service under Part V of this Tariff must submit an application containing the information specified below. No deposit or credit evaluation is necessary to obtain Joint Dispatch Network Transmission Service. Further, no transmission studies shall be required to obtain Joint Dispatch Transmission Service because such service is provided only on a non-firm, as available basis. Applications should be submitted to the Transmission Provider via e-mail to the person(s) listed on OASIS. Application contents:~~

- ~~(i) The identity, address, telephone number and facsimile number of the party requesting service;~~
- ~~(ii) A statement that the party requesting service is, or will be upon commencement of service, an Eligible Customer under the tariff;~~
- ~~(iii) A statement that the party requesting service has, or will have upon commencement of service, wholesale or retail native load in the PSCo Balancing Authority;~~
- ~~(iv) A statement that the party requesting service has, or will have upon commencement of service, entered into a Joint Dispatch Agreement with PSCo;~~
- ~~(v) A statement that the party requesting service has, or will have upon commencement of service, a tariff offering Joint Dispatch Transmission Service at the same rates, terms, and conditions as this Part V of the Tariff and associated schedules and attachments;~~
- ~~(vi) Service Commencement Date and the term of the requested Joint Dispatch Transmission Service;~~
- ~~(vii) A statement signed by an authorized officer from or agent of the Joint Dispatch Transmission Service Customer attesting that Joint Dispatch Transmission Service will be used only for receipt or delivery of energy dispatched under a Joint Dispatch Agreement for the benefit of the customer's wholesale and retail native load customers;~~
- ~~(viii) Service is conditioned on the Transmission Service Provider being in~~

~~receipt of an executed Joint Dispatch Agreement.~~

~~Unless the Parties agree to a different timeframe, the Transmission Provider must acknowledge the request within ten (15) days of receipt. The acknowledgement must include a date by which a response, including a Service Agreement, will be sent to the Eligible Customer. If an application fails to meet the requirements of this section, the Transmission Provider shall notify the Eligible Customer requesting service within fifteen (15) days of receipt and specify the reasons for such failure. Wherever reasonably possible, the Transmission Provider will attempt to remedy deficiencies in the Application through informal communications with the Eligible Customer. If efforts are unsuccessful, the Transmission Provider shall return the Application, without prejudice to the Eligible Customer filing a new or revised Application that fully complies with the requirements of this section.~~

~~**43.3 Joint Dispatch Transmission Customer Facilities:** The Joint Dispatch Transmission Service Customer's transmission provider will retain its existing obligations to plan, construct, operate and maintain its transmission system using standard utility practices.~~

~~**43.4 Filing of Service Agreement.** The Transmission Provider will file Service Agreements with the Commission in compliance with applicable Commission regulations, if any.~~

SCHEDULE 4

Energy Imbalance Service

Availability: Available on the PSCo system. Schedule 4 Service on the NSP and SPS systems shall be available from the Midcontinent ISO and SPP, respectively.

Energy Imbalance Service is provided when a difference occurs between the scheduled and the actual delivery of energy to a load located within a Control Area over a single hour or, as applicable, dispatch interval in the WEIS Market.-

- (a) In the case of service under Parts II or III of this Tariff, the Transmission Provider must offer this service when the transmission service is used to serve load within its Control Area. The Transmission Customer must ~~either~~ purchase this service directly from the WEIS Market Operator, from the Control Area operator, from the Transmission Provider, or make alternative comparable arrangements, which may include use of non-generation resources capable of providing this service, to satisfy its Energy Imbalance Service obligation. To the extent the WEIS Market Operator or the Control Area operator performs this service for the Transmission Provider, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to the Transmission Provider by the WEIS Market Operator or that Control Area operator. The Transmission Provider may charge a Transmission Customer a penalty for either hourly energy imbalances under this Schedule or a penalty for hourly generator imbalances under Schedule 9 for imbalances occurring during the same hour, but not both unless the imbalances aggravate rather than offset each other.
- (b) In the case of service under Part IV of this Tariff, the Balancing Authority Operator must offer this service to the Ancillary Service Customer (ASC). The ASC must ~~either~~ purchase this service directly from the WEIS Market Operator, from the Balancing Authority Operator (i.e. the Control Area) or make alternative comparable arrangements, which may include use of non-generation resources capable of providing this service, to satisfy the ASC's Energy Imbalance Service obligation. The Balancing Authority Operator may charge an Ancillary Service Customer a penalty for either hourly energy imbalances under this Schedule or a penalty for hourly generator imbalances under Schedule 9 for imbalances occurring during the same hour, but not both unless the imbalances aggravate rather than offset each other.
- (c) PSCo is both the Transmission Provider and Balancing Authority (Control Area) Operator for purposes of this Schedule 4.

The Imbalance Charge is calculated for each tariff service purchased by the Transmission Customer or ASC each hour as follows, where an imbalance charge greater than zero represents amounts due to the Transmission Provider from the Transmission Customer or ASC, and an imbalance charge less than zero represents amounts due to the Transmission Customer

or ASC from the Transmission Provider, with the resulting hourly charges netted on a monthly basis and settled financially:

$$\text{Imbalance Charge} = \text{Energy Charge} + \text{Penalty Charge}$$

$$\text{Energy Charge} = \text{Qty} \times \text{Rate}$$

$$\text{Penalty Charge} = |\text{Rate}| \times (10\% \times \text{T2Qty} + 25\% \times \text{T3Qty})$$

Where:

Qty = Imbalance quantity, calculated as Actual Deliveries (the sum of the Transmission Customer's or ASC's measured load, grossed up for real power losses, rounded to the nearest MWh) minus Scheduled Energy (the sum of the Transmission Customer's or ASC's scheduled deliveries to its load, including schedules for real power losses if the Transmission Customer or ASC provides real power losses in kind or an allowance for real power losses if the Transmission Customer or ASC has elected to financially settle real power losses with the Transmission Provider, rounded to the nearest MWh).

T1Qty = Imbalance quantity for the first penalty tier (zero percent), calculated as the portion of the absolute value of Qty that is less than or equal to 2 MW or 1.5% of Scheduled Energy, whichever is greater.

T2Qty = Imbalance quantity for the second penalty tier (10 percent), calculated as the portion of the absolute value of Qty that is greater than T1Qty and less than T3Qty.

T3Qty = Imbalance quantity for the third penalty tier (25 percent), calculated as the portion of the absolute value of Qty that is greater than 10 MW or 7.5% of Scheduled Energy, whichever is greater.

Rate = Energy rate. For purchases of energy from the Transmission Provider (Scheduled Energy < Actual Deliveries), incremental cost applies; for sales of energy to the Transmission Provider (Scheduled Energy > Actual Deliveries), decremental cost applies. Incremental cost and decremental cost are defined below.

$$|\text{Rate}| = \text{Absolute value of Rate}$$

Components of Incremental/Decremental Cost

For purposes of this Schedule, incremental and decremental cost shall equal Transmission Provider's actual average hourly cost of the last 10 MW dispatched for any purpose; e.g., to supply the Transmission Provider's Native Load Customers, correct imbalances, or make off-system sales, based on the replacement cost of fuel, unit heat rates, start-up costs (including any commitment and redispatch costs), incremental operation and maintenance costs, and purchased and interchange power costs and taxes, as applicable. The components of such cost include:

Fuel Costs

Incremental fuel costs are calculated using the following criteria. For natural gas generation units, the incremental costs are the estimated daily spot gas commodity price plus the transportation costs to move the commodity to the plants. The inputs for coal fired units are defined as monthly spot coal prices for units that have the ability to take delivery of spot coal, and contract coal prices for plants that have full requirements coal contracts. Oil prices shall be updated when used.

Heat Rate Coefficients

Heat rate coefficients used in determining incremental cost will be consistent with coefficients used in the PSCo Energy Management System (EMS) to dispatch PSCo's actual generating system and consistent with coefficients used in the production and unit commit/economic dispatch models. These heat rate coefficients are updated as necessary to reflect changes in the operating parameters of plant equipment.

Start up Costs

If a generating unit is started to support short term off-system sales, all the start up costs associated with that unit will be assigned to incremental cost for the first hour of the unit's operation.

Unit Minimums and Contract Minimums

All of PSCo's generating units have minimum levels of operation, and all of the purchased power agreements have minimum scheduling requirements. If a generation resource is started specifically to make an off-system sale or to meet reserve requirements because of such a sale, then the cost of the entire operating range of the resource will be included in incremental cost. If a generation resource is started for Native Load, then only the output above the minimum level is included in incremental cost.

Unit Minimum Run Times

Certain PSCo generating units have minimum run time requirements in place to support reliable unit operation. Such generating units will not be started for off-system sales unless the scheduled and/or contracted duration of the sale is equal to or greater than the minimum run time requirement. Should such off-system sale be curtailed prior to the completion of the generating unit's minimum run time, any uneconomic costs associated with the remaining unit run time will be assigned to incremental cost. Uneconomic costs are defined as the difference in cost between the cost of energy produced by the unit started for the sale and the cost of the energy displaced by the output of such unit, plus any other additional expenses created by the generating unit started for the sale.

Dispatchable Resources

All dispatchable resources are available for cost assignment to off-system sales. Dispatchable

resources are defined as those generating units or long term purchases whose output can be raised or lowered intra-day to respond to changes in loads. If a dispatchable resource is started to provide energy for Native Load, only the cost of output above the resource's operational or contractual minimum load is available to be assigned to incremental cost.

Variable O&M and Tolling Costs

Variable operation and maintenance (O&M) and tolling costs are assigned to each of the generating units, and when applicable under contract, such costs will be assigned to purchased power resources. These costs will be included in incremental cost.

Intraday Purchases (Not Prescheduled)

All hourly power purchases may be assigned to incremental cost. If an hourly purchase, including all transmission costs, is higher than the incremental cost of a PSCo dispatchable resource, the cost of such purchase will be allocated to incremental cost. If an hourly purchase, including all transmission costs, is lower than the incremental cost of a PSCo dispatchable resource, the cost of the higher priced dispatchable resource will be assigned to incremental cost.

Pumped Storage Costs

The cost of pumped storage energy will be deemed to be the hourly cost of the highest dispatchable resource cost available during the hours of the previous pumping cycle after the highest dispatchable resource cost has been assigned to short term off-system sales for such hours. The hour-by-hour energy for pumping and cost assignment will be documented.

Methodology for Calculating Incremental and Decremental Cost

PSCo uses a computer program (Cost Calculator) to assign costs to serve non-native short term wholesale off-system sales. The program determines the cost to serve short-term off-system sales, including fuel associated with generation and applicable economic purchase transaction costs. The general principle is to assign the most expensive resources to short-term off-system sales first, allowing the less expensive resources to be assigned to PSCo's native load. For each hour, the program stacks the resources that supplied energy during the hour based on their costs in one MW increments. After all costs have been assigned and stacked, the simple average will be calculated for the last 10 MWs to determine PSCo's actual average hourly cost of the last 10 MW dispatched for any purpose.

Social Cost of Carbon

The Social Cost of Carbon is a system characteristic that is used, until PSCo participates in an organized market, in the unit commitment of resources owned or controlled by PSCo. As required by the Colorado Public Utility Commission's Decision No. C22-0459 in proceeding no. 21A-0141E, the Social Cost of Carbon is \$71.42/ton. The Social Cost of Carbon is not an expense that is directly recovered through rates under this Schedule.

Pursuant to Section 3 of this Tariff, Energy Imbalance Services associated with service provided

within the Transmission Provider's Control Area will be subject to settlement in the WEIS Market, as described in Attachment X.

SCHEDULE 8A

WEIS Joint Dispatch Transmission Service

The Transmission Customer shall compensate the Transmission Provider for WEIS Joint Dispatch Transmission Service up to the sum of the applicable charges set forth below:

1. Hourly delivery:

a. On-Peak Hours: the on-peak rate \$0.00/MWh.

b. Off-Peak Hours: the off-peak rate \$0.00/MWh.

SCHEDULE 9

Generator Imbalance Service

Availability: Available on the PSCo system. Schedule 9 Service on the NSP and SPS systems shall be available from the Midwest ISO and SPP, respectively.

Generator Imbalance Service is provided when a difference occurs between the output of a generator located in the Transmission Provider's Control Area and a delivery schedule from that generator to (1) another Control Area or (2) a load within the Transmission Provider's Control Area over a single hour or, as applicable, dispatch interval in the WEIS Market.-

- (a) In the case of service under Parts II or III of this Tariff, the Transmission Provider must offer this service, to the extent it is physically feasible to do so from its resources or from resources available to it, when Transmission Service is used to deliver energy from a generator located within its Control Area. The Transmission Customer must ~~either~~ purchase this service directly from the WEIS Market Operator, from the Control Area operator, from the Transmission Provider, or make alternative comparable arrangements, which may include use of non-generation resources capable of providing this service, to satisfy its Generator Imbalance Service obligation. To the extent the WEIS Market Operator or the Control Area operator performs this service for the Transmission Provider, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to the Transmission Provider by the WEIS Market Operator or that Control Area Operator. The Transmission Provider may charge a Transmission Customer a penalty for either hourly generator imbalances under this Schedule or a penalty for hourly energy imbalances under Schedule 4 for imbalances occurring during the same hour, but not both unless the imbalances aggravate rather than offset each other.
- (b) In the case of service under Part IV of this Tariff, the Balancing Authority Operator must offer this service to the Ancillary Service Customer. The Ancillary Service Customer must ~~either~~ purchase this service from the directly from the WEIS Market Operator, Balancing Authority Operator (Control Area operator) or make alternative comparable arrangements, which may include use of non-generation resources capable of providing this service, to satisfy its Generator Imbalance Service obligation. The Balancing Authority Operator may charge an Ancillary Service Customer a penalty for either hourly generator imbalances under this Schedule or a penalty for hourly energy imbalances under Schedule 4 for imbalances occurring during the same hour, but not both unless the imbalances aggravate rather than offset each other.
- (c) PSCo is both the Transmission Provider and the Balancing Authority (Control Area) Operator for purposes of this Schedule 9.

The Transmission Provider shall establish charges for generator imbalance based on the deviation bands as follows: (i) deviations within +/- 1.5 percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of

the Transmission Customer's scheduled transaction(s) will be netted on a monthly basis and settled financially, at the end of each month, at 100 percent of incremental or decremental cost, (ii) deviations greater than +/- 1.5 percent up to 7.5 percent (or greater than 2 MW up to 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be settled financially, at the end of each month, at 110 percent of incremental cost or 90 percent of decremental cost, and (iii) deviations greater than +/- 7.5 percent (or 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be settled at 125 percent of incremental cost or 75 percent of decremental cost, except that an intermittent resource will be exempt from this deviation band and will pay the deviation band charges for all deviations greater than the larger of 1.5 percent or 2 MW. An intermittent resource, for the limited purpose of this Schedule is an electric generator that is not dispatchable and cannot store its fuel source and therefore cannot respond to changes in system demand or respond to transmission security constraints.

Notwithstanding the foregoing, deviations from scheduled transactions in order to respond to directives by the Transmission Provider, a balancing authority, or a reliability coordinator shall not be subject to the deviation bands identified above and, instead, shall be settled financially, at the end of the month, at 100 percent of incremental and decremental cost. Such directives may include instructions to correct frequency decay, respond to a reserve sharing event, or change output to relieve congestion.

For purposes of this Schedule, incremental cost and decremental cost represent the Transmission Provider's actual average hourly cost of the last 10 MW dispatched for any purpose, e.g., to supply the Transmission Provider's Native Load Customers, correct imbalances, or make off-system sales, based on the replacement cost of fuel, unit heat rates, start-up costs (including any commitment and redispatch costs), incremental operation and maintenance costs, and purchased and interchange power costs and taxes, as applicable.

Components of Incremental/Decremental Cost

For purposes of this Schedule, incremental and decremental cost shall equal Transmission Provider's actual average hourly cost of the last 10 MW dispatched for any purpose. The components of such cost include:

Fuel Costs

Incremental fuel costs are calculated using the following criteria. For natural gas generation units, the incremental costs are the estimated daily spot gas commodity price plus the transportation costs to move the commodity to the plants. The inputs for coal fired units are defined as monthly spot coal prices for units that have the ability to take delivery of spot coal, and contract coal prices for plants that have full requirements coal contracts. Oil prices shall be updated when used.

Heat Rate Coefficients

Heat rate coefficients used in determining incremental cost will be consistent with coefficients used in the PSCo Energy Management System (EMS) to dispatch PSCo's actual generating

system and consistent with coefficients used in the production and unit commit/economic dispatch models. These heat rate coefficients are updated as necessary to reflect changes in the operating parameters of plant equipment.

Start up Costs

If a generating unit is started to support short term off-system sales, all the start up costs associated with that unit will be assigned to incremental cost for the first hour of the unit's operation.

Unit Minimums and Contract Minimums

All of PSCo's generating units have minimum levels of operation, and all of the purchased power agreements have minimum scheduling requirements. If a generation resource is started specifically to make an off-system sale or to meet reserve requirements because of such a sale, then the cost of the entire operating range of the resource will be included in incremental cost. If a generation resource is started for Native Load, then only the output above the minimum level is included in incremental cost.

Unit Minimum Run Times

Certain PSCo generating units have minimum run time requirements in place to support reliable unit operation. Such generating units will not be started for off-system sales unless the scheduled and/or contracted duration of the sale is equal to or greater than the minimum run time requirement. Should such off-system sale be curtailed prior to the completion of the generating unit's minimum run time, any uneconomic costs associated with the remaining unit run time will be assigned to incremental cost. Uneconomic costs are defined as the difference in cost between the cost of energy produced by the unit started for the sale and the cost of the energy displaced by the output of such unit, plus any other additional expenses created by the generating unit started for the sale.

Dispatchable Resources

All dispatchable resources are available for cost assignment to off-system sales. Dispatchable resources are defined as those generating units or long term purchases whose output can be raised or lowered intra-day to respond to changes in loads. If a dispatchable resource is started to provide energy for Native Load, only the cost of output above the resource's operational or contractual minimum load is available to be assigned to incremental cost.

Variable O&M and Tolling Costs

Variable operation and maintenance (O&M) and tolling costs are assigned to each of the generating units, and when applicable under contract, such costs will be assigned to purchased power resources. These costs will be included in incremental cost.

Intraday Purchases (Not Prescheduled)

All hourly power purchases may be assigned to incremental cost. If an hourly purchase,

including all transmission costs, is higher than the incremental cost of a PSCo dispatchable resource, the cost of such purchase will be allocated to incremental cost. If an hourly purchase, including all transmission costs, is lower than the incremental cost of a PSCo dispatchable resource, the cost of the higher priced dispatchable resource will be assigned to incremental cost.

Pumped Storage Costs

The cost of pumped storage energy will be deemed to be the hourly cost of the highest dispatchable resource cost available during the hours of the previous pumping cycle after the highest dispatchable resource cost has been assigned to short term off-system sales for such hours. The hour-by-hour energy for pumping and cost assignment will be documented.

Methodology for Calculating Incremental and Decremental Cost

PSCo uses a computer program (Cost Calculator) to assign costs to serve non-native short term wholesale off-system sales. The program determines the cost to serve short-term off-system sales, including fuel associated with generation and applicable economic purchase transaction costs. The general principle is to assign the most expensive resources to short-term off-system sales first, allowing the less expensive resources to be assigned to PSCo's native load. For each hour, the program stacks the resources that supplied energy during the hour based on their costs in one MW increments. After all costs have been assigned and stacked, the simple average will be calculated for the last 10 MWs to determine PSCo's actual average hourly cost of the last 10 MW dispatched for any purpose.

Social Cost of Carbon

The Social Cost of Carbon is a system characteristic that is used, until PSCo participates in an organized market, in the unit commitment of resources owned or controlled by PSCo. As required by the Colorado Public Utility Commission's Decision No. C22-0459 in proceeding no. 21A-0141E, the Social Cost of Carbon is \$71.42/ton. The Social Cost of Carbon is not an expense that is directly recovered through rates under this Schedule.

Pursuant to Section 3 of this Tariff, Generator Imbalance Service associated with service provided over the Transmission Provider's Control Area will be subject to settlement in the WEIS Market, as described in Attachment X.

ATTACHMENT X

Western Energy Imbalance Service Market Provisions

1.0 Definitions

Capitalized Terms in this Attachment not otherwise defined in this Tariff shall have the meaning ascribed to them in the WEIS Tariff, as such tariff may be amended from time to time.

2.0 Applicability

Attachment X to this Tariff shall apply solely to the PSCo Balancing Authority Area. All loads and Resources in the PSCo Balancing Authority Area shall be subject to settlement in the WEIS Market in accordance with Attachment A of the WEIS Tariff.

3.0 Tariff Provisions Modified by WEIS Market Participation

The following provisions in this Tariff are modified for Transmission Customers and Network Customers taking service over the WEIS Transmission Provider's Facilities when the Transmission Provider is participating in the WEIS Market.

3.1 Network Resources:

3.1.1 Notwithstanding the limitations in Sections 1.27 (Network Resource), 30.1 (Designation of Network Resources), 30.2 (Designation of New Network Resources) and 30.4 (Operation of Network Resources) of the Tariff, Network Customers may also utilize Network Resources for purposes of fulfilling obligations under the WEIS Market, such as WEIS Market generation dispatch instructions.

3.1.2 Notwithstanding the provisions in Section 28.6 (Restrictions on Use of Service) of the Tariff, Network Customers may utilize WEIS Joint Dispatch Transmission Service for purposes of fulfilling obligations under the WEIS Market, such as WEIS Market generation dispatch instructions.

3.2 Real Power Losses:

3.2.1 Notwithstanding the provisions in Sections 15.7 (Real Power Losses), 28.5 (Real Power Losses), and 37.4 (Real Power Losses) of the Tariff, the requirements for replacing real power losses associated with the WEIS Joint Dispatch Transmission Service due to WEIS Market energy transactions are addressed under the WEIS Market settlements pursuant to the WEIS Tariff.

3.3 Indemnification:

3.3.1 Notwithstanding the provisions in Section 10.2 (Indemnification) of the Tariff, the standard of liability for the actions of the Transmission Provider performed consistent with this Attachment X shall be gross

negligence or intentional wrongdoing.

4.0 Nature of Joint Dispatch Transmission Service

Notwithstanding any limitations in Sections 14 (Nature of Non-Firm Point-To-Point Transmission Service), 15 (Service Availability), 16 (Transmission Customer Responsibilities), 18 (Procedures for Arranging Non-Firm Point-To-Point Transmission Service), 24 (Metering and Power Factor Correction at Receipt and Delivery Point(s)), and 25 (Compensation for Transmission Service) of the Tariff, the Transmission Provider, as the WEIS Joint Dispatch Transmission Service Provider, shall provide WEIS Joint Dispatch Transmission Service on the WEIS Transmission Provider's Facilities to a WEIS Joint Dispatch Transmission Service Customer commensurate with, and to accommodate, the energy dispatched within the WEIS Market, as set forth in the WEIS Tariff, as follows:

4.1 Term:

WEIS Joint Dispatch Transmission Service shall be available on a real-time intra-hour basis.

4.2 Reservation Priority:

WEIS Joint Dispatch Transmission Service is non-firm and shall be available from transfer capability in excess of that needed for Transmission Customers taking Transmission Service and Network Customers taking Network Integration Transmission Service, respectively, under the Tariff.

4.3 Restrictions on the use of WEIS Joint Dispatch Transmission Service:

WEIS Joint Dispatch Transmission Service may be used on the Transmission System included in the WEIS Market Footprint only for receipt or delivery of Energy dispatched by the WEIS Market Operator within a Balancing Authority Area in the WEIS Market pursuant to the provisions of the WEIS Tariff. The WEIS Joint Dispatch Transmission Service Customer shall not use WEIS Joint Dispatch Transmission Service for (i) off-system sales of capacity or Energy not related to fulfilling obligations under the WEIS Market, such as WEIS Market generation dispatch instructions or (ii) direct or indirect provision of transmission service by the WEIS Joint Dispatch Transmission Service Customer to any third party.

4.4 Scheduling:

WEIS Joint Dispatch Transmission Service Customers are not required to submit schedules for WEIS Joint Dispatch Transmission Service.

4.5 Curtailment of WEIS Joint Dispatch Transmission Service:

The Transmission Provider reserves the right to curtail (or cause to be curtailed) without liability on the Transmission Provider's part, in whole or in part, WEIS Joint Dispatch Transmission Service provided under this Attachment X for reliability reasons when: an emergency or other unforeseen conditions threatens to impair or degrade the reliability of the Transmission System or the systems directly or indirectly interconnected with the

Transmission Provider's Transmission System.

4.6 Limited Joint Dispatch Transmission Service Provider Responsibilities:

The Transmission Provider shall have no obligation to plan, construct, or maintain its Transmission System for the benefit of any WEIS Joint Dispatch Transmission Service Customer.

4.7 Procedures for Arranging WEIS Joint Dispatch Transmission Service:

WEIS Joint Dispatch Transmission Service does not need to be reserved by the WEIS Joint Dispatch Transmission Service Customer. No application or service agreement is required. An entity requesting WEIS Joint Dispatch Transmission Service shall provide any information reasonably requested, if any, by the WEIS Market Operator or the Transmission Provider

4.8 Compensation for WEIS Joint Dispatch Transmission Service:

Rates for WEIS Joint Dispatch Transmission Service are provided in Schedule 8A to the Tariff.

5.0 Other Provisions

5.1 Unreserved Use:

Any use of Transmission Provider's Transmission System not otherwise authorized pursuant to this Attachment X shall be subject to unreserved use penalties in excess of Reserved Capacity, as set out in Schedule 8, Section VI of the Tariff.

An unreserved use penalty will apply to the amount of actual metered generation in a Dispatch Interval, if any, which is in excess of the positive Operating Tolerance above a WEIS Market Resource's average Setpoint Instruction over such Dispatch Interval. Any ancillary service charges that are applicable to such unreserved use shall apply. For the amounts exceeding Reserved Capacity, the Transmission Customer also must purchase losses as required by this Tariff.