

October 31, 2019

VIA ELECTRONIC FILING

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

**Re:   *Public Service Company of Colorado*  
Xcel Energy Operating Companies Open Access Transmission Tariff  
Docket No. ER20-\_\_\_\_-000  
Revised Depreciation Rates in Table 25 to Attachment O-PSCo**

Dear Secretary Bose:

Pursuant to section 205 of the Federal Power Act, 16 U.S.C. § 824d, part 35 of the Federal Energy Regulatory Commission's ("FERC" or "Commission") regulations, 18 C.F.R. § 35.13 (2019), Xcel Energy Services Inc.,<sup>1</sup> on behalf of Public Service Company of Colorado ("PSCo"),<sup>2</sup> submits revisions to the Xcel Energy Operating Companies Open Access Transmission Tariff ("Tariff").<sup>3</sup> The revisions are necessary to update, based on a depreciation study and settlement, the transmission related depreciation rates used to calculate the depreciation expense recovered through the PSCo Transmission Formula Rate Template ("Template") included in Attachment O-PSCo to the Tariff. The proposed revisions update the depreciation rates stated in Table 25 (Depreciation and Amortizations) to the Template so they remain consistent with retail depreciation rates used by PSCo in the State of Colorado. In addition, PSCo proposes to substantially simplify and update Table 25 (WP\_H-1) by (i) removing references to the depreciation rates applicable to electric Distribution plant, as they do not affect the calculation of transmission service rates under Attachment O-PSCo, and (ii) removing references to regulatory asset amortizations which are now complete.<sup>4</sup>

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<sup>1</sup> XES is the service company subsidiary of Xcel Energy Inc., the holding company parent of PSCo and the other Xcel Energy Operating Companies, namely, Northern States Power Company, a Minnesota corporation, Northern States Power Company, a Wisconsin corporation (collectively "NSP" or the "NSP Companies"), and Southwestern Public Service Company ("SPS"). As such, XES makes filings with, and appears in proceedings before, the Commission on behalf of the Xcel Energy Operating Companies.

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

<sup>3</sup> Xcel Energy Operating Companies, FERC Electric Tariff, Third Revised Volume No. 1.

<sup>4</sup> As discussed further herein, the instant filing essentially is a "re-filing" of tariff revisions filed by PSCo with the Commission on December 20, 2017, in Docket No. ER18-482-000 that were subsequently withdrawn on December 21, 2018, prior to Commission action.

PSCo requests that the enclosed Tariff revisions be made effective January 1, 2020, without suspension. PSCo also requests waiver, to the extent necessary, to allow PSCo to include the impact of the revised depreciation rates proposed herein in the calculation of its Estimated Rates for 2020, to be reflected in the 2020 Annual Update and Estimated Rates that will be submitted to the Commission in an annual informational filing in January 2020. To provide certainty, PSCo respectfully requests the Commission to act within sixty (60) days of this filing.

Contemporaneously with this filing, PSCo is also submitting a filing under Section 205 to revise the depreciation rates used in PSCo's Assured Power and Energy Requirements Tariff ("Assured Power Tariff") to reflect the revised depreciation rates approved by the CoPUC in calculating PSCo production (power sales) rates under the production formula rate template in the Assured Power Tariff. Those tariff revisions are proposed to be effective the same date as the revisions to Attachment O-PSCo.<sup>5</sup>

## **I. BACKGROUND**

PSCo is a wholly-owned subsidiary of Xcel Energy Inc. ("Xcel Energy"), a public utility holding company. PSCo is an integrated electric utility that, *inter alia*, generates, transmits, distributes, and sells electric energy at cost-based regulated rates to approximately 1.5 million retail customers in the State of Colorado subject to the regulator authority of the CoPUC.

PSCo provides open access wholesale transmission services to transmission customers under Parts II or III and ancillary-only services to ancillary service customers under Part IV of the Tariff, respectively. Approximately 82 percent of the transmission loads on the PSCo system are PSCo retail native loads; the remaining 18 percent are wholesale loads. PSCo also provides wholesale requirements sales service at cost-based rates to six municipal and cooperative customers under the Assured Power Tariff.<sup>6</sup> PSCo operates a Balancing Authority Area ("BAA") in the Western Interconnection region.

The PSCo transmission formula rate template was initially a historic test year template established by a settlement approved by the Commission in Docket No. ER04-1174-000 *et al.*<sup>7</sup>

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<sup>5</sup> The revised depreciation rates for transmission plant proposed herein will also affect the revenue requirement under the PSCo Production Formula Rate because the costs of facilities classified as transmission serving generation (e.g., generator step-up facilities) are recovered in production rates rather than transmission rates, consistent with Commission precedent. PSCo thus proposes in the companion filing to incorporate in Table 47 to the Production Formula Rate the same depreciation rates for transmission plant proposed in this Transmission Formula Rate change filing.

<sup>6</sup> The six customers are the City of Burlington, Colorado; the Town of Center, Colorado; Grand Valley Rural Power Lines, Inc.; Holy Cross Electric Association, Inc.; Intermountain Rural Electric Association; and Yampa Valley Electric Association, Inc.

<sup>7</sup> *Xcel Energy Services Inc.*, 115 FERC ¶ 61,011 (2006) (approving uncontested settlement resolving the Tariff transmission and ancillary services rates for both PSCo and its affiliate Southwestern Public Service Company).

The currently effective transmission-related depreciation rates were approved by the CoPUC in 2007 and incorporated in the PSCo transmission formula rate template in Docket No. ER08-224, effective January 1, 2007.<sup>8</sup> The depreciation rates accepted in Docket No. ER08-224-000 were then incorporated into Table 25 of the currently effective Attachment O-PSCo Transmission Formula Rate Template when PSCo changed to a forward looking rate template in Docket No. ER12-1589 *et al.*, which was resolved by settlement approved by the Commission.<sup>9</sup> The settlement tariff sheets in Docket No. ER12-1589 also added certain regulatory asset amortizations, and a lengthy list of PSCo production and distribution depreciation rates, to Table 25.

## II. DESCRIPTION AND JUSTIFICATION OF PROPOSED TARIFF REVISIONS

### A. Background of Recent Depreciation Proceedings

PSCo periodically submits proposed depreciation rates, with supporting documentation such as depreciation studies, to the CoPUC for comprehensive review and approval. On April 1, 2016, PSCo filed a Verified Application (“CoPUC Application”) to, among other things; revise the depreciation rates for electric transmission, production, distribution and other plant. The filing initiated CoPUC Proceeding No. 16A-0231E. The CoPUC Application was filed in accordance with the terms of the settlement agreement associated with PSCo’s 2014 retail electric rate case, which was approved by the CoPUC in a Decision issued on March 31, 2015.<sup>10</sup> That settlement agreement provided that PSCo would file revised depreciation rates and its proposed plan to amortize and recover the regulatory assets associated with thirteen (13) recently or soon-to-be retired electric generating plants through a depreciation application, so the depreciation and amortization issues could be addressed prior to PSCo’s next general rate case.

The CoPUC Application proposed to establish revised electric depreciation rates based on an Electric and Common Utility Plant Depreciation Rate Study (“Depreciation Rate Study”) prepared for PSCo by Alliance Consulting Group for the CoPUC Application. The Depreciation

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<sup>8</sup> *Public Service Company of Colorado*, Unpublished Letter Order, Docket No. ER08-224-000 (January 4, 2008).

<sup>9</sup> *See Public Service Company of Colorado*, Delegated Letter Order, 145 FERC ¶ 61,266 (2013) (accepting partial settlement of all issues other than return on equity (“ROE”) and requiring a compliance filing). *See also Public Service Company of Colorado*, 149 FERC ¶ 61,077 (2014) (accepting settlement of ROE issue). PSCo has filed certain revisions to the Attachment O-PSCo Template since Docket No. ER12-1589, but those tariff revisions did not modify the depreciation rates in Table 25. *See Public Service Company of Colorado*, 155 FERC ¶ 61,028 (2016); and *Public Service Company of Colorado*, Delegated Letter Order (Aug. 16, 2016) (accepting tariff revisions to establish pro-ratio of accumulated deferred income taxes).

<sup>10</sup> Decision No. C15-0292, issued March 31, 2015, *In re the Matter of Advice Letter No. 1672-Electric of Public Service Company of Colorado to Revise the General Rate Schedule Adjustment (GRSA) Rider Applicable to All Electric Base Rate Schedules and Revise the Transmission Cost Adjustment (TCA) to Remove Costs that Have Been Shifted to Base Rates to Become Effective July 18, 2014*, Colorado PUC Proceeding No. 14AL-0660E and *In the Matter of the Application of Public Service Company of Colorado for Approval of its Arapahoe Decommissioning and Dismantling Plan*, Colorado PUC Proceeding No. 14AL-0680E, consolidated.

Rate Study evaluated Electric and Common utility plant depreciable assets using actual plant asset balances as of September 30, 2015, and projected plant and depreciation reserve balances as of January 1, 2018, to determine depreciation rates for the projected time period commencing January 1, 2018.

On November 10, 2016, PSCo filed a Unanimous Comprehensive Settlement Agreement (“16A-0231E Settlement Agreement”), which provided a full and complete resolution of all issues raised in CoPUC Proceeding No. 16A-0231E. An Administrative Law Judge recommended the CoPUC accept the 16A-0231E Settlement Agreement in a Decision mailed on December 13, 2016,<sup>11</sup> and the 16A-0231E Settlement Agreement became the decision of the CoPUC as a matter of law on January 2, 2017.<sup>12</sup> The CoPUC Application and 16A-0231E Settlement Agreement provided that the depreciation and amortization expense accruals resulting from the CPUC Application and 16A-0231E Settlement Agreement were required to be used in developing revised electric service base rates in PSCo’s next general rate case.

On October 3, 2017, PSCo filed a retail electric rate case in CoPUC Proceeding No. 17AL-0649E.<sup>13</sup> In that rate case, PSCo proposed to implement use of the depreciation rates established in the 16A-0231E Settlement Agreement effective with final rates. However, subsequent enactment of the Tax Cuts and Jobs Act (“TCJA”)<sup>14</sup> in late December 2018, during PSCo’s retail rate case, caused substantial effects on PSCo’s retail rate case test year cost of service and revenue requirement. The TCJA thus complicated continuation of the case, and the PSCo retail electric rate case in 17AL-0649E was dismissed on April 26, 2018.<sup>15</sup> PSCo filed a new retail rate case on May 20, 2019, in CoPUC Proceeding No. 19AL-0268E. In the new proceeding, which is currently pending before the CoPUC, PSCo again proposes to use the depreciation rates established in the 16A-0231E Settlement Agreement.

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<sup>11</sup> See Decision No. R16-1143, Recommended Decision of Administrative Law Judge Robert I. Garvey Granting Application as Modified by Settlement Agreement, CoPUC Proceeding No. 16A-0231E (Mailed December 13, 2016).

<sup>12</sup> See §40-6-114, Colorado Revised Statutes (“C.R.S.”); and 4 Code of Colorado Regulations (“C.C.R.”) 723-1-1505(a); “A recommended decision becomes the Commission’s decision unless, within 20 days or such additional time as the Commission may allow, any party files exceptions to the recommended decision or the Commission orders the recommended decision to be stayed.”

<sup>13</sup> In re the Matter of Advice No 1748-Electric filed by Public Service Company of Colorado to Revise its PUC No. 8- Electric Tariff to Implement a General Rate Schedule Adjustment and Other Rate Changes Effective on Thirty Days’ Notice, Colorado PUC Proceeding No. 17AL-0649E, filed October 3, 2017.

<sup>14</sup> An Act to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018, Pub. L. No. 115-97, 131 Stat. 2054 (2017) (“TCJA”).

<sup>15</sup> In the Matter of Advice Letter No. 1748 – Electric Filed by Public Service Company of Colorado to Increase Rates For Electric Base Rate Schedules by Implementing a General Rate Schedule Adjustment to Become Effective November 2, 2017, DECISION DENYING JOINT PROCEDURAL MOTION, PERMANENTLY SUSPENDING RATES, DISMISSING PROCEEDING, AND DENYING JOINT SPP MOTION AS MOOT (April 26, 2018).

PSCo has a longstanding practice of using the same depreciation rates for both retail electric services and wholesale services, which significantly simplifies the PSCo's depreciation accounting. Indeed, the partial settlement agreement in Docket No. ER12-1589 *et al.* approved by the Commission provided that "Currently the depreciation rates for PSCo's retail and FERC jurisdictions are the same. PSCo will actively pursue any filings necessary to keep such rates synchronized."<sup>16</sup>

Consistent with the settlement agreement in Docket No. ER12-1589, PSCo files from time to time to incorporate into the Attachment O-PSCo the depreciation rate changes approved by the CoPUC. Relevant here, PSCo filed proposed changes to Attachment O-PSCo with the Commission to incorporate the depreciation rate changes adopted by the CoPUC in the 16A-0231E Settlement Agreement. These changes were filed on December 20, 2017, in Docket No. ER18-482-000, and were intended to align the effectiveness of the 16A-0231E Settlement Agreement depreciation rate changes in the Attachment O-PSCo with the effectiveness of those changes in PSCo's retail rates pursuant to the case filed in CoPUC Proceeding No. 17AL-0649E. However, when the CoPUC Proceeding No. 17AL-0649E was dismissed, PSCo withdrew its filing in Docket No. ER18-482-000 on December 21, 2018. Since PSCo re-filed its retail electric rate case on May 20, 2019, in CoPUC Proceeding No. 19AL-0268E, PSCo is re-filing the depreciation rate changes affecting Attachment O-PSCo in the instant docket.

Since it originally proposed changes to the depreciation rates in Docket No. ER18-482-000, PSCo has made changes to certain depreciation rates and regulatory assets included in the Production Formula Rate Template. In particular, on June 17, 2019, in Docket No. ER19-2077-000, PSCo filed to update the Common Utility Plant depreciation rates.<sup>17</sup> The Commission accepted these changes on September 11, 2019.<sup>18</sup> The instant filing does not modify the changes accepted by the Commission in Docket No. ER19-2077-000.

## **B. Basis for Revisions to Depreciation Rates**

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

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<sup>16</sup> *Public Service Company of Colorado*, Offer of Partial Settlement, Docket No. ER12-1589-000 *et al.* (October 7, 2013), Section III.D.2.

<sup>17</sup> In the same filing, PSCo also proposed to account for the impact of the Tax Cuts and Jobs Act of 2017 by modifying the calculation of production rates to include excess and deficient ADIT.

<sup>18</sup> *Public Service Company of Colorado*, unpublished letter order, Docket No. ER19-2077-000 (Sept. 11, 2019).

PSCo is proposing to modify the depreciation rates used to calculate PSCo's depreciation expense, which is then used in the determination of PSCo's transmission rates. As noted, PSCo's depreciation rates for its Electric Utility Plant in the Template have not been revised since Docket No. ER08-224-000. In addition, the settlement agreements approved by the CoPUC required PSCo to update its depreciation rates.

As discussed below, the revised depreciation rates in this filing are based upon the Depreciation Rate Study, as modified by the Settlement Agreement approved by the CoPUC, so PSCo continues to use the same depreciation rates for both retail electric service and wholesale transmission service in order to simplify depreciation accounting. Indeed, PSCo previously has negotiated with its customers to retain the right to seek consistency between depreciation rates in wholesale transmission and retail rates; for example, PSCo's settlement agreement in Docket No. ER12-1589 et al., which established the current transmission formula rate, provides that "Currently the depreciation rates for PSCo's retail and FERC jurisdictions are the same. PSCo will actively pursue any filings necessary to keep such rates synchronized."<sup>19</sup>

As noted, the purpose of this filing is to bring PSCo's depreciation rates used in the transmission formula rate Template in line with the depreciation rates used for retail electric service and ensure that PSCo's depreciation rates are founded upon the most recent information.<sup>20</sup> As explained in the enclosed testimony of Mr. Mark P. Moeller, if the estimation of the useful period changes as the asset is used, the depreciation estimate should be realigned to those new estimates so that the asset's cost is fully recovered by the time it is retired.<sup>21</sup>

PSCo acknowledges that the Commission is not bound by the determination of a state authority regarding depreciation rates, and must conduct its own review. To that end, PSCo encloses the Depreciation Rate Study provided to the CoPUC and Settlement Agreement approved by the CoPUC to support the change in depreciation rates; the Commission has noted that, in reviewing depreciation rate changes, it may review the depreciation study used by the state authority and does not require an entirely new "wholesale" depreciation study.<sup>22</sup> The Depreciation Rate Study and Settlement Agreement are discussed below.

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

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<sup>19</sup> *Public Service Company of Colorado*, Offer of Partial Settlement, Docket No. ER12-1589-000 et al. (October 7, 2013), Section III.D.2.

<sup>20</sup> The Commission has noted that changes in depreciation accrual rates affect the timing of recovery of the costs and do not change the overall amount of recovery. *Ameren Illinois Co.*, 141 FERC ¶ 61,264 at P 32 (2012).

<sup>21</sup> Direct Testimony of Mark P. Moeller, Exhibit No. XES-200 at 11.

<sup>22</sup> *Westar Energy, Inc.*, 131 FERC ¶ 61,183 at P 20 (2010).

## **1. The Depreciation Rate Study**

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

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

The depreciation rates recommended by the Depreciation Rate Study were based on average remaining life calculations and net salvage rates, derived using the Commission's long-standing precedent for Broad (Average) Life Group straight-line depreciation.<sup>23</sup> The Depreciation Rate Study and reserve reallocation are described in more detail in the Direct Testimony of Mr. Moeller which is attached as Exhibit No. XES-200. The Depreciation Rate Study is attached as Exhibit No. XES – 205 to this filing.

## **2. The Depreciation Settlement Agreement**

The depreciation rates recommended in the Depreciation Rate Study (and reflecting the depreciation reserve reallocation) were further modified through the 16A-0231E Settlement Agreement. The 16A-0231E Settlement Agreement and the transmission-related portions of two exhibits to the 16A-0231E Settlement Agreement are attached as Exhibit Nos. XES – 202, XES – 203 and XES – 204 to this filing. Mr. Moeller provides a summary of the changes to depreciation rates between those determined in the Depreciation Rate Study and the 16A-0231E Settlement Agreement. The changes agreed to in the 16A-0231E Settlement Agreement serve to lower depreciation rates, both through increases in average service lives and decreases in net-salvage value (*e.g.*, lower negative net salvage percentages) compared to the rates recommended by the Depreciation Rate Study.

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<sup>23</sup> See *Depreciation Accounting*, Order No. 618, Reg. Preambles ¶ 31,104 (2000) (explaining the Commission's traditional policy preference for straight line depreciation).

Based on the revised depreciation rates determined in the 16A-0231E Settlement Agreement, the proposed depreciation rate changes compared to the current depreciation rates result in an annual depreciation and amortization expense changes as follows:

- An increase in depreciation and amortization expense for Transmission Plant of \$5.1 million on a company wide basis;
- A decrease in annual depreciation and amortization for Electric General Plant of \$6.9 million on a company wide basis, which includes Intangibles, such as software;

Rates by account for Transmission Plant and Electric and Electric General Plant, including intangible plant, such as software, are shown in Exhibit No. XES – 204, which provides pages 222 to 254 of Exhibit B to the 16A-0231E Settlement Agreement.

#### **C. Changes to Table 25 to the Transmission Formula Rate Template**

PSCo proposes to modify the transmission-related depreciation rates set forth in Table 25 (Work Paper H-1) “Depreciation and Amortization Rates” in Attachment O-PSCo to be equal to those rates established in the 16A-0231E Settlement Agreement approved by the CoPUC. The proposed changes will preserve the synchronization of the depreciation rates applicable to retail and wholesale customers, consistent with the settlement in Docket No. ER12-1589.

### **III. INFORMATION RELATING TO THE EFFECT OF THE RATE CHANGE**

#### **A. Impact of Proposed Changes**

The proposed changes will align the PSCo wholesale transmission depreciation rates and amortizations with the similar rates and amortizations to be used in PSCo retail electric rates in the State of Colorado effective on the same date the effective changes.

The overall change in annual transmission-related depreciation and amortization expense for the total PSCo system allocated to Transmission is an increase of \$4.2 million, calculated on an annualized basis using the estimated plant balances at January 1, 2018.<sup>24</sup> The wholesale transmission customers taking service under the Tariff are approximately 18 percent of the total transmission loads on the PSCo system, so the impact on wholesale customers is expected to be about \$0.8 million annualized. The \$0.8 million compares to total 2018 estimated PSCo ATRR

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The rate impact is calculated using Exhibit XES-204, Appendix B, which applies the approved and proposed depreciation rates to estimated 1/1/2018 Plant Balances, in order to determine the difference between rates. To this difference, estimated allocators, derived in the 2020 Projected Transmission Formula Rates, are applied to determine the net impact to PSCo Wholesale Transmission Customers. Please see Exhibit XES-300 Rate Impact of Depreciation Rate Changes.



of approximately \$254.4 million, of which approximately \$45.8 million is the recovered from wholesale transmission service customers. Thus, the annual rate impact to PSCo wholesale transmission customers is an ATRR increase of less than two (2) percent compared to the ATRR calculated using the currently effective depreciation rates.

## **B. Notification to Affected Tariff Customers**

As required by the Transmission Formula Rate Implementation Procedures (“Protocols”), on October 1, 2019, PSCo posted on OASIS and provided notice to its Tariff customers via e-mail the Annual Update for 2020, including the 2020 Estimated Rates, the transmission rate Template populated with 2020 estimated data, and additional supporting data and materials. The 2020 Estimated Rates were calculated assuming the proposed depreciation rates are made effective on January 1, 2020.

PSCo convened the Annual Update Customer Meeting on October 14, 2020, in Denver, Colorado. PSCo met with transmission customers to discuss the Annual Update and supporting materials and to provide an opportunity for Customers to seek information and clarification concerning the Annual Update. During the Annual Update Customer Meeting, PSCo informed the PSCo transmission customers that PSCo included the impact of the proposed depreciation rate changes in the 2020 Estimated Rates, subject to the instant filing to the Commission, with any revisions to the depreciation rate to be reflected in the 2020 true-up. The 2020 true-up will be calculated in June of 2021.

## **C. Requests for Waiver**

PSCo requests waiver of the requirements of 18 C.F.R. § 35.13 to the extent the rules would require the submission of cost of service statements in support of the enclosed revisions to the Tariff. Specifically, PSCo requests waiver of the following sections of the Commission’s regulations: Sections 35.13(d)(1)-(2) (Period I and II data for Statements AA through BM), Section 35.13(d)(5) (workpapers related to Period I and II data), and Section 35.13(h) (cost-of-service statements).<sup>25</sup> Good cause exists to grant these waivers. Detailed statements of PSCo’s cost of service are not needed because the currently effective Template already calculates the rates for transmission service on a formulaic basis and is trued-up each year to PSCo’s actual costs. Moreover, granting waiver would be consistent with waivers granted by the Commission in similar cases.<sup>26</sup>

PSCo also respectfully requests that the Commission waive any requirement, including any other requirement of 18 C.F.R. § 35.13, that may be necessary to allow the proposed tariff changes to be accepted as proposed without modification or condition.

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<sup>25</sup> See 18 C.F.R. §§ 35.13(d)(1)(2), (d)(5), and (h) (2017).

<sup>26</sup> See, e.g., *Westar Energy, Inc.*, 131 FERC ¶ 61,183 at P 21 (2010) (granting waiver of cost-of-service statements for proposed change in depreciation rates).

#### **IV. ADDITIONAL INFORMATION SUBMITTED IN SUPPORT OF FILING**

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

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

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

- Exhibit Nos. XES – 100: revised Table 25 to the Attachment O-PSCo Transmission Formula Rate Template in clean eTariff format;
- Exhibit Nos. XES – 101: revised Table 25 in marked format;
- Exhibit No. XES – 200: the Direct Testimony of Mr. Mark Moeller of XES;
- Exhibit No. XES – 201: Comparison of Current, Depreciation Rate Study, and Settlement Depreciation Rates and Parameters by Plant Account;
- Exhibit No. XES – 202: Unanimous Comprehensive Settlement Agreement, Colorado PUC Proceeding No. 16A-0231E, November 10, 2016;
- Exhibit No. XES – 203: Depreciation Rates Resulting from Settlement, Colorado PUC Proceeding No. 16A-0231E (Exhibit A to Settlement Agreement);
- Exhibit No. XES – 204: Documents Supporting the Depreciation Rates Resulting from Settlement Agreement, Colorado PUC Proceeding No. 16A-0231E (portions of Exhibit B to Settlement Agreement affecting transmission rates);
- Exhibit No. XES – 205: Public Service Company of Colorado – Electric and Common Utility Plant Depreciation Rate Study at January 1, 2018, conducted by Alliance Consulting Group, Colorado PUC Proceeding No. 16A-0231E Supplemental; and
- Exhibit No. XES – 206: Recommended Decision of the Administrative Law Judge, dated December 13, 2016 (recommending approval of Settlement Agreement).
- Exhibit No. XES – 300: Rate Impact of Depreciation Rate Changes

###### **2. Requested Effective Date – Section 35.13(b)(2)**

PSCo requests an effective date of January 1, 2020, for the e-Tariff records contained in this filing related to the depreciation rates, without suspension, subject to the following.

As described herein, PSCo's intention is for the Commission-approved depreciation rates to be consistent with the CoPUC-approved depreciation rates, and be effective on the same date

as the State-approved rates. The proposed depreciation rates were established in the Settlement Agreement in a comprehensive depreciation rate docket approved by the CoPUC in December 2016.<sup>27</sup> The revised depreciation rates are not yet incorporated into retail rates, however, and so the retail effective date is uncertain. The revised and CoPUC-approved depreciation rates will be incorporated into retail rates at the time PSCo's retail electric rate changes are made effective in a retail electric rate case proceeding filed on May 20, 2019, and pending CoPUC action.<sup>28</sup> The CoPUC is expected to issue its order during December 2019, with final rates effective shortly thereafter.

PSCo expects the effective date for the retail rates to be approximately January 1, 2020, as PSCo requested in the retail rate proceeding, which is also the beginning of the next Rate Year under the Attachment O-PSCo. In the event that the CoPUC grants a later effective date for the retail rates, PSCo will make a supplemental filing with the Commission that requests a change in the effective date of the enclosed e-Tariff records in order to more precisely align the depreciation changes under Attachment O-PSCo with the CoPUC's decision.<sup>29</sup> In that event, PSCo would correct the impact on transmission rates and return any corresponding over-collected amounts through the annual true-up process for the 2020 Rate Year..

**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 PSCo Tariff. A courtesy copy will be served on the Director, Division of Electric Power Regulation (West). In addition, a copy of this filing will be available at the offices of PSCo at 1800 Larimer Street, Denver, Colorado.

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

See Sections II and III above.

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

See Sections II and III above.

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<sup>27</sup> See *In re the Matter of the Application of Public Service Company of Colorado for Authorization to Revise the Depreciation and Amortization of Electric Utility Plant, Common Utility Plant and Retired Generating Units*, Colorado PUC Proceeding No. 16A-0231E, Recommended Decision of Administrative Law Judge Robert I. Garvey Granting Application as Modified by Settlement Agreement (December 13, 2016).

<sup>28</sup> *In re the Matter of Advice No 1797-Electric filed by Public Service Company of Colorado to Revise its PUC No. 8- Electric Tariff to Implement a General Rate Schedule Adjustment and Other Rate Changes Effective on Thirty Days' Notice*, Colorado PUC Proceeding No. 19AL-0268E filed May 20, 2019.

<sup>29</sup> See, e.g., *PJM Interconnection, L.L.C.*, letter order, Docket No. ER19-1152-001 (accepting supplemental filing to permit

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

See Section II above.

**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. Communications**

Correspondence and communications with respect to this filing should be sent to, and XES requests the Secretary include on the official service list, the following:<sup>30</sup>

Deborah Blair  
Director, Revenue Analysis  
Xcel Energy Services Inc.  
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<sup>30</sup> To the extent necessary, XES and PSCo respectfully request waiver of Rule 203(b)(3) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.203(b), to permit all of the persons listed to be placed on the official service list for this proceeding.

**V. CONCLUSION**

For the reasons stated above, the PSCo respectfully requests that the Commission accept the revised e-Tariff record to Table 25 (WP\_H-1) to be effective on January 1, 2020, without suspension, and grant any waivers necessary to allow the tariff sheets to be effective as proposed.

Please direct any questions regarding this filing to the undersigned.

Respectfully submitted,

/s/ Liam D. Noailles

Liam D. Noailles  
Manager, Federal Regulatory Affairs  
Xcel Energy Services Inc.  
1800 Larimer St, Suite 1200  
Denver, CO 80202  
Telephone: (303) 571-2794  
Email: Liam.D.Noailles@xcelenergy.com

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

## **CERTIFICATE OF SERVICE**

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

Dated at Minneapolis, Minnesota this 31st day of October, 2019.

/s/ Tracee J. Holte

Tracee J. Holte

Xcel Energy Services Inc.

Senior Transmission Business Analyst

414 Nicollet Mall, MP08

Minneapolis, MN 55401

(612) 330-6206

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Proposed Effective Date: 1/1/2020

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

**Table 25**  
**WP\_H-1**

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

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



Proposed Effective Date: 1/1/2020

Approved Effective Date:

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

Proposed Effective Date: 1/1/2020

Approved Effective Date:

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

Proposed Effective Date: 1/1/2020

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317	Asset Retirement Costs for Steam Production Plant	N/A <sup>6</sup>
<b>Hydraulic Production</b>		
330	Hydro Production Land Rights	N/A <sup>7</sup>
331	Structures and Improvements	
	Ames	1.49
	Cabin Creek	1.06
	Georgetown	1.70
	Palisade	1.28
	Salida	1.84
	Shoshone	1.68
	Tacoma	1.41
332	Reservoirs, Dams and Waterways	
	Ames	1.56
	Cabin Creek	1.09
	Georgetown	2.31
	Salida	1.59
	Shoshone	0.86
	Tacoma	1.38
333	Water Wheels, Turbines and Generators	
	Ames	0.94
	Cabin Creek	1.23
	Georgetown	1.03
	Ouray	0.99
	Palisade	1.12
	Salida	0.71
	Shoshone	1.78
	Tacoma	1.85
334	Accessory Electric Equipment	
	Ames	2.47
	Cabin Creek	1.43
	Georgetown	1.61
	Palisade	1.70
	Salida	2.04
	Shoshone	2.31
	Tacoma	1.80
334.2	Computers	1.32
335	Miscellaneous Power Plant Equipment	
	Ames	1.83
	Cabin Creek	1.71
	Georgetown	2.88
	Salida	3.69
	Shoshone	2.83
	Tacoma	1.93
335.2	Recreation Facility	
	Ames	2.36
	Cabin Creek	1.55
	Georgetown	2.27

Proposed Effective Date: 1/1/2020

Approved Effective Date:

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

Proposed Effective Date: 1/1/2020

Approved Effective Date:

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

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

Proposed Effective Date: 1/1/2020

Approved Effective Date:

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

**Electric General**

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

**Common Intangible**

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

**Common General**

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

Proposed Effective Date: 1/1/2020

Approved Effective Date:

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

Notes:

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

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



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

Table 25  
WP\_H-1

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

		Valmont-5	6.74
		Valmont-C	6.93
		Zuni-1	2.84
		Zuni-2	0.00
		Zuni-C	3.34
312		Boiler Plant Equipment	
		Arapahoe-3	4.36
		Arapahoe-3-AQIR	15.84
		Arapahoe-4	6.39
		Arapahoe-C	15.17
		Cameo-1	3.61
		Cameo-2	3.29
		Cameo-C	2.87
		Cherokee-1	28.37
		Cherokee-2	45.08
		Cherokee-2-AQIR	59.98
		Cherokee-3	8.37
		Cherokee-3-AQIR	11.41
		Cherokee-4	1.91
		Cherokee-4-AQIR	6.67
		Cherokee-C	3.06
		Cherokee-C-AQIR	6.67
		Comanche-1	2.17
		Comanche-2	2.01
		Comanche-3	2.01
		Comanche-C	1.82
		Craig-1	1.66
		Craig-2	1.65
		Craig-C	2.41
		Hayden-1	3.30
		Hayden-2	1.97
		Hayden-C	2.85
		Pawnee-1	1.78
		Pawnee-C	3.05
		Valmont-5	6.88
		Valmont-5-AQIR	8.95
		Valmont-C	8.72
		Zuni-1	2.98
		Zuni-2	2.71
		Zuni-C	3.43
312.2		Coal-Cars	3.17
314		Turbogenerator Units	
		Arapahoe-3	2.58
		Arapahoe-4	7.66
		Arapahoe-C	22.57
		Cameo-1	2.17
		Cameo-2	2.18
		Cameo-C	4.49

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

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

317	Asset Retirement Costs for Steam Production Plant	N/A <sup>6</sup>
<b>Hydraulic Production</b>		
330	Hydro Production Land Rights	N/A <sup>7</sup>
331	Structures and Improvements	
	Ames	1.49
	Cabin Creek	1.06
	Georgetown	1.70
	Palisade	1.28
	Salida	1.84
	Shoshone	1.68
	Tacoma	1.41
332	Reservoirs, Dams and Waterways	
	Ames	1.56
	Cabin Creek	1.09
	Georgetown	2.31
	Salida	1.59
	Shoshone	0.86
	Tacoma	1.38
333	Water Wheels, Turbines and Generators	
	Ames	0.94
	Cabin Creek	1.23
	Georgetown	1.03
	Ouray	0.99
	Palisade	1.12
	Salida	0.71
	Shoshone	1.78
	Tacoma	1.85
334	Accessory Electric Equipment	
	Ames	2.47
	Cabin Creek	1.43
	Georgetown	1.61
	Palisade	1.70
	Salida	2.04
	Shoshone	2.31
	Tacoma	1.80
334.2	Computers	1.32
335	Miscellaneous Power Plant Equipment	
	Ames	1.83
	Cabin Creek	1.71
	Georgetown	2.88
	Salida	3.69
	Shoshone	2.83
	Tacoma	1.93
335.2	Recreation Facility	
	Ames	2.36
	Cabin Creek	1.55
	Georgetown	2.27

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

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

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



353	Station Equipment	1.78
354	Towers & Fixtures	1.18
355	Poles & Fixtures	1.64
356	OH Conductors & Devices	1.79
357	UG Conduit	1.94
358	UG Conductors & Devices	1.88
359	Roads & Trails	0.97
373	Street Lighting & Signal Systems	2.95
<b>Electric General</b>		
389	General Land Rights	N/A <sup>2</sup>
390	Structures and Improvements	4.88
390.1	General Buildings	2.98
390.2	Partitions	7.69
391	Office, Furniture and Equipment	4.75
391.1	Leased Partitions	5.00
391.2	Computers	20.00
392	Transportation Equipment	9.00
393	Stores Equipment	3.17
394	Tools Shop Equipment	3.80
395	Laboratory Equipment	9.50
396	Power Operated Equipment	9.00
397	Communications Equipment	6.67
398	Miscellaneous Equipment	5.00
<b>Common Intangible</b>		
302	Franchises and Consents	N/A <sup>+</sup>
303	Electric Intangible Software 3-Yr	33.3333
303	Electric Intangible Software 7-Yr	14.2857
303	Electric Intangible Software 10-Yr	10.0000
303	Electric Intangible Software 15-Yr	6.6667
<b>Common General</b>		
389	General Land Rights	1.6667
390	Structures and Improvements	2.4191
390	1800 Larimer Leasehold Improvements	N/A <sup>+</sup>
390	Leasehold Improvements	N/A <sup>+</sup>
391	Office, Furniture and Equipment	4.9019
391.05	Computers 3-Year	32.6080
391.04	Computers	16.3559
392.1	Transportation Equipment — Automobile	7.4233
392.2	Transportation Equipment — Light Trucks	7.3603
392.3	Transportation Equipment — Trailers	3.1677
392.4	Transportation Equipment — Heavy Trucks	6.1716
393	Stores Equipment	3.1640
394	Tools Shop Equipment	3.9186
395	Laboratory Equipment	9.9572

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

Notes:

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

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

<u>Unit or Account Number</u>	<u>Account Number and / or Description</u>	<u>Total Depreciation Rate</u>	<u>Notes</u>
<u>ELECTRIC INTANGIBLE PLANT</u>			
<u>301.00</u>	<u>Organization Costs</u>		
<u>302.00</u>	<u>Franchises and Consents</u>		<u>(1)</u>
<u>303.00</u>	<u>Miscellaneous Intangible Plant</u>		<u>(1)</u>
<u>303.40</u>	<u>Misc Computer Software - 3 Year</u>	<u>33.3333%</u>	
<u>303.40</u>	<u>Misc Computer Software - 7 Year</u>	<u>14.2857%</u>	
<u>303.40</u>	<u>Misc Computer Software - 10 Year</u>	<u>10.0000%</u>	
<u>303.40</u>	<u>Misc Computer Software - 15 Year</u>	<u>6.6667%</u>	
<u>STEAM PRODUCTION PLANT</u>			
<u>Cameo Common</u>	<u>310.2 Land Rights</u>	<u>0.0000%</u>	
<u>Cherokee Unit 2 SC</u>	<u>314 Turbogenerator Units</u>	<u>6.2882%</u>	
<u>Cherokee Unit 2 SC</u>	<u>315 Accessory Electric Equipment</u>	<u>4.2023%</u>	
<u>Cherokee Unit 4</u>	<u>311 Structures and Improvements</u>	<u>5.5181%</u>	
<u>Cherokee Unit 4</u>	<u>312 Boiler Plant Equipment</u>	<u>5.7528%</u>	
<u>Cherokee Unit 4</u>	<u>312 Boiler Plant Equipment AQIR</u>	<u>6.6667%</u>	
<u>Cherokee Unit 4</u>	<u>314 Turbogenerator Units</u>	<u>5.3196%</u>	
<u>Cherokee Unit 4</u>	<u>315 Accessory Electric Equipment</u>	<u>5.1262%</u>	
<u>Cherokee Unit 4</u>	<u>315.2 Computers and Peripherals</u>	<u>6.1515%</u>	
<u>Cherokee Unit 4</u>	<u>316 Miscellaneous Power Plant Equipment</u>	<u>8.1835%</u>	
<u>Cherokee Common</u>	<u>310.2 Land Rights</u>	<u>4.5863%</u>	
<u>Cherokee Common</u>	<u>310.3 Water Rights</u>	<u>5.6505%</u>	
<u>Cherokee Common</u>	<u>311 Structures and Improvements</u>	<u>6.4425%</u>	
<u>Cherokee Common</u>	<u>312 Boiler Plant Equipment</u>	<u>6.5748%</u>	

<u>Cherokee Common</u>	<u>312 Boiler Plant Equipment AQIR</u>	<u>6.6667%</u>
<u>Cherokee Common</u>	<u>314 Turbogenerator Units</u>	<u>5.2816%</u>
<u>Cherokee Common</u>	<u>315 Accessory Electric Equipment</u>	<u>5.1872%</u>
<u>Cherokee Common</u>	<u>315.2 Computers and Peripherals</u>	<u>5.5587%</u>
<u>Cherokee Common</u>	<u>316 Miscellaneous Power Plant Equipment</u>	<u>7.3020%</u>
<u>Coal Cars</u>	<u>312 Boiler Plant Equipment</u>	<u>4.7285%</u>
<u>Comanche Unit 1</u>	<u>311 Structures and Improvements</u>	<u>2.9734%</u>
<u>Comanche Unit 1</u>	<u>312 Boiler Plant Equipment</u>	<u>3.8982%</u>
<u>Comanche Unit 1</u>	<u>314 Turbogenerator Units</u>	<u>3.4614%</u>
<u>Comanche Unit 1</u>	<u>315 Accessory Electric Equipment</u>	<u>3.0711%</u>
<u>Comanche Unit 1</u>	<u>315.2 Computers and Peripherals</u>	<u>3.4460%</u>
<u>Comanche Unit 1</u>	<u>316 Miscellaneous Power Plant Equipment</u>	<u>2.7369%</u>
<u>Comanche Unit 2</u>	<u>311 Structures and Improvements</u>	<u>2.5843%</u>
<u>Comanche Unit 2</u>	<u>312 Boiler Plant Equipment</u>	<u>3.5390%</u>
<u>Comanche Unit 2</u>	<u>314 Turbogenerator Units</u>	<u>3.0138%</u>
<u>Comanche Unit 2</u>	<u>315 Accessory Electric Equipment</u>	<u>2.8577%</u>
<u>Comanche Unit 2</u>	<u>315.2 Computers and Peripherals</u>	<u>3.3694%</u>
<u>Comanche Unit 2</u>	<u>316 Miscellaneous Power Plant Equipment</u>	<u>2.5649%</u>
<u>Comanche Unit 3</u>	<u>310.2 Land Rights</u>	<u>1.7044%</u>
<u>Comanche Unit 3</u>	<u>311 Structures and Improvements</u>	<u>1.8055%</u>
<u>Comanche Unit 3</u>	<u>312 Boiler Plant Equipment</u>	<u>1.9153%</u>
<u>Comanche Unit 3</u>	<u>314 Turbogenerator Units</u>	<u>1.9262%</u>
<u>Comanche Unit 3</u>	<u>315 Accessory Electric Equipment</u>	<u>1.7829%</u>
<u>Comanche Unit 3</u>	<u>315.2 Computers and Peripherals</u>	<u>1.8926%</u>
<u>Comanche Unit 3</u>	<u>316 Miscellaneous Power Plant Equipment</u>	<u>2.0464%</u>
<u>Comanche Common</u>	<u>311 Structures and Improvements</u>	<u>2.0267%</u>
<u>Comanche Common</u>	<u>312 Boiler Plant Equipment</u>	<u>2.2313%</u>
<u>Comanche Common</u>	<u>314 Turbogenerator Units</u>	<u>2.2249%</u>
<u>Comanche Common</u>	<u>315 Accessory Electric Equipment</u>	<u>1.9478%</u>
<u>Comanche Common</u>	<u>315.2 Computers and Peripherals</u>	<u>2.1863%</u>
<u>Comanche Common</u>	<u>316 Miscellaneous Power Plant Equipment</u>	<u>2.2513%</u>
<u>Craig Unit 1</u>	<u>311 Structures and Improvements</u>	<u>5.1716%</u>
<u>Craig Unit 1</u>	<u>312 Boiler Plant Equipment</u>	<u>4.9996%</u>
<u>Craig Unit 1</u>	<u>314 Turbogenerator Units</u>	<u>10.9781%</u>
<u>Craig Unit 1</u>	<u>315 Accessory Electric Equipment</u>	<u>5.9522%</u>
<u>Craig Unit 1</u>	<u>315.2 Computers and Peripherals</u>	<u>5.5241%</u>
<u>Craig Unit 1</u>	<u>316 Miscellaneous Power Plant Equipment</u>	<u>4.7394%</u>
<u>Craig Unit 2</u>	<u>311 Structures and Improvements</u>	<u>2.3957%</u>
<u>Craig Unit 2</u>	<u>312 Boiler Plant Equipment</u>	<u>2.5146%</u>
<u>Craig Unit 2</u>	<u>314 Turbogenerator Units</u>	<u>3.0040%</u>
<u>Craig Unit 2</u>	<u>315 Accessory Electric Equipment</u>	<u>2.4474%</u>

<u>Craig Unit 2</u>	<u>315.2 Computers and Peripherals</u>	<u>2.5855%</u>
<u>Craig Unit 2</u>	<u>316 Miscellaneous Power Plant Equipment</u>	<u>2.4521%</u>
<u>Craig Common</u>	<u>311 Structures and Improvements</u>	<u>2.7072%</u>
<u>Craig Common</u>	<u>312 Boiler Plant Equipment</u>	<u>3.6004%</u>
<u>Craig Common</u>	<u>314 Turbogenerator Units</u>	<u>3.1493%</u>
<u>Craig Common</u>	<u>315 Accessory Electric Equipment</u>	<u>2.6916%</u>
<u>Craig Common</u>	<u>315.2 Computers and Peripherals</u>	<u>2.9146%</u>
<u>Craig Common</u>	<u>316 Miscellaneous Power Plant Equipment</u>	<u>3.4009%</u>
<u>Hayden Unit 1</u>	<u>311 Structures and Improvements</u>	<u>2.8250%</u>
<u>Hayden Unit 1</u>	<u>312 Boiler Plant Equipment</u>	<u>4.8475%</u>
<u>Hayden Unit 1</u>	<u>314 Turbogenerator Units</u>	<u>3.5009%</u>
<u>Hayden Unit 1</u>	<u>315 Accessory Electric Equipment</u>	<u>3.0672%</u>
<u>Hayden Unit 1</u>	<u>315.2 Computers and Peripherals</u>	<u>6.3914%</u>
<u>Hayden Unit 1</u>	<u>316 Miscellaneous Power Plant Equipment</u>	<u>2.8391%</u>
<u>Hayden Unit 2</u>	<u>311 Structures and Improvements</u>	<u>3.8168%</u>
<u>Hayden Unit 2</u>	<u>312 Boiler Plant Equipment</u>	<u>3.0083%</u>
<u>Hayden Unit 2</u>	<u>314 Turbogenerator Units</u>	<u>2.8087%</u>
<u>Hayden Unit 2</u>	<u>315 Accessory Electric Equipment</u>	<u>2.6379%</u>
<u>Hayden Unit 2</u>	<u>315.2 Computers and Peripherals</u>	<u>4.9993%</u>
<u>Hayden Unit 2</u>	<u>316 Miscellaneous Power Plant Equipment</u>	<u>2.5002%</u>
<u>Hayden Common</u>	<u>311 Structures and Improvements</u>	<u>4.9803%</u>
<u>Hayden Common</u>	<u>312 Boiler Plant Equipment</u>	<u>4.5606%</u>
<u>Hayden Common</u>	<u>314 Turbogenerator Units</u>	<u>5.3967%</u>
<u>Hayden Common</u>	<u>315 Accessory Electric Equipment</u>	<u>4.5693%</u>
<u>Hayden Common</u>	<u>315.2 Computers and Peripherals</u>	<u>4.7336%</u>
<u>Hayden Common</u>	<u>316 Miscellaneous Power Plant Equipment</u>	<u>6.1166%</u>
<u>Pawnee Unit 1</u>	<u>311 Structures and Improvements</u>	<u>2.2050%</u>
<u>Pawnee Unit 1</u>	<u>312 Boiler Plant Equipment</u>	<u>3.0371%</u>
<u>Pawnee Unit 1</u>	<u>314 Turbogenerator Units</u>	<u>2.4585%</u>
<u>Pawnee Unit 1</u>	<u>315 Accessory Electric Equipment</u>	<u>2.2074%</u>
<u>Pawnee Unit 1</u>	<u>315.2 Computers and Peripherals</u>	<u>3.2420%</u>
<u>Pawnee Unit 1</u>	<u>316 Miscellaneous Power Plant Equipment</u>	<u>2.3297%</u>
<u>Pawnee Common</u>	<u>311 Structures and Improvements</u>	<u>6.7754%</u>
<u>Pawnee Common</u>	<u>312 Boiler Plant Equipment</u>	<u>6.9614%</u>
<u>Pawnee Common</u>	<u>314 Turbogenerator Units</u>	<u>6.5777%</u>
<u>Pawnee Common</u>	<u>315 Accessory Electric Equipment</u>	<u>5.9674%</u>
<u>Pawnee Common</u>	<u>315.2 Computers and Peripherals</u>	<u>6.8823%</u>
<u>Pawnee Common</u>	<u>316 Miscellaneous Power Plant Equipment</u>	<u>6.6584%</u>
<u>Zuni Common</u>	<u>310.3 Water Rights</u>	<u>0.0000%</u>

HYDRAULIC PRODUCTION PLANT

<u>Ames</u>	<u>331 Structures and Improvements</u>	<u>2.3793%</u>
<u>Ames</u>	<u>332 Reservoirs, Dams and Waterways</u>	<u>3.0421%</u>
<u>Ames</u>	<u>333 Waterwheels, Turbines and Generators</u>	<u>2.3055%</u>
<u>Ames</u>	<u>334 Accessory Electric Equipment</u>	<u>2.9670%</u>
<u>Ames</u>	<u>334.2 Computers and Peripherals</u>	<u>3.0074%</u>
<u>Ames</u>	<u>335 Misc. Power Plant Equipment</u>	<u>2.6837%</u>
<u>Ames</u>	<u>335.2 Recreational Facilities</u>	<u>2.8217%</u>
<u>Ames</u>	<u>336 Roads, Railroads and Bridges</u>	<u>2.7612%</u>
<u>Cabin Creek</u>	<u>331 Structures and Improvements</u>	<u>2.7279%</u>
<u>Cabin Creek</u>	<u>332 Reservoirs, Dams and Waterways</u>	<u>2.5022%</u>
<u>Cabin Creek</u>	<u>333 Waterwheels, Turbines and Generators</u>	<u>2.8618%</u>
<u>Cabin Creek</u>	<u>334 Accessory Electric Equipment</u>	<u>2.9371%</u>
<u>Cabin Creek</u>	<u>334.2 Computers and Peripherals</u>	<u>2.8036%</u>
<u>Cabin Creek</u>	<u>335 Misc. Power Plant Equipment</u>	<u>2.6804%</u>
<u>Cabin Creek</u>	<u>335.2 Recreational Facilities</u>	<u>2.9179%</u>
<u>Cabin Creek</u>	<u>336 Roads, Railroads and Bridges</u>	<u>2.4036%</u>
<u>Georgetown</u>	<u>331 Structures and Improvements</u>	<u>4.9606%</u>
<u>Georgetown</u>	<u>332 Reservoirs, Dams and Waterways</u>	<u>5.1769%</u>
<u>Georgetown</u>	<u>333 Waterwheels, Turbines and Generators</u>	<u>4.2262%</u>
<u>Georgetown</u>	<u>334 Accessory Electric Equipment</u>	<u>5.1803%</u>
<u>Georgetown</u>	<u>334.2 Computers and Peripherals</u>	<u>5.1616%</u>
<u>Georgetown</u>	<u>335 Misc. Power Plant Equipment</u>	<u>4.5983%</u>
<u>Georgetown</u>	<u>335.2 Recreational Facilities</u>	<u>5.1524%</u>
<u>Georgetown</u>	<u>336 Roads, Railroads and Bridges</u>	<u>5.1616%</u>
<u>Salida</u>	<u>331 Structures and Improvements</u>	<u>15.5793%</u>
<u>Salida</u>	<u>332 Reservoirs, Dams and Waterways</u>	<u>17.9323%</u>
<u>Salida</u>	<u>333 Waterwheels, Turbines and Generators</u>	<u>14.7550%</u>
<u>Salida</u>	<u>334 Accessory Electric Equipment</u>	<u>15.5893%</u>
<u>Salida</u>	<u>334.2 Computers and Peripherals</u>	<u>17.5215%</u>
<u>Salida</u>	<u>335 Misc. Power Plant Equipment</u>	<u>14.0135%</u>
<u>Salida</u>	<u>335.2 Recreational Facilities</u>	<u>16.8030%</u>
<u>Salida</u>	<u>336 Roads, Railroads and Bridges</u>	<u>15.0956%</u>
<u>Shoshone</u>	<u>331 Structures and Improvements</u>	<u>2.2603%</u>
<u>Shoshone</u>	<u>332 Reservoirs, Dams and Waterways</u>	<u>2.0428%</u>
<u>Shoshone</u>	<u>333 Waterwheels, Turbines and Generators</u>	<u>2.1271%</u>
<u>Shoshone</u>	<u>334 Accessory Electric Equipment</u>	<u>2.3660%</u>
<u>Shoshone</u>	<u>334.2 Computers and Peripherals</u>	<u>2.1285%</u>
<u>Shoshone</u>	<u>335 Misc. Power Plant Equipment</u>	<u>2.1746%</u>
<u>Shoshone</u>	<u>335.2 Recreational Facilities</u>	<u>2.1285%</u>
<u>Shoshone</u>	<u>336 Roads, Railroads and Bridges</u>	<u>1.6213%</u>
<u>Tacoma</u>	<u>331 Structures and Improvements</u>	<u>3.0252%</u>

<u>Tacoma</u>	<u>332 Reservoirs, Dams and Waterways</u>	<u>3.8517%</u>
<u>Tacoma</u>	<u>333 Waterwheels, Turbines and Generators</u>	<u>3.4758%</u>
<u>Tacoma</u>	<u>334 Accessory Electric Equipment</u>	<u>3.7017%</u>
<u>Tacoma</u>	<u>334.2 Computers and Peripherals</u>	<u>3.7233%</u>
<u>Tacoma</u>	<u>335 Misc. Power Plant Equipment</u>	<u>3.1796%</u>
<u>Tacoma</u>	<u>335.2 Recreational Facilities</u>	<u>3.1806%</u>
<u>Tacoma</u>	<u>336 Roads, Railroads and Bridges</u>	<u>2.8330%</u>

OTHER PRODUCTION PLANT

<u>Alamosa</u>	<u>341 Structures and Improvements</u>	<u>3.8389%</u>
<u>Alamosa</u>	<u>342 Fuel Holders, Producers, and Accessories</u>	<u>1.5181%</u>
<u>Alamosa</u>	<u>343 Prime Movers</u>	<u>2.6280%</u>
<u>Alamosa</u>	<u>344 Generators</u>	<u>1.8092%</u>
<u>Alamosa</u>	<u>345 Accessory Electric Equipment</u>	<u>7.2037%</u>
<u>Alamosa</u>	<u>345.2 Computers and Peripherals</u>	<u>2.6280%</u>
<u>Alamosa</u>	<u>346 Miscellaneous Power Plant Equipment</u>	<u>7.4631%</u>

<u>Blue Spruce</u>	<u>341 Structures and Improvements</u>	<u>2.6031%</u>
<u>Blue Spruce</u>	<u>342 Fuel Holders, Producers, and Accessories</u>	<u>2.6031%</u>
<u>Blue Spruce</u>	<u>343 Prime Movers</u>	<u>2.6031%</u>
<u>Blue Spruce</u>	<u>344 Generators</u>	<u>2.6025%</u>
<u>Blue Spruce</u>	<u>345 Accessory Electric Equipment</u>	<u>2.8604%</u>
<u>Blue Spruce</u>	<u>345.2 Computers and Peripherals</u>	<u>2.6031%</u>
<u>Blue Spruce</u>	<u>346 Miscellaneous Power Plant Equipment</u>	<u>2.6031%</u>

<u>Cherokee 5-7</u>	<u>341 Structures and Improvements</u>	<u>2.5358%</u>
<u>Cherokee 5-7</u>	<u>342 Fuel Holders, Producers, and Accessories</u>	<u>2.7523%</u>
<u>Cherokee 5-7</u>	<u>343 Prime Movers</u>	<u>2.7453%</u>
<u>Cherokee 5-7</u>	<u>344 Generators</u>	<u>2.6307%</u>
<u>Cherokee 5-7</u>	<u>345 Accessory Electric Equipment</u>	<u>2.6200%</u>
<u>Cherokee 5-7</u>	<u>345.2 Computers and Peripherals</u>	<u>2.6312%</u>
<u>Cherokee 5-7</u>	<u>346 Miscellaneous Power Plant Equipment</u>	<u>2.5614%</u>

<u>Cheyenne Ridge Wind</u>	<u>340 Land Rights</u>	<u>4.0000%</u>
<u>Cheyenne Ridge Wind</u>	<u>341 Structures and Improvements</u>	<u>4.3400%</u>
<u>Cheyenne Ridge Wind</u>	<u>342 Fuel Holders, Producers, and Accessories</u>	<u>4.3400%</u>
<u>Cheyenne Ridge Wind</u>	<u>343 Prime Movers</u>	<u>4.3400%</u>
<u>Cheyenne Ridge Wind</u>	<u>344 Generators</u>	<u>4.3400%</u>
<u>Cheyenne Ridge Wind</u>	<u>345 Accessory Electric Equipment</u>	<u>4.3400%</u>
<u>Cheyenne Ridge Wind</u>	<u>345.2 Computers and Peripherals</u>	<u>4.3400%</u>
<u>Cheyenne Ridge Wind</u>	<u>346 Miscellaneous Power Plant Equipment</u>	<u>4.3400%</u>

<u>Fruita</u>	<u>340 Land Rights</u>	<u>1.1052%</u>
<u>Fruita</u>	<u>341 Structures and Improvements</u>	<u>1.5613%</u>
<u>Fruita</u>	<u>342 Fuel Holders, Producers, and Accessories</u>	<u>3.0408%</u>

<u>Fruita</u>	<u>343 Prime Movers</u>	<u>2.3778%</u>
<u>Fruita</u>	<u>344 Generators</u>	<u>1.8005%</u>
<u>Fruita</u>	<u>345 Accessory Electric Equipment</u>	<u>4.2196%</u>
<u>Fruita</u>	<u>345.2 Computers and Peripherals</u>	<u>2.3778%</u>
<u>Fruita</u>	<u>346 Miscellaneous Power Plant Equipment</u>	<u>7.7488%</u>
<u>Ft Saint Vrain Unit 1</u>	<u>341 Structures and Improvements</u>	<u>1.6188%</u>
<u>Ft Saint Vrain Unit 1</u>	<u>342 Fuel Holders, Producers, and Accessories</u>	<u>2.1538%</u>
<u>Ft Saint Vrain Unit 1</u>	<u>343 Prime Movers</u>	<u>3.3481%</u>
<u>Ft Saint Vrain Unit 1</u>	<u>344 Generators</u>	<u>2.2035%</u>
<u>Ft Saint Vrain Unit 1</u>	<u>345 Accessory Electric Equipment</u>	<u>2.0974%</u>
<u>Ft Saint Vrain Unit 1</u>	<u>345.2 Computers and Peripherals</u>	<u>1.8621%</u>
<u>Ft Saint Vrain Unit 1</u>	<u>346 Miscellaneous Power Plant Equipment</u>	<u>1.6657%</u>
<u>Ft Saint Vrain Unit 2</u>	<u>341 Structures and Improvements</u>	<u>3.7307%</u>
<u>Ft Saint Vrain Unit 2</u>	<u>342 Fuel Holders, Producers, and Accessories</u>	<u>2.8630%</u>
<u>Ft Saint Vrain Unit 2</u>	<u>343 Prime Movers</u>	<u>3.7520%</u>
<u>Ft Saint Vrain Unit 2</u>	<u>344 Generators</u>	<u>2.5164%</u>
<u>Ft Saint Vrain Unit 2</u>	<u>345 Accessory Electric Equipment</u>	<u>3.5782%</u>
<u>Ft Saint Vrain Unit 2</u>	<u>345.2 Computers and Peripherals</u>	<u>2.5607%</u>
<u>Ft Saint Vrain Unit 2</u>	<u>346 Miscellaneous Power Plant Equipment</u>	<u>3.3646%</u>
<u>Ft Saint Vrain Unit 3</u>	<u>341 Structures and Improvements</u>	<u>3.4230%</u>
<u>Ft Saint Vrain Unit 3</u>	<u>342 Fuel Holders, Producers, and Accessories</u>	<u>3.7272%</u>
<u>Ft Saint Vrain Unit 3</u>	<u>343 Prime Movers</u>	<u>3.9156%</u>
<u>Ft Saint Vrain Unit 3</u>	<u>344 Generators</u>	<u>3.2332%</u>
<u>Ft Saint Vrain Unit 3</u>	<u>345 Accessory Electric Equipment</u>	<u>3.7374%</u>
<u>Ft Saint Vrain Unit 3</u>	<u>345.2 Computers and Peripherals</u>	<u>3.4230%</u>
<u>Ft Saint Vrain Unit 3</u>	<u>346 Miscellaneous Power Plant Equipment</u>	<u>3.7636%</u>
<u>Ft Saint Vrain Unit 4</u>	<u>341 Structures and Improvements</u>	<u>1.6102%</u>
<u>Ft Saint Vrain Unit 4</u>	<u>342 Fuel Holders, Producers, and Accessories</u>	<u>2.5550%</u>
<u>Ft Saint Vrain Unit 4</u>	<u>343 Prime Movers</u>	<u>3.8916%</u>
<u>Ft Saint Vrain Unit 4</u>	<u>344 Generators</u>	<u>2.5798%</u>
<u>Ft Saint Vrain Unit 4</u>	<u>345 Accessory Electric Equipment</u>	<u>2.5161%</u>
<u>Ft Saint Vrain Unit 4</u>	<u>345.2 Computers and Peripherals</u>	<u>2.5511%</u>
<u>Ft Saint Vrain Unit 4</u>	<u>346 Miscellaneous Power Plant Equipment</u>	<u>2.4709%</u>
<u>Ft Saint Vrain Unit 5</u>	<u>341 Structures and Improvements</u>	<u>2.4774%</u>
<u>Ft Saint Vrain Unit 5</u>	<u>342 Fuel Holders, Producers, and Accessories</u>	<u>2.6238%</u>
<u>Ft Saint Vrain Unit 5</u>	<u>343 Prime Movers</u>	<u>3.1567%</u>
<u>Ft Saint Vrain Unit 5</u>	<u>344 Generators</u>	<u>2.5431%</u>
<u>Ft Saint Vrain Unit 5</u>	<u>345 Accessory Electric Equipment</u>	<u>2.5365%</u>
<u>Ft Saint Vrain Unit 5</u>	<u>345.2 Computers and Peripherals</u>	<u>2.5468%</u>
<u>Ft Saint Vrain Unit 5</u>	<u>346 Miscellaneous Power Plant Equipment</u>	<u>2.5401%</u>
<u>Ft Saint Vrain Unit 6</u>	<u>341 Structures and Improvements</u>	<u>2.4782%</u>
<u>Ft Saint Vrain Unit 6</u>	<u>342 Fuel Holders, Producers, and Accessories</u>	<u>2.6246%</u>

<u>Ft Saint Vrain Unit 6</u>	<u>343 Prime Movers</u>	<u>3.1578%</u>
<u>Ft Saint Vrain Unit 6</u>	<u>344 Generators</u>	<u>2.5440%</u>
<u>Ft Saint Vrain Unit 6</u>	<u>345 Accessory Electric Equipment</u>	<u>2.5376%</u>
<u>Ft Saint Vrain Unit 6</u>	<u>345.2 Computers and Peripherals</u>	<u>2.5483%</u>
<u>Ft Saint Vrain Unit 6</u>	<u>346 Miscellaneous Power Plant Equipment</u>	<u>2.4960%</u>
<u>Ft Saint Vrain Common</u>	<u>341 Structures and Improvements</u>	<u>2.0845%</u>
<u>Ft Saint Vrain Common</u>	<u>342 Fuel Holders, Producers, and Accessories</u>	<u>2.3240%</u>
<u>Ft Saint Vrain Common</u>	<u>343 Prime Movers</u>	<u>3.1735%</u>
<u>Ft Saint Vrain Common</u>	<u>344 Generators</u>	<u>2.3105%</u>
<u>Ft Saint Vrain Common</u>	<u>345 Accessory Electric Equipment</u>	<u>2.3240%</u>
<u>Ft Saint Vrain Common</u>	<u>345.2 Computers and Peripherals</u>	<u>3.2462%</u>
<u>Ft Saint Vrain Common</u>	<u>346 Miscellaneous Power Plant Equipment</u>	<u>3.0945%</u>
<u>Ft. Lupton CT</u>	<u>341 Structures and Improvements</u>	<u>2.3627%</u>
<u>Ft. Lupton CT</u>	<u>342 Fuel Holders, Producers, and Accessories</u>	<u>2.8058%</u>
<u>Ft. Lupton CT</u>	<u>343 Prime Movers</u>	<u>3.2085%</u>
<u>Ft. Lupton CT</u>	<u>344 Generators</u>	<u>3.0846%</u>
<u>Ft. Lupton CT</u>	<u>345 Accessory Electric Equipment</u>	<u>6.1215%</u>
<u>Ft. Lupton CT</u>	<u>345.2 Computers and Peripherals</u>	<u>3.2085%</u>
<u>Ft. Lupton CT</u>	<u>346 Miscellaneous Power Plant Equipment</u>	<u>1.4803%</u>
<u>Rocky Mountain</u>	<u>341 Structures and Improvements</u>	<u>2.7060%</u>
<u>Rocky Mountain</u>	<u>342 Fuel Holders, Producers, and Accessories</u>	<u>3.1391%</u>
<u>Rocky Mountain</u>	<u>343 Prime Movers</u>	<u>3.1315%</u>
<u>Rocky Mountain</u>	<u>344 Generators</u>	<u>2.6522%</u>
<u>Rocky Mountain</u>	<u>345 Accessory Electric Equipment</u>	<u>2.7567%</u>
<u>Rocky Mountain</u>	<u>345.2 Computers and Peripherals</u>	<u>2.6587%</u>
<u>Rocky Mountain</u>	<u>346 Miscellaneous Power Plant Equipment</u>	<u>2.6526%</u>
<u>Rush Creek Wind</u>	<u>340 Land Rights</u>	<u>4.0000%</u>
<u>Rush Creek Wind</u>	<u>341 Structures and Improvements</u>	<u>4.3400%</u>
<u>Rush Creek Wind</u>	<u>342 Fuel Holders, Producers, and Accessories</u>	<u>4.3400%</u>
<u>Rush Creek Wind</u>	<u>343 Prime Movers</u>	<u>4.3400%</u>
<u>Rush Creek Wind</u>	<u>344 Generators</u>	<u>4.3400%</u>
<u>Rush Creek Wind</u>	<u>345 Accessory Electric Equipment</u>	<u>4.3400%</u>
<u>Rush Creek Wind</u>	<u>345.2 Computers and Peripherals</u>	<u>4.3400%</u>
<u>Rush Creek Wind</u>	<u>346 Miscellaneous Power Plant Equipment</u>	<u>4.3400%</u>
<u>Valmont</u>	<u>341 Structures and Improvements</u>	<u>1.4055%</u>
<u>Valmont</u>	<u>342 Fuel Holders, Producers, and Accessories</u>	<u>1.7488%</u>
<u>Valmont</u>	<u>343 Prime Movers</u>	<u>2.3349%</u>
<u>Valmont</u>	<u>344 Generators</u>	<u>2.2941%</u>
<u>Valmont</u>	<u>345 Accessory Electric Equipment</u>	<u>3.1096%</u>
<u>Valmont</u>	<u>345.2 Computers and Peripherals</u>	<u>2.3349%</u>
<u>Valmont</u>	<u>346 Miscellaneous Power Plant Equipment</u>	<u>3.0965%</u>
<u>Wind to Hydrogen</u>	<u>344 Generators</u>	<u>5.2320%</u>



TRANSMISSION PLANT

<u>350.2</u>	<u>Land Rights</u>	<u>0.9980%</u>
<u>352</u>	<u>Structures and Improvements</u>	<u>1.1916%</u>
<u>353</u>	<u>Station Equipment</u>	<u>1.9792%</u>
<u>354</u>	<u>Towers and Fixtures</u>	<u>1.4750%</u>
<u>355</u>	<u>Poles and Fixtures</u>	<u>2.2547%</u>
<u>356</u>	<u>Overhead Conductors and Devices</u>	<u>1.7817%</u>
<u>357</u>	<u>Underground Conduit</u>	<u>1.6627%</u>
<u>358</u>	<u>Underground Conductors and Devices</u>	<u>1.9945%</u>
<u>359</u>	<u>Roads and Trails</u>	<u>1.0825%</u>

DISTRIBUTION PLANT

<u>360.2</u>	<u>Land Rights</u>	<u>0.9898%</u>
<u>361</u>	<u>Structures and Improvements</u>	<u>1.5834%</u>
<u>362</u>	<u>Station Equipment</u>	<u>1.8919%</u>
<u>364</u>	<u>Poles, Towers and Fixtures</u>	<u>2.7020%</u>
<u>365</u>	<u>Overhead Conductors and Devices</u>	<u>2.7400%</u>
<u>366</u>	<u>Underground Conduit</u>	<u>1.7497%</u>
<u>367</u>	<u>Underground Conductors and Devices</u>	<u>2.1815%</u>
<u>368</u>	<u>Line Transformers</u>	<u>2.2600%</u>
<u>369</u>	<u>Services</u>	<u>2.1540%</u>
<u>369.1</u>	<u>Services-Overhead</u>	<u>2.4347%</u>
<u>369.2</u>	<u>Services-Underground</u>	<u>2.4311%</u>
<u>370</u>	<u>Meters</u>	<u>3.8122%</u>
<u>370.2</u>	<u>Automated Meter Reading Equipment</u>	<u>7.5908%</u>
<u>371</u>	<u>Installation on Customer Premises</u>	<u>4.4155%</u>
<u>373</u>	<u>Street Lighting and Signal Systems</u>	<u>2.9492%</u>

ELECTRIC GENERAL PLANT

<u>389.2</u>	<u>Land Rights</u>	<u>1.6667%</u>
<u>390</u>	<u>Structures and Improvements</u>	<u>2.2521%</u>
<u>391</u>	<u>Office Furniture and Equipment</u>	<u>4.5583%</u>
<u>391.2</u>	<u>Computer Hardware</u>	<u>16.2260%</u>
<u>392.1</u>	<u>Transportation Equipment-Autos</u>	<u>7.1923%</u>
<u>392.2</u>	<u>Transportation Equipment-Light Trucks</u>	<u>7.0136%</u>
<u>392.3</u>	<u>Transportation Equipment-Trailers</u>	<u>3.1247%</u>
<u>392.4</u>	<u>Transportation Equipment-Heavy Trucks</u>	<u>5.8937%</u>
<u>393</u>	<u>Stores Equipment</u>	<u>3.1640%</u>
<u>394</u>	<u>Tools, Shop and Garage Equipment</u>	<u>3.8445%</u>
<u>395</u>	<u>Laboratory Equipment</u>	<u>10.0000%</u>
<u>396</u>	<u>Power Operated Equipment</u>	<u>5.6340%</u>

<u>397</u>	<u>Communication Equipment</u>	<u>6.3007%</u>	
<u>398</u>	<u>Miscellaneous Equipment</u>	<u>4.5977%</u>	
<u>COMMON INTANGIBLE PLANT (4)</u>			
<u>301</u>	<u>Organization Costs</u>		
<u>302</u>	<u>Franchises and Consents</u>		<u>( 1 )</u>
<u>303</u>	<u>Misc Computer Software-3 Year</u>	<u>33.3333%</u>	
<u>303.04</u>	<u>Misc Computer Software-7 Year</u>	<u>14.2857%</u>	
<u>303.04</u>	<u>Misc Computer Software-10 Year</u>	<u>10.0000%</u>	
<u>303.04</u>	<u>Misc Computer Software-15 Year</u>	<u>6.6667%</u>	
<u>COMMON GENERAL PLANT (4)</u>			
<u>389.2</u>	<u>Land Rights</u>	<u>1.6667%</u>	
<u>390</u>	<u>Structures and Improvements</u>	<u>2.4191%</u>	
<u>390.07</u>	<u>Structures and Improvements - Leasehold Improvements</u>		<u>( 2 )</u>
<u>390.85</u>	<u>Structures and Improvements - 1800 Larimer</u>		<u>( 3 )</u>
<u>391</u>	<u>Office Furniture and Equipment</u>	<u>4.9019%</u>	
<u>391.04</u>	<u>Computer Hardware</u>	<u>16.3559%</u>	
<u>391.05</u>	<u>Computer Hardware - 3 Year Life</u>	<u>32.6080%</u>	
<u>392.1</u>	<u>Transportation Equipment - Automobiles</u>	<u>7.4233%</u>	
<u>392.2</u>	<u>Transportation Equipment - Light Trucks</u>	<u>7.3603%</u>	
<u>392.3</u>	<u>Transportation Equipment - Trailers</u>	<u>3.1677%</u>	
<u>392.4</u>	<u>Transportation Equipment - Heavy Trucks</u>	<u>6.1716%</u>	
<u>393</u>	<u>Stores Equipment</u>	<u>3.1640%</u>	
<u>394</u>	<u>Tools and Shop Equipment</u>	<u>3.9186%</u>	
<u>395</u>	<u>Laboratory Equipment</u>	<u>9.9572%</u>	
<u>396</u>	<u>Power Operated Equipment</u>	<u>5.8982%</u>	
<u>397</u>	<u>Communication Equipment</u>	<u>5.4453%</u>	
<u>398</u>	<u>Miscellaneous Equipment</u>	<u>4.6394%</u>	
<u>Notes:</u>			
<u>( 1 )</u>	<u>Amortized over the terms of the franchise agreements or license.</u>		
<u>( 2 )</u>	<u>Amortized over the lease term.</u>		
<u>( 3 )</u>	<u>Amortized to the end of the lease term 6/2025.</u>		
<u>( 4 )</u>	<u>The revised Common Utility Plant depreciation rates accepted in Docket ER19-2077 will be reflected effective January 1, 2018 (with the 2018 True-up).</u>		

Exhibit No. XES - 200 - Direct Testimony of Mark P. Moeller

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

**Public Service Company of Colorado**

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**Docket No. ER20-\_\_\_\_-000**

**DIRECT TESTIMONY  
OF  
MARK P. MOELLER**

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

**OCTOBER 31, 2019**

**DIRECT TESTIMONY OF MARK P. MOELLER**

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

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

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

**Public Service Company of Colorado**

)  
)

**Docket No. ER20-\_\_\_\_-000**

**Summary of the Direct Testimony of Mark P. Moeller**

Mr. Moeller’s Direct Testimony on behalf of Public Service Company of Colorado (“PSCo”) supports the changes PSCo is making to the transmission and general plant depreciation rates to be used in PSCo’s Transmission Formula Rate Template, Attachment O-PSCo (“Transmission Formula Rate” or “Template”) to the Xcel Energy Operating Companies Open Access Transmission Tariff (“Tariff”). Mr. Moeller explains that the proposed changes to the transmission and general plant depreciation rates are supported by a Unanimous Comprehensive Settlement Agreement (“Settlement Agreement”) approved by the Colorado Public Utilities Commission (“Colorado PUC” or “CoPUC”) in CoPUC Proceeding No. 16A-0231E. Mr. Moeller explains that Alliance Consulting Group (“Alliance”) prepared a “Public Service Company of Colorado – Electric and Common Utility Plant Depreciation Rate Study at January 1, 2018” (“Depreciation Rate Study”) filed in Proceeding No. 16A-0231E. The Settlement Agreement resulted in transmission and general depreciation rates which reduce the Company’s transmission depreciation expense compared to the expense that would occur under the depreciation rates supported by the Depreciation Rate Study. The Settlement Agreement was approved by the CoPUC as just and reasonable and in the public interest. A copy of the Depreciation Rate Study, the Settlement Agreement, settled depreciation rates and other supporting documents are provided as exhibits to Mr. Moeller’s testimony.

The Settlement Agreement provided that PSCo would implement the new depreciation rates in retail rates established in PSCo's next general rate case. PSCo filed a retail natural gas rate case in June 2017 (CoPUC Proceeding No. 17AL-0363G) that included the new Common Utility Plant depreciation rates. In June 2018 the revised retail Common Utility Plant depreciation rates were made effective January 1, 2018 for retail ratemaking. PSCo thus began recording Common Utility Plant depreciation expense for its electric utility operation using the revised Common Utility Plant rates approved in CoPUC Proceeding No. 17AL-0363G effective January 1, 2018. These Common Utility Plant depreciation rates were also approved by the Commission effective January 1, 2018 in Proceeding No. ER19-2077.

PSCo filed a retail electric rate case in May 2019, and the revised retail depreciation transmission and general rates are expected to be effective for retail ratemaking in January 1, 2020.

Mr. Moeller explains that PSCo has, for many years, used the same depreciation rates and practices for both retail electric service and for wholesale transmission services under the Tariff. Ms. Wold recommends that the Federal Energy Regulatory Commission ("FERC" or "Commission") approve the Company's revised transmission and general plant depreciation rates included in the Settlement Agreement for regulatory and financial accounting purposes effective the same date the depreciation rates are effective for regulatory and financial accounting purposes in Colorado. Mr. Moeller also recommends the Commission accept the proposed revisions to Table 25 to Attachment O-PSCo to reflect the Settlement Agreement depreciation rates effective the same date. Mr. Moeller testifies that the revised transmission and general plant depreciation rate changes will result in an overall increase in PSCo system depreciation expense of approximately \$4.2 million annually, and an increase in depreciation expense charged



to wholesale transmission service customers under the PSCo OATT of approximately \$0.8 million annually. Mr. Moeller also discusses the other proposed revisions to Table 25 to remove references to depreciation rates which do not affect the calculation of transmission rates.

**DIRECT TESTIMONY OF  
MARK P. MOELLER**

**I. INTRODUCTION AND EXPERIENCE**

**Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

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

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

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

**Q. PLEASE DESCRIBE XCEL ENERGY.**

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

**Q. ON WHOSE BEHALF ARE YOU TESTIFYING?**

A. I am testifying on behalf of PSCo.

**Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND PROFESSIONAL EXPERIENCE.**

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

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

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

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

A. Yes. I have previously submitted testimony to the Commission in Proceeding No. ER19-2077, ER19-2084 and ER19-2272. I am also submitting testimony in a PSCo production-related depreciation and regulatory asset filing that will be submitted to the Commission concurrently with this filing.

49    **Q.    WAS THIS TESTIMONY PREPARED BY YOU OR UNDER YOUR DIRECT**  
50           **SUPERVISION?**

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

52

## II. PURPOSE OF TESTIMONY

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

A. The purpose of my testimony is to support PSCo's changes to the depreciation rates listed in Table 25 to the Transmission Formula Rate template ("Transmission Formula Rate" or "Template") included in Attachment O-PSCo to the Xcel Energy Operating Companies Open Access Transmission Tariff ("OATT" or "Tariff"). The revised depreciation rates will apply to the depreciation expense calculation used in the Transmission Formula Rate effective when those same changes are reflected in PSCo retail electric rates in Colorado, expected to be January 1, 2020. PSCo uses the Template to calculate an Annual Transmission Revenue Requirement ("ATRR") applicable to the PSCo transmission system to determine PSCo's wholesale transmission service rates under the Tariff. I am providing the accounting support and justification for the Company's adoption of the proposed depreciation rates for Transmission Plant and Electric General Plant, including Intangible Plant, such as software.<sup>1</sup> As the Company's accounting witness, I am attesting to the reasonableness of the Company's proposals in this proceeding and their consistency with sound depreciation practices. My testimony will cover the following:

- I introduce and summarize the "Public Service Company of Colorado – Electric and Common Utility Plant Depreciation Rate Study at January 1, 2018" ("Depreciation Rate Study") which supports and justifies the proposed depreciation rates.

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

- 72 • I introduce and discuss the Unanimous Comprehensive Settlement Agreement  
73 (“Settlement Agreement”) approved by the Colorado Public Utilities Commission  
74 (“Colorado PUC” or “CoPUC”) as just and reasonable and in the public interest in  
75 CoPUC Proceeding No. 16A-0231E, and provide a description of any Settlement  
76 Agreement changes in proposed depreciation rates from those supported by the  
77 Depreciation Rate Study. The depreciation rates established in the Settlement  
78 Agreement will result in lower depreciation expense for transmission and general  
79 plant accounts than recommended in the Depreciation Rate Study.
- 80 • I sponsor and summarize the proposed depreciation rates for Transmission and  
81 General Plant accounts being proposed by the Company for approval in this case  
82 and for inclusion in Table 25 to the Attachment O-PSCo Template.
- 83 • I provide the estimated impact of PSCo’s proposed depreciation rate changes on  
84 PSCo system transmission related depreciation expense and the impact to PSCo’s  
85 wholesale transmission customers.
- 86 • I briefly summarize the other proposed revisions to Table 25 to the Template to  
87 remove references to depreciation rates which do not affect the calculation of  
88 transmission rates.

89 **Q. WHAT COMMISSION DOCKET ACCEPTED THE CURRENTLY EFFECTIVE**  
90 **PSCO TRANSMISSION AND GENERAL PLANT DEPRECIATION RATES?**

91 A. PSCo has for many years used the same depreciation rates and practices to calculate rates  
92 applicable to both retail electric service in Colorado and wholesale transmission services  
93 under the provisions of the Tariff applicable to PSCo. The depreciation rates currently  
94 used in PSCo’s transmission formula rate were initially filed with the Commission in

Docket No. ER08-284-000, and accepted effective January 1, 2007, to reflect depreciation changes approved by the CoPUC effective the same date.<sup>2</sup> The PSCo filing in Docket No. ER08-224-000 incorporated the depreciation rates in the PSCo historic test year formula rate template then used by PSCo to establish transmission rates under the Tariff. As I understand, those same depreciation rates were then incorporated into the currently effective Template when PSCo changed to a forward looking transmission formula rate with a true-up in Docket No. ER12-1589.<sup>3</sup> The Commission approved PSCo Docket No. ER19-2077 which incorporated Common Utility Plant depreciation rates effective January 1, 2018 into the Tariff.

**Q. PLEASE PROVIDE A BRIEF BACKGROUND ON THE COLORADO PUC PROCEEDINGS RELATED TO THE PROPOSED DEPRECIATION RATES.**

A. As noted, PSCo's depreciation rates had last been updated effective January 1, 2007. In 2014, the Colorado PUC ordered PSCo to update depreciation rates for all electric and common utility assets in its Order in CoPUC Proceeding No. 14AL-0660E. An initial depreciation rate study was performed for Production, Transmission, Distribution, and General Plant, which includes Electric and Common intangible assets. The Depreciation Rate Study was filed with the CoPUC on April 1, 2016 in CoPUC Proceeding 16AL-0231E. In CoPUC Proceeding 16AL-0231E, PSCo identified changes to the approved 2007 depreciation rates, and requested approval from the Colorado PUC for new depreciation rates supported by the depreciation rate study. PSCo then filed a supplemental Depreciation Rate Study in that same proceeding to reflect the early

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<sup>2</sup> See *Public Service Company of Colorado*, Unpublished Letter Order (May 27, 2008).

<sup>3</sup> *Public Service Company of Colorado*, Delegated Letter Order, 145 FERC 61,266 (2013).

retirement of the Craig Unit 1 generation plant, announced in September 2016. The retirement of Craig Unit 1 does not affect Transmission Plant, Electric General Plant, and Common General Plant. Exhibit No. XES – 205 provides a copy of the Depreciation Rate Study, and I describe the Depreciation Rate Study in more detail later in my testimony.

**Q. WHO PERFORMED THE DEPRECIATION RATE STUDY?**

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

**Q. PLEASE DESCRIBE THE ADMINISTRATIVE REVIEW PROCESS CONDUCTED BY THE COLORADO PUC.**

A. The CoPUC set the PSCo filing in Proceeding 16AL-0231E for an administrative hearing process. PSCo and several intervenor parties, including the CoPUC staff, filed testimony. The parties reached the Settlement Agreement before the evidentiary hearing was held.

**Q. PLEASE DESCRIBE THE SETTLEMENT AGREEMENT SUBMITTED TO THE COLORADO PUC BY PSCO.**

A. Through settlement negotiations, some depreciation rates recommended in the Depreciation Rate Study were modified, and the Unanimous Comprehensive Settlement Agreement (“Settlement Agreement”), dated November 10, 2016, was submitted to the CoPUC for approval. Exhibit No. XES – 202 to my testimony is a copy of the Settlement Agreement. CoPUC Decision No. R16-1143, the Recommended Decision of the CoPUC Administrative Law Judge, dated December 13, 2016, recommended approval of the



Settlement Agreement as just and reasonable and in the public interest. Exhibit No. XES – 206 provides a copy of the Recommended Decision. The Recommended Decision became a decision of the CoPUC twenty (20) days later, on January 2, 2017.

The Settlement Agreement provides that the CoPUC-approved depreciation rates established in Proceeding No. 16A-0231E would be effective for retail ratemaking purposes on the date new base rates become effective in the next PSCo Colorado retail rate case. PSCo filed a retail natural gas rate case in June 2017 (CoPUC Proceeding No. 17AL-0363G) that included the new Common Utility Plant depreciation rates. In June 2018 the revised retail Common Utility Plant depreciation rates were made effective January 1, 2018 for retail ratemaking. PSCo thus began recording Common Utility Plant depreciation expense for its electric utility operation using the revised Common Utility Plant rates approved in CoPUC Proceeding No. 17AL-0363G effective January 1, 2018. These Common Utility Plant depreciation rates were also approved by the Commission effective January 1, 2018 in Proceeding No. ER19-2077. PSCo filed a retail electric rate case on May 20, 2019 in CoPUC Proceeding No. 19AL-0268E, and new retail electric base rates are expected to go into effect around January 1, 2020. The exact effective date is uncertain, however.

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

A. The Colorado PUC reviewed and approved PSCo's proposed depreciation rates under a public interest as well as a just and reasonable standard per Section 40-3-101, C.R.S.<sup>4</sup>

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<sup>4</sup> Section 13-25-127(1), C.R.S., and Rule 4 *Code of Colorado Regulations* 723-1-1500 of the  
(Footnote continued)

Although, as I understand it, the Commission must conduct its own, independent review of the depreciation rates, the depreciation rates in the Settlement Agreement should also meet the “just and reasonable” standard used by the Commission under the Federal Power Act.

**Q. WHY IS PSCO FILING THE PROPOSED DEPRECIATION RATE CHANGES IN TABLE 25?**

A. As noted, PSCo has for many years used the same depreciation rates and practices for both retail electric service and for wholesale transmission services. Using the same depreciation rates for both wholesale and retail services significantly simplifies the Company’s depreciation accounting. Indeed, the settlement agreement in Docket No. ER12-1589 provided that “Currently the depreciation rates for PSCo’s retail and FERC jurisdictions are the same. PSCo will actively pursue any filings necessary to keep such rates synchronized.” Since PSCo’s retail depreciation rates will be changing on approximately January 1, 2020, PSCo is now filing the depreciation rates approved by the CoPUC with the Commission to be effective coincident with the expected effective date of the Company’s new Colorado retail electric rates. As I understand it, if the CoPUC’s ruling in the rate case results in a retail effective date other than January 1, 2020, PSCo would make a filing or otherwise provide notice to the Commission to make the wholesale depreciation rate changes effective on the same date as the retail changes are effective.

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Commission’s Rules of Practice and Procedure, establish the burden of proof for a party which asks the Commission to adopt its advocated position. Decision No. C06-0786 issued July 3, 2006 in Proceeding No. 05A-072E, at ¶ 40 & n.23.

Exhibit No. XES – 101 provides a copy of the marked tariff pages showing the changes from the current Table 25. The revised transmission-related depreciation rates to be included in Table 25 are also summarized on Exhibit No. XES – 201, which shows the current depreciation rates, the depreciation rates supported by the Depreciation Rate Study, and the depreciation rates agreed to in the Settlement Agreement, which PSCo proposes to include in Table 25.

**Q. WHY IS PSCO FILING THE PROPOSED DEPRECIATION RATE CHANGES NOW IF THE REVISED RATES WILL NOT BE USED IN DETERMINING TRANSMISSION SERVICE RATES UNTIL APPROXIMATELY JANUARY 2020?**

A. The PSCo Transmission Formula Rate is a forward looking formula rate with a true-up. In order to provide for consistency between retail and wholesale rates, PSCo calculated the 2020 estimated transmission rates (“Estimated Rates”) to include the proposed transmission and general plant depreciation rate changes effective January 1, 2020, subject to Commission approval of the proposed changes to Table 25. PSCo calculated the Estimated Rates in this manner because the Transmission Formula Rate Implementation Procedures (“Protocols”) for Attachment O-PSCo contemplate that the “Annual Update shall compute the Estimated Rates based upon PSCo’s most recent budget for the upcoming Rate Year and supplemental data from PSCo’s books and records concerning the upcoming Rate Year....” (*See* Protocols at b.) The most recent PSCo budget in effect at the time PSCo calculated the 2020 Estimated Rates assumed that the revised depreciation rates would be placed in effect on January 1, 2020. The 2020 Estimated Rates provided to PSCo’s transmission service customers by email on October

1, 2019, were thus also calculated assuming that the proposed depreciation rates are effective on January 1, 2020.

Although the 2020 Estimated Rates are subject to true-up, PSCo will begin charging transmission customers the Estimated Rates on January 1, 2020. Since PSCo is using the updated depreciation rates for a portion of the 2020 Rate Year when calculating the 2020 Estimated Rates, filing the revised depreciation rates now provides transparency to both the Commission and affected transmission service customers.

Under the Attachment O-PSCo Protocols, PSCo will true-up the 2020 Estimated Rates to 2020 Actual Rates in 2021. PSCo will populate the formula rate template with actual cost data and calculate actual charges (“Actual Rates”) by June 1, 2021. The 2020 Actual Rates will reflect the effective date of the depreciation rate changes ultimately approved by the Commission. PSCo will true-up the 2020 Estimated Rates to Actual Rates in 2021 and refund or surcharge customers. Any refund or surcharge will include interest. In this way, transmission customers will not be harmed if the effective date changes from the January 1, 2020 date used in deriving the Estimated Rates.

If the Commission requires it, PSCo could make a compliance filing not more than sixty (60) days following the Colorado PUC approval of the 2019 PSCo retail electric rate case to identify the final effective date of the depreciation rates stated in Table 25 to the Template, so the depreciation rates used in the Transmission Formula Rate coincide with the effective date of new electric retail electric base rates. The 2020 Actual Rates will then reflect the Commission-approved effective date of the revised depreciation rates.

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

227 A. Yes. I am sponsoring the following exhibits. I would note that given the size of certain  
228 of the documents, I am providing the portions that relate to depreciation rates that affect  
229 the Attachment O-PSCo Template.

230

231

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

### **III. DEPRECIATION RATE MODIFICATIONS**

232 **Q. WHY SHOULD DEPRECIATION RATES BE UPDATED PERIODICALLY?**

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

240

**Q. WHAT ARE THE DEPRECIATION RATES PSCO IS PROPOSING?**

A. The Depreciation Rate Study, as modified by Settlement Agreement, supports changes to the depreciation rates for PSCo's transmission and supporting assets. Attached to my testimony as Exhibit No. XES – 201 is a comparison of the depreciation rates in 1) the Tariff (current), 2) Depreciation Rate Study and 3) Settlement Agreement by plant account. PSCo is proposing use the Settlement Agreement depreciation rates in Table 25 and so to calculate transmission rates. Exhibit No. XES – 203 is Exhibit A of the Settlement Agreement, and also shows the difference between the current and proposed depreciation rates.

**Q. HOW ARE THE DEPRECIATION RATES CALCULATED?**

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

<b>Page #'s</b>	<b>Appendix</b>	<b>Title</b>
222-223	A-4	Depreciation Rate Calculation Trans, Dist, Gen and Common Depreciable Plant
224-225	A-5	Depreciation Rate Calculation Electric Amortized
228-237	B	Depreciation Expense Comparison
238-240	C	Depreciation Parameter Comparison
252-254	F-2	Summary of Reserve Reallocation Non Production Plant

Please note that the Settlement Agreement updates all depreciation rates affecting PSCo's retail electric rates, and only a portion of those changes affect wholesale transmission service rates. For simplicity, I am including only the portions of Exhibit B

affecting depreciation rates affecting the calculation of transmission service rates under Attachment O-PSCO. The depreciation rates by account for Transmission Plant and Electric General Plant, including intangible plant are shown on pages 229 through 236 in Exhibit No. XES – 204.

**A. Overview of Alliance Depreciation Rate Study**

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

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

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

A. The Depreciation Rate Study evaluates Electric and Common utility plant depreciable assets using actual plant asset balances as of September 30, 2015 and projected plant and depreciation reserve balances as of January 1, 2018 to determine depreciation rates for the projected time period commencing January 1, 2018. The following process occurred:



1) historic data through September 30, 2015 and judgment are used to estimate life and net salvage parameters; 2) PSCo provided Alliance a walk-forward of projected plant and depreciation reserve activity from October 1, 2015 to January 1, 2018; 3) additions are projected as the transaction year the asset went into service; 4) retirements are based on a last-in, first out approach where the oldest vintages were retired; and 5) the projected vintage balances and reserves at January 1, 2018 are used to compute the proposed depreciation accrual. The Depreciation Rate Study proposed an overall 13.3% increase in depreciation expense over the current depreciation expense for all PSCo electric plant, based on plant balances as of January 1, 2018.

The Depreciation Rate Study uses the straight-line, broad (average) life group, remaining life depreciation system with changes directed by PSCo concerning certain plant related regulatory assets. This methodology is described in detail in Section II.B, starting on page 9 of the Depreciation Rate Study. This is the same methodology used by PSCo in 2007 and accepted by the Commission for the existing depreciation rates established in Docket Nos. ER08-284-000 and ER12-1589. In addition, Alliance performed a reallocation of the accumulated reserve for depreciation within each functional class.

For Transmission, Distribution, General and Common accounts, the lives of the accounts and net salvage parameters are reviewed. The Depreciation Rate Study recommends changes in depreciation for Transmission, Distribution, General and Common accounts for each function based on estimated account balances as of January 1, 2018.

For Transmission, Distribution, General and Common accounts (excluding

Intangibles), the Depreciation Rate Study reflects 32 accounts that have increasing lives and six accounts that have decreasing lives, while 19 had no change. There is a trend toward slightly higher negative net salvage (where the projected cost of removal exceeds projected salvage value) with 36 accounts increasing their negative net salvage (i.e., more negative or simply a decrease in net salvage) and with two accounts increasing their positive net salvage.

The Depreciation Rate Study follows the long-standing precedent for determining the average remaining life depreciation rate based on the Average Life Group (“ALG”) and straight-line depreciation. This methodology charges all customers for their appropriate share of the capital expended for their benefit. The depreciation rates are based on average remaining life calculations and net salvage rates. The Depreciation Rate Study was the initial support for this filing’s changes to the current depreciation rates, whereby these initial depreciation rate changes were modified through settlement negotiations.

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

A. There are five general classes, or functional groups, of depreciable property that are analyzed in the study: (1) Production Plant, (2) Transmission Plant, (3) Distribution Plant, (4) General Plant, and (5) Common General Plant property. The general plant accounts include intangible assets such as software. I limit my discussion in this testimony to Electric Transmission Plant and Electric General Plant property, as these functional groups impact PSCo’s transmission formula rates. The Common Utility plant depreciation rates were addressed in Docket No. ER19-2077. The Transmission Plant functional group primarily consists of lines and associated facilities used to move power

from power plants and outside areas into the distribution system. Transmission plant includes some transmission serving generation assets, the costs of which affect the charges under PSCo's wholesale production formula rate. Electric General Plant is not location specific, but is plant used to support Public Service's overall operations, such as office buildings, tools, and vehicles along with intangible assets such as software.

The Depreciation Rate Study includes all the transmission assets in FERC Account 350, Land and Land Rights, through Account 359, Roads and Trails, excluding FERC Account 351, Energy Storage Equipment - Transmission. The electric general plant accounts include 389.20 through 398 and the intangible plant accounts include 301 through 303.04.

**B. Transmission Plant Depreciation Changes**

**Q. PLEASE DESCRIBE THE ASSETS INCLUDED IN TRANSMISSION PLANT.**

A. The Transmission Plant accounts are comprised of FERC Accounts 350.20 through FERC Account 359.00. Transmission Plant Accounts are evaluated at the account level for depreciation rate determination.

**Q. PLEASE DESCRIBE THE RESULTS OF THE DEPRECIATION RATE STUDY FOR TRANSMISSION PLANT.**

A. The Depreciation Rate Study recommended an increase in depreciation expense of \$7.3 million, from \$36.9 million to \$44.2 million, on a PSCo system basis for Transmission plant accounts based on estimated account balances as of January 1, 2018. Depreciation rates and supporting calculations by account for Transmission are shown in the Depreciation Rate Study, Exhibit No. XES – 205, on page 321 of 399.

**Q. WHAT IS THE CAUSE OF THE INCREASE?**

A. The increase in annual depreciation expense is primarily due to changes in net salvage in the various accounts. The existing net salvage percentages were established 10 years ago and do not conform to current net salvage costs. The increase in depreciation expense is the result of negative net salvage for six of the nine Transmission Plant accounts.

**Q. PLEASE EXPLAIN WHY NET SALVAGE PERCENTAGES ARE BECOMING MORE NEGATIVE.**

A. The cost of removal of transmission assets has increased over time. The reasons for this are detailed further in the Depreciation Rate Study, Exhibit No. XES – 205, pages 64 - 69. Net salvage is trending toward higher negative net salvage due to the increased cost of labor, safety, and environmental issues related to retiring utility assets and the longer lives experienced for many assets.

**Q. PLEASE PROVIDE SOME EXAMPLES OF HOW THE NET SALVAGE PERCENTAGES ARE PROPOSED TO CHANGE.**

A. The changes to net salvage percentages for Transmission Plant accounts are reflected in the table below.

**Table LJW – 1**  
Current and Proposed Net Salvage Percentages in Depreciation Rate Study  
Transmission Plant

		<b>Current Approved</b>	<b>Depreciation Rate Study</b>	<b>Difference</b>
		Net	Net	Net
		Salvage	Salvage	Salvage
<u>Account</u>	<u>Description</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>
350.20	Land Rights	0%	0%	0%
352.00	Structures and Improvements	-5%	-13%	-8%
353.00	Station Equipment	-5%	-15%	-10%
354.00	Towers and Fixtures	0%	-40%	-40%
355.00	Poles and Fixtures	5%	-40%	-45%

356.00	OH Conductors and Devices	0%	-25%	-25%
357.00	UG Conduit	0%	0%	0%
358.00	UG Conductors and Devices	0%	-5%	-5%
359.00	Roads and Trails	0%	0%	0%

**Q. WHAT CHANGES DID PSCO PROPOSE TO AVERAGE SERVICE LIVES?**

A. For Transmission Plant accounts, there are six (6) accounts with increasing lives and one account with a decreasing life; two accounts have no change. All changes to average service lives for Transmission Plant accounts are reflected in the table below.

**Table LJW – 2**

Current and Proposed Average Service Lives in Depreciation Rate Study  
Transmission Plant

Account		Current Approved	Depreciation Rate Study	Difference
<u>Number</u>	<u>Description</u>	<u>ASL</u>	<u>ASL</u>	<u>Life</u>
350.20	Land Rights	100	100	0
352.00	Structures and Improvements	70	85	15
353.00	Station Equipment	60	56	-4
354.00	Towers and Fixtures	70	76	6
355.00	Poles and Fixtures	50	62	12
356.00	OH Conductors and Devices	50	70	20
357.00	UG Conduit	50	60	10
358.00	UG Conductors and Devices	50	50	0
359.00	Roads and Trails	85	92	7

An explanation for the change in average service lives is detailed for each account in the Depreciation Rate Study, Exhibit No. XES – 205 (see pages 31-39). The longer lives result in a decrease in depreciation expense, causing a slight offset to the net salvage changes.

**C. General Plant Depreciation Changes**

**Q. PLEASE DESCRIBE THE ASSETS INCLUDED IN GENERAL PLANT.**

A. The General Plant accounts are comprised of FERC Accounts 389-398, including their subparts. FERC Account 389 (Land and Land Rights) and FERC Account 390 (Structures and Improvements) are evaluated at the account level for depreciation rate determination. For General Plant assets in FERC Accounts 391-398 (“Vintage Group”), PSCo continues to use a vintage year accounting method detailed in Accounting Release Number 15 (“AR-15”), Vintage Year Accounting for General Plant Accounts, dated January 1, 1997.

AR-15 allows utilities to use a simplified method of accounting for general plant assets, excluding structures and improvements which is referred to as “General Property.” The AR-15 release allowed high-volume, low-cost assets to be amortized over the associated useful life, eliminated the need to track individual assets, and allows a retirement to be booked at the end of the depreciable life. This method is often referred to as “amortization of general plant.” The method of accounting allowed in AR-15 performs the depreciation calculation at a vintage level rather than at a total account level.

**Q. DOES THE DEPRECIATION RATE STUDY REFLECT ANY CHANGES IN THE USEFUL LIVES OR NET SALVAGE PERCENTAGES OF THE GENERAL PLANT ASSETS?**

A. Yes, the Depreciation Rate Study proposed extending the lives of Electric General plant accounts related to Structures and Improvements, accounts 390.00 and 390.08, Transportation, accounts 392.10 - 392.40, and Power Operated Equipment, account 396. The Depreciation Rate Study provides detailed explanation for its recommendation on

pages 54 – 56 for Electric General plant. Net salvage changes were primarily in Transportation Equipment accounts 392.10 through 392.40, recommending a reduction to net salvage as discussed on pages 74-79 of the Depreciation Rate Study.

**D. Plant Reserve Reallocation**

**Q. WHAT IS RESERVE REALLOCATION?**

A. Reserve reallocation can be thought of as a true-up mechanism for the depreciation reserve. The actual reserve within a functional property class is reallocated between accounts. In this manner, the reserve for each account is adjusted so that it is closer to its theoretical reserve. The theoretical reserve is calculated based on current assumptions for the assets regarding the average age, average service lives, survival curve, and net salvage percentages as if they had been used throughout the life of the property group. The reserve reallocation and theoretical reserve are describe in more detail in the Depreciation Rate Study, Exhibit XES – 205, pages 17-29, with the reserve reallocation represented on pages 383-385. The reserve reallocation was a then factor in the calculation that resulted in the proposed Settlement Agreement depreciation rates reflected in Exhibit XES – 204.

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

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

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

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

**E. Settlement Agreement Depreciation Rate Changes**

**Q. PLEASE DESCRIBE THE SPECIFIC CHANGES IN DEPRECIATION RATES  
IN THE SETTLEMENT AGREEMENT FROM THE DEPRECIATION RATE  
STUDY RELATED TO TRANSMISSION AND GENERAL PLANT.**

A. The changes agreed to in the Settlement Agreement related to Transmission and General plant included: a) changes to net salvage percentages for three Transmission Plant accounts, b) changes in average service life for three Transmission Plant accounts and one Electric General Plant account, and c) for FERC Account 303 Electric Intangible Plant, changed the software life of 5 years to be amortized over 7 years. The table below shows the changes in net salvage percentages and average service life for Transmission and General Plant Accounts. The Settlement Agreement depreciation rates also incorporate changes related to Electric General Plant included: a) for FERC Account 391 Computer Equipment, change the average service life of 5 years to 6 years; and b) increase the net salvage percentage for FERC Accounts 392.10 to 392.40 Transportation Equipment. A comprehensive comparison of depreciation rates and parameters between



444 the current depreciation rates, the Depreciation Rate Study, and the proposed depreciation  
445 rates is provided in Exhibit No. XES – 201.

446

447

**Table MPM – 3**

Net Salvage Percentages in Depreciation Rate Study Compared to Settlement  
Transmission Plant

Account Number	Description	Depreciation Rate Study	Settlement	Difference
		Net Salvage Percent	Net Salvage Percent	Net Salvage Percent
352.00	Structures and Improvements	-13%	-5%	8%
354.00	Towers and Fixtures	-40%	-20%	20%
358.00	UG Conductors and Devices	-5%	0%	5%

448

**Table MPM – 4**

Average Service Lives in Depreciation Rate Study Compared to Settlement  
Transmission and General Plant

Account Number	Description	Depreciation Rate Study	Settlement	Difference
		ASL	ASL	Life
	<b><u>Transmission</u></b>			
352.00	Structures and Improvements	85	88	3
353.00	Station Equipment	56	58	2
354.00	Towers and Fixtures	76	81	5
	<b><u>Electric General Plant</u></b>			
390.00	Structures and Improvements	40	45	5

449

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

452 A. The proposed change in annual depreciation and amortization expense for Transmission  
453 Plant is an increase of \$5.1 million. The change in annual depreciation and amortization  
454 for Electric General Plant is a decrease of \$6.9 million. These changes are all calculated  
455 on a PSCo system basis. Depreciation rates by account for Transmission Plant and

Electric General Plant, including intangible plant are shown on pages 229 through 236 in Exhibit No. XES – 204.

**Q. PLEASE PROVIDE THE IMPACT OF THE CHANGE IN DEPRECIATION EXPENSE TO TRANSMISSION SERVICE CUSTOMERS.**

A. The proposed changes to the transmission-related depreciation rates are expected to increase the PSCo system ATRR by approximately \$4.2 million based on the estimated plant balance at January 1, 2018 in the in Exhibit B to the Settlement Agreement allocated to Transmission compared to the ATRR if the depreciation rates were left unchanged. As I understand, the wholesale Tariff transmission service customers comprise approximately 18 percent of the transmission loads on the PSCo system, so the impact to affected wholesale customers would be an increase of \$0.8 million annually.

**F. Proposed Revisions to Attachment O-PSCo**

**Q. PLEASE EXPLAIN THE CHANGES TO THE ATTACHMENT O-PSCO TRANSMISSION FORMULA RATE TEMPLATE.**

A. The marked tariff pages in Exhibit No. XES – 101 update the transmission-formula-rate-impacting depreciation rates in Table 25 to be identical to those agreed to in the Settlement Agreement. Table 25 in the Electric Production format was changed to be by generating unit by FERC plant account, identical to the format in the Settlement Agreement.

**IV. CONCLUSION**

**Q. WHAT RECOMMENDATIONS ARE YOU MAKING?**

A. I recommend that the Commission:

- 479 • Accept PSCo’s proposed depreciation rates for electric transmission and general plant  
480 reflected in Exhibit No. XES – 203, as supported by the Depreciation Rate Study and  
481 Settlement Agreement, and authorize them to become effective for ratemaking and  
482 financial accounting purposes on the same effective date the depreciation rates are  
483 effective for the 2019 PSCo Colorado Retail Electric Rate Case; and
- 484 • Approve PSCo’s proposed revisions to Table 25 of Attachment O-PSCo that reflect  
485 the revised electric transmission and general plant depreciation rates included in the  
486 Settlement Agreement, effective on the same date.

487 **Q. DOES THIS CONCLUDE YOUR PRE-FILED DIRECT TESTIMONY?**

488 A. Yes.

UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION

Public Service Company of Colorado

)  
)  
)


Docket No. ER20-\_\_\_\_-000

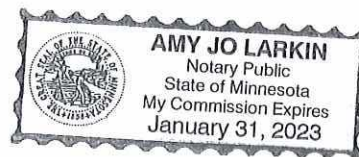
*AFFIDAVIT*

Mark P. Moeller, being duly sworn, deposes and states: The Direct Testimony of Mark P. Moeller was prepared by me or under my direct supervision and the statements contained therein and the Exhibits attached thereto are true and correct to the best of my knowledge and belief.

  
Mr. Mark P. Moeller

Subscribed and sworn to before me  
This 30 day of October 2019.

  
Notary Public  
My Commission expires 1/31/2023



**Exhibit Nos. XES - 201 thru XES - 206**

**Exhibit No. XES – 201:** Comparison of Current, Depreciation  
Rate Study, and Settlement Depreciation Rates and Parameters  
by Plant Account

**Public Service Company of Colorado**  
**Comparison of Current, Depreciation Rate Study and Proposed Depreciation Rates by Plant Account**

		Approved ( 1 )		Depreciation Rate Study ( 2 )		Proposed ( 3 )		Change in Proposed from Approved
		Total Depr		Total Depr		Total Depr		Total Depr
<u>Unit or Account Number</u>	<u>Account Number and / or Description</u>	<u>Notes</u>	<u>Rate</u> a	<u>Rate</u> b	<u>Notes</u>	<u>Rate</u> c	<u>Notes</u>	<u>Rate</u> d=c-a
<u>ELECTRIC INTANGIBLE PLANT</u>								
301.00	Organization Costs							
302.00	Franchises and Consents	( 4 )	0.0000%	0.0000%	( 4 )	0.0000%	( 4 )	0.0000%
303.00	Miscellaneous Intangible Plant	( 4 )	0.0000%	0.0000%	( 4 )	0.0000%	( 4 )	0.0000%
303.40	Misc Computer Software - 3 Year		33.3333%	33.3333%		33.3333%		0.0000%
303.40	Misc Computer Software - 7 Year		20.0000%	20.0000%		14.2857%		-5.7143%
303.40	Misc Computer Software - 10 Year		10.0000%	10.0000%		10.0000%		0.0000%
303.40	Misc Computer Software - 15 Year		10.0000%	6.6667%		6.6667%		-3.3333%
<u>TRANSMISSION PLANT</u>								
350.20	Land Rights		1.0300%	1.0113%		0.9980%		-0.0320%
352.00	Structures and Improvements		1.4400%	1.3395%		1.1916%		-0.2484%
353.00	Station Equipment		1.7800%	2.0752%		1.9792%		0.1992%
354.00	Towers and Fixtures		1.1800%	1.8943%		1.4750%		0.2950%
355.00	Poles and Fixtures		1.6400%	2.2767%		2.2547%		0.6147%
356.00	Overhead Conductors and Devices		1.7900%	1.8084%		1.7817%		-0.0083%
357.00	Underground Conduit		1.9400%	1.6890%		1.6627%		-0.2773%
358.00	Underground Conductors and Devices		1.8800%	2.1324%		1.9945%		0.1145%
359.00	Roads and Trails		0.9700%	1.1117%		1.0825%		0.1125%
<u>ELECTRIC GENERAL PLANT</u>								
389.20	Land Rights		0.0000%	1.6667%		1.6667%		1.6667%
390.00	Structures and Improvements	( 5 )	4.1833%	2.5502%		2.2521%		-1.9312%
391.00	Office Furniture and Equipment		4.7500%	4.6847%		4.5583%		-0.1917%
391.20	Computer Hardware		20.0000%	19.5656%		16.2260%		-3.7740%
392.10	Transportation Equipment-Autos		9.0000%	7.6106%		7.1923%		-1.8077%
392.20	Transportation Equipment-Light Trucks		9.0000%	7.4775%		7.0136%		-1.9864%
392.30	Transportation Equipment-Trailers		9.0000%	3.5413%		3.1247%		-5.8753%
392.40	Transportation Equipment-Heavy Trucks		9.0000%	6.3219%		5.8937%		-3.1063%
393.00	Stores Equipment		3.1700%	3.2159%		3.1640%		-0.0060%
394.00	Tools, Shop and Garage Equipment		3.8000%	3.8903%		3.8445%		0.0445%
395.00	Laboratory Equipment		9.5000%	10.0000%		10.0000%		0.5000%
396.00	Power Operated Equipment		9.0000%	5.7648%		5.6340%		-3.3660%
397.00	Communication Equipment		6.6700%	6.4129%		6.3007%		-0.3693%
398.00	Miscellaneous Equipment		5.0000%	4.7139%		4.5977%		-0.4023%

**Notes:**

- ( 1 ) Approved Rates are from Docket Nos. ER08-527, ER10-192, ER11-2853, ER16-1733 and ER16-1724, unless specified in the Notes column.
- ( 2 ) Public Service Company of Colorado's Electric and Common Utility Plant Depreciation Rate Study, at January 1, 2018 ("Depreciation Rate Study"), conducted by Alliance Consulting Group, CoPUC Proceeding No. 16A-0231E, Supplemental Direct Testimony of Mr. Dane A. Watson in Attachment DAW-1 REV 2 (Exhibit No. XES-404)
- ( 3 ) Depreciation Rates Resulting from Settlement, CoPUC Proceeding No. 16A-0231E, Exhibit A to Settlement, (Exhibit XES-402)
- ( 4 ) Amortized over the terms of the franchise agreements or license.
- ( 5 ) Composite depreciation accrual rate for General Account 390 Structures and Improvements.



**Public Service of Colorado**  
**Comparison of Current, Depreciation Rate Study and Proposed Depreciation Parameters**  
**January 1, 2020**

Account Number	Description	Notes	Approved (1)			Depreciation Rate Study (2)			Proposed (3)			Difference Proposed from Approved	
			Curve	ASL	Net Salvage Percent	Curve	ASL	Net Salvage Percent	Curve	ASL	Net Salvage Percent	Life j=h-b	Net Salvage Percent k=i-c
			a	b	c	d	e	f	g	h	i		
<b><u>ELECTRIC INTANGIBLE PLANT</u></b>													
301.00	Organization Costs												
302.00	Franchises and Consents	(4)											
303.00	Miscellaneous Intangible Plant	(4)	Various			Various			Various				
303.40	Misc Computer Software - 3 Year		SQ	3	0%	SQ	3	0%	SQ	3	0%	0	0%
303.40	Misc Computer Software - 7 Year		SQ	5	0%	SQ	5	0%	SQ	7	0%	2	0%
303.40	Misc Computer Software - 10 Year		SQ	10	0%	SQ	10	0%	SQ	10	0%	0	0%
303.40	Misc Computer Software - 15 Year		SQ	10	0%	SQ	15	0%	SQ	15	0%	5	0%
<b><u>TRANSMISSION PLANT</u></b>													
350.20	Land Rights		R5	100	0%	R5	100	0%	R5	100	0%	0	0%
352.00	Structures and Improvements		S6	70	-5%	S2	85	-13%	S2	88	-5%	18	0%
353.00	Station Equipment		R2.5	60	-5%	R2	56	-15%	R2	58	-15%	-2	-10%
354.00	Towers and Fixtures		R4	70	0%	R4	76	-40%	R4	81	-20%	11	-20%
355.00	Poles and Fixtures		R3	50	5%	R2.5	62	-40%	R2.5	62	-40%	12	-45%
356.00	OH Conductors and Devices		R1.5	50	0%	R2	70	-25%	R2	70	-25%	20	-25%
357.00	UG Conduit		R3	50	0%	R3	60	0%	R3	60	0%	10	0%
358.00	UG Conductors and Devices		R3	50	0%	R3	50	-5%	R3	50	0%	0	0%
359.00	Roads and Trails		S6	85	0%	S5	92	0%	S5	92	0%	7	0%
<b><u>ELECTRIC GENERAL PLANT</u></b>													
389.20	Land Rights					R4	60	0%	R4	60	0%	60	0%
390.06	Structures and Improvements (390B General Buildings)	(5)	R2	50	0%	L2	40	-5%	R1.5	45	-5%	-5	-5%
390.00	Structures and Improvements	(5)	L1.5	20	0%	L2	40	-5%	R1.5	45	-5%	25	-5%
390.08	Partitions	(5) (6)	R4	25	0%	L2	40	-5%	R1.5	45	-5%	20	-5%
391.00	Office Furniture and Equipment		SQ	20	5%	SQ	20	0%	SQ	20	0%	0	-5%
391.20	Computer Hardware		SQ	5	0%	SQ	5	0%	SQ	6	0%	1	0%
392.10	Transportation Equipment - Automobiles		SQ	10	10%	SQ	12	6%	SQ	12	10%	2	0%
392.20	Transportation Equipment - Light Trucks		SQ	10	10%	SQ	12	6%	SQ	12	10%	2	0%
392.30	Transportation Equipment - Trailers		SQ	10	10%	SQ	25	10%	SQ	25	20%	15	10%
392.40	Transportation Equipment - Heavy Trucks		SQ	10	10%	SQ	14	6%	SQ	14	10%	4	0%
393.00	Stores Equipment		SQ	30	5%	SQ	30	0%	SQ	30	0%	0	-5%
394.00	Tools, Shop and Garage Equipment		SQ	25	5%	SQ	25	0%	SQ	25	0%	0	-5%
395.00	Laboratory Equipment		SQ	10	5%	SQ	10	0%	SQ	10	0%	0	-5%
396.00	Power Operated Equipment		SQ	10	10%	SQ	14	15%	SQ	14	15%	4	5%
397.00	Communication Equipment		SQ	15	0%	SQ	15	0%	SQ	15	0%	0	0%
398.00	Miscellaneous Equipment		SQ	20	0%	SQ	20	0%	SQ	20	0%	0	0%

Notes:

- (1) Depreciation parameters utilized in the computation of approved depreciation rates from Docket Nos. ER08-527, ER10-192, and ER11-2853, unless specified in the Notes column.
- (2) Public Service Company of Colorado's Electric and Common Utility Plant Depreciation Rate Study, at January 1, 2018 ("Depreciation Rate Study"), conducted by Alliance Consulting Group, CoPUC Proceeding No. 16A-0231E, Supplemental Direct Testimony of Mr. Dane A. Watson in Attachment DAW-1 REV 2 (Exhibit No. XES-404)
- (3) Documents Supporting the Depreciation Rates Resulting from Settlement Agreement, CoPUC Proceeding No. 16A-0231E, Exhibit B to Settlement, (Exhibit XES-403) Pages 239-266 (Appendix C)
- (4) Amortized over the terms of the franchise agreements or license.
- (5) Accounts 390 Structures and Improvements subaccounts will be combined into one 390 Structures and Improvements account in future filings.
- (6) Account 390.08 Electric Partitions is fully accrued. Future additions to this account will be booked in Electric account 390.0 Structures and Improvements.

**Exhibit No. XES – 202:** Unanimous Comprehensive Settlement  
Agreement, Colorado PUC Proceeding No. 16A-0231E,  
November 10, 2016

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

\* \* \* \* \*

IN THE MATTER OF THE APPLICATION )  
OF PUBLIC SERVICE COMPANY OF )  
COLORADO FOR AUTHORIZATION TO )  
REVISE THE DEPRECIATION AND )  
AMORTIZATION OF ELECTRIC UTILITY )  
PLANT, COMMON UTILITY PLANT AND )  
RETIRED GENERATING UNITS. )

**PROCEEDING NO. 16A-0231E**

**UNANIMOUS COMPREHENSIVE SETTLEMENT AGREEMENT**

**November 10, 2016**

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## EXHIBITS

<b>Exhibit Identifier</b>	<b>Description</b>
Exhibit A	Depreciation Rates Resulting from Settlement Agreement
Exhibit B	Documents Supporting the Depreciation Rates Resulting from Settlement Agreement
Exhibit C	Changes in Annual Depreciation and Amortization Expense from the Company's Rebuttal Testimony to the Settlement Agreement
Confidential Exhibit D	Confidential Version of the American Metal Market scrap pricing for October 2014, 2015 and 2016
Public Version of Confidential Exhibit D	Public Version of the American Metal Market scrap pricing for October 2014, 2015 and 2016

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

\* \* \* \* \*

<b>IN THE MATTER OF THE APPLICATION</b>	<b>)</b>	
<b>OF PUBLIC SERVICE COMPANY OF</b>	<b>)</b>	
<b>COLORADO FOR AUTHORIZATION TO</b>	<b>)</b>	
<b>REVISE THE DEPRECIATION AND</b>	<b>)</b>	<b>PROCEEDING NO. 16A-0231E</b>
<b>AMORTIZATION OF ELECTRIC UTILITY</b>	<b>)</b>	
<b>PLANT, COMMON UTILITY PLANT AND</b>	<b>)</b>	
<b>RETIRED GENERATING UNITS.</b>	<b>)</b>	

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**UNANIMOUS COMPREHENSIVE SETTLEMENT AGREEMENT**

**I. INTRODUCTION AND IDENTIFICATION OF THE PARTIES**

This Settlement Agreement is a full and complete resolution of all issues raised in Proceeding No. 16A-0231E, Public Service Company of Colorado's ("Public Service" or the "Company") Application for a Colorado Public Utilities Commission ("Commission") decision approving proposed revised depreciation rates for its Electric and Common Utility Plant<sup>1</sup> and its proposed plan to amortize and recover the regulatory assets associated with 13 recently retired or soon-to-be retired electric generating plants, referred to herein as the "Retired Generating Units"<sup>2</sup>. All of the parties to this proceeding are joining the Settlement Agreement: Public Service, Commission Trial Staff ("Staff"),

---

<sup>1</sup> Certain of the Company's intangible plant accounts are amortized and not depreciated through the use of approved depreciation rates. For those accounts, the Company is technically requesting the Commission's approval of proposed amortization periods. For ease of reference, the term "depreciation rates" is used in this Application and supporting testimony to refer to the Company's proposals regarding the depreciation and amortization of all Electric Utility and Common Utility plant accounts.

<sup>2</sup> At the time Public Service's Application was filed there were 13 Retired Generating Units, which included 11 generating facilities that have been retired – Cameo Units 1 and 2, Arapahoe Units 1 through 4, Cherokee Units 1 through 3, and Zuni Units 1 and 2 – and two additional facilities that are scheduled to be retired by December 31, 2017 – Valmont Unit 5 and the coal-related assets at Cherokee Unit 4. During the pendency of this proceeding, it was announced that Craig Unit 1, in which Public Service is a minority owner, is to be retired. See the Supplemental Direct Testimony of Scott B. Brockett, Hearing Exhibit ("Ex.") 105, Attachment SBB-3.

the Colorado Office of Consumer Counsel (“OCC”), the Colorado Energy Consumers (“CEC”), and Western Resource Advocates (“WRA”) (collectively the “Settling Parties”). As such, this Settlement Agreement is a comprehensive uncontested settlement that resolves all issues that have been raised or could have been raised in this proceeding.

## **II. BACKGROUND REGARDING PROCEEDING**

### **A. Proceeding Background**

On April 1, 2016, pursuant to C.R.S. § 40-4-112 and the provisions of the Settlement Agreement approved by the Commission in Decision No. C15-0292, issued March 31, 2015 in Public Service’s last Phase I electric rate case in Consolidated Proceeding Nos. 14AL-0660E and 14A-0680E, the Company submitted its Application for a Commission decision approving proposed revised depreciation rates for its Electric and Common Utility Plant, as set forth in Application’s Exhibit A, and its proposed plan to amortize and recover the regulatory assets associated with 13 Retired Generating Units.

In its direct case, the Company’s proposed changes to depreciation and amortization expense are based on the depreciation rates recommended by Mr. Watson and supported by his 2016 Depreciation Rate Study. The 2016 Depreciation Rate Study was based on the Company’s Electric and Common Utility Plant assets in existence as of September 30, 2015, and projected account balances for these assets as of January 1, 2018. The proposed depreciation rates for the Company’s production plant reflected in the 2016 Depreciation Rate Study incorporate the plant-by-plant decommissioning cost estimates reflected in the 2016 Decommissioning Cost Study sponsored by Company witness Mr. Kopp. As part of the 2016 Depreciation Rate

Study, and as specifically directed by the Company, Mr. Watson performed a depreciation reserve reallocation based on theoretical reserves encompassing all operating production units within a functional class as well as the estimated regulatory asset balances, including the cost of removal, attributable to the Retired Generating Units. The Company proposed to amortize the estimated regulatory asset balances, based upon the special regulatory asset accounting previously approved by the Commission, over a period of four years from 2018 through 2021.

As a result, in its direct case, the estimated change in the Company's annual depreciation and amortization expense, using the proposed depreciation rates and based on projected plant balances as of January 1, 2018, before allocation to the retail jurisdiction, was an increase of \$48.3 million. Based on January 1, 2018, regulatory asset balances, the estimated change to annual amortization expense for the Retired Generating Units, after the reserve reallocation and based on a four-year amortization period, was a decrease of \$1.8 million. Combining these amounts, the total estimated increase in annual depreciation and amortization expense resulting from the Company's proposals in this Application, based on January 1, 2018 balances, was \$46.5 million.

On September 20, 2016, the Company filed Supplemental Direct Testimony, to incorporate the announcement of the anticipated early retirement of Craig Unit 1, in which Public Service is a minority owner. After incorporating the revision related to Craig Unit 1, making minor corrections in the 2016 Depreciation Cost Study, and changing the proposed amortization period of the regulatory assets for the Retired Generating Units from four to five years, the Company's estimated overall increase in annual depreciation and amortization expense based on the resulting depreciation and



amortization rates and projected January 1, 2018, balances was \$44.3 million. This revised increase was \$2.2 million less than the annual increase of \$46.5 million reflected in the Company's Direct Testimony and Attachments, as corrected.

On October 3, 2016, OCC, WRA and CEC each filed Answer Testimony making various recommendations regarding the Company's proposed depreciation and amortization rates.<sup>3</sup> In response, on October 25, 2016, both WRA and CEC filed Cross-Answer Testimony<sup>4</sup>, and the Company filed Rebuttal Testimony modifying its proposal in Supplemental Direct Testimony in order to narrow the number of litigated issues. Specifically, the Company adopted, in part, the following four intervenor recommendations:

- Limit the shifting of depreciation reserve amounts through the reserve reallocation from the operating Steam Production units to the Retired Generating Units to \$78.6 million, or one-half of the amount reflected in the Company's Supplemental Direct Case;
- Extend the proposed amortization period for the regulatory assets associated with Retired Generating Units and Craig Unit 1, reflecting balances resulting after the above-mentioned reserve reallocation, from five years to six years;
- Lengthen the average service life for Electric and Common Account 391, Computer Equipment, from five to six years; and

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<sup>3</sup> See the Answer Testimony and Attachments of OCC witness James Garren, the Answer Testimony and Attachments of WRA witness Uday Varadarajan, and the Answer Testimony and Attachments of CEC witness Jacob Pous, respectively. Staff did not file Answer Testimony.

<sup>4</sup> WRA filed the Cross-Answer Testimony of Uday Varadarajan and CEC filed the Cross-Answer Testimony of Jacob Pous.

- Change the net salvage percentage for Electric and Common Account 392, Transportation Equipment, except for Account 392.3, Trailers, to positive 10 percent and Account 392.3, Trailers, to positive 20 percent.

As a result, in Rebuttal Testimony the Company requested a total increase in depreciation and amortization expense of \$42.8 million, which is \$1.5 million lower than the \$44.3 million increase proposed in the Supplemental Direct Case.

On November 4, 2016, the Settling Parties reached an agreement in principle regarding the Company's proposed depreciation rates and amortization periods, which is more fully described below. The Settling Parties recommend that the Commission approve the proposed depreciation rates and amortization periods that are reflected in Exhibit A to this Settlement Agreement.

## **B. Procedural Background**

On April 1, 2016, Public Service filed an Application for a Commission decision approving proposed revised depreciation rates for the Company's Electric and Common Utility Plant, as set forth in Exhibit A of the Application, and the Company's proposed plan to amortize and recover the regulatory assets associated with the Retired Generating Units. In support of this Application the Company filed the Direct Testimony and Attachments of Company witnesses Scott B. Brockett, Cathy Schwartz, Dane A. Watson and Jeffrey T. Kopp.

Staff and the OCC intervened by right on April 19, 2016 and April 8, 2016, respectively. CEC and WRA filed motions to intervene on April 14, 2016, and May 5, 2016, respectively. On May 11, 2016, by Minute Order, the Commission deemed the Application complete and referred the matter to an Administrative Law Judge ("ALJ"). In

Decision No. R16-0475-I, ALJ Robert I Garvey granted the interventions of CEC and WRA. In Decision No. R16-0556-I, ALJ Garvey adopted a procedural schedule, which was later modified in Decision Nos. R16-0818-I, R16-0854-I and R16-1011-I.

On September 20, 2016, Public Service filed the Supplemental Direct Testimony of Company witnesses Scott B. Brockett, Cathy Schwartz, Dane A. Watson and Jeffery T. Kopp.

On October 3, 2016, the following intervenors filed Answer Testimony: the OCC (Answer Testimony and Attachments of OCC witness James S. Garren); WRA (Answer Testimony and Attachments of WRA witness Uday Varadarajan), and CEC (Answer Testimony and Attachments of Jacob Pous).

On October 25, 2016, Public Service filed the Rebuttal Testimony of Company witnesses Scott B. Brockett, Cathy Schwartz, Dane A. Watson, Jeffery T. Kopp, Randy J. Larson and Patrick A. Wilson.

On October 28, 2016, Public Service, OCC and WRA filed corrections to pre-filed testimony as delineated under the procedural schedule.

On November 4, 2016, the date by which Settlement Agreements were to be filed under the procedural schedule, the Settling Parties reached an agreement in principle in this proceeding. As a result, Public Service filed an unopposed motion to modify the procedural schedule to allow for the Settlement Agreement to be filed by noon on November 10, 2016, and for the evidentiary hearing to be held on November 18, 2016. This unopposed motion was granted in Decision No. R16-01029-I.

### **III. TERMS OF SETTLEMENT**

The Settling Parties agree that the Commission should adopt the depreciation and amortization rates as reflected in Public Service's Rebuttal Testimony as modified below in this Settlement Agreement. The agreed upon depreciation rates and amortization periods as modified herein are reflected in Exhibit A of this Settlement Agreement. Exhibit B to this Settlement Agreement includes all supporting documents for the agreed upon depreciation and amortization rates.<sup>5</sup> The Settling Parties agree that the depreciation rates and amortization periods resulting from this Settlement Agreement are reasonable and should be incorporated in the Company's next Electric Phase I rate case, which is expected to be filed in the Second Quarter of 2017. Based on the Settlement Agreement, the total increase in annual depreciation and amortization expense, based on projected plant, depreciation reserve and regulatory asset balances as of January 1, 2018, is \$27.2 million. Exhibit C to this Settlement Agreement shows the changes in annual depreciation and amortization expense from the Company's Rebuttal Testimony to the Settlement Agreement.

#### **A. Net Salvage Percentages For Certain Mass Property Accounts**

The Settling Parties agree that the Company's proposed net salvage percentages for mass property accounts should be approved except for Federal Energy

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<sup>5</sup> Exhibit B includes the following updated appendices from the 2016 Depreciation Study: Appendix A-1, Steam Production; Appendix A-2, Hydro Production; Appendix A-3 Other Production; Appendix A-4, TD&G; Appendix A-5, Electric General Amortization (391-398); Appendix A-6, Common General Amortization (391-398); Appendix B, Comparison of Depreciation Rates and Annualized Depreciation Expense ; Appendix C, Comparison of Depreciation Parameters (ASL and Curves); Appendix D-1, Terminal Retirement Dates; Appendix F-1, Reserve Allocation – Production; Appendix F-1, Reserve Allocation – Non Production; Appendix G-1, Dismantling Costs – Steam Production; Appendix G-2, Dismantling Costs – Hydro Production; and Appendix G-3, Dismantling Costs – Other Production. It also includes an update to Attachment CS-4, Amortization Schedule for Retired Generating Units.

Regulatory Commission (“FERC”) Transmission Account 352, Structures and Improvements; Transmission Account 354, Towers and Fixtures; and Transmission Account 358, Underground Conductors & Devices. Specifically, the Settling Parties agree that for purposes of settlement, the net salvage ratios for these accounts that are set forth in Table 1, as proposed by OCC witness Mr. Garren,<sup>6</sup> should be approved:

Table 1	
ACCOUNT	NET SALVAGE RATIO
352	-5%
354	-20%
358	0%

**B. Average Service Lives for Certain Mass Property Accounts**

The Settling Parties agree that the Company’s proposed asset lives for mass property accounts should be approved except for FERC Transmission Account 352, Structures and Improvements; Transmission Account 353, Station Equipment; Transmission Account 354, Towers and Fixtures; Distribution Account 364, Poles, Towers and Fixtures; Distribution Account 373, Street Lighting and Signal Systems; and Electric and Common General Plant Account 390, Structure & Improvements. OCC recommended different curve/life combinations for FERC Accounts 352, 353, 354, 364 and 373. CEC recommended a different life for FERC Account 390. The Settling Parties agree that for purposes of settlement, for these FERC Accounts, the midpoints between the Company’s proposed average service lives for each of these accounts and

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<sup>6</sup> Hearing Ex. 200, Garren Answer at 38-40.

the OCC and CEC recommendations are reasonable and should be approved. A comparison these curve/life combinations is included in Table 2<sup>7</sup>:

<b>Table 2</b>			
<b><u>Account</u></b>	<b><u>Company Proposal</u><sup>8</sup></b>	<b><u>OCC<sup>9</sup> or CEC<sup>10</sup> Proposal</u></b>	<b><u>Settlement Agreement</u></b>
352	85/S2	92/S1.5	88/S2
353	56/R2	60/R2.5	58/R2
354	76/R4	86/S2	81/R4
364	50/S0	57/R0.5	54/S0
373	35/R0.5	47/S0.5	41/R0.5
390	40	50	45

**C. Account 303 – Intangible Plant (Computer Software)**

Public Service proposed to amortize the cost of routine software<sup>11</sup> over five years. CEC recommends that routine software be amortized over seven years.<sup>12</sup> The Settling Parties agree that for purposes of settlement, routine software be amortized over seven years.

Further, with respect to the CEC recommendation regarding the correction of reserve amortization<sup>13</sup>, in its next electric Phase I rate case, which is expected to be filed in the second quarter of 2017, for Intangible Plant - Account 303, the Company will

<sup>7</sup> Note that in Table 2, the recommendations for FERC Accounts 352, 353, 354, 364, and 373 are in terms of life/curve combination. The recommendation for FERC Account 390 is just in terms of life.

<sup>8</sup> Hearing Ex. 111, Watson Rebuttal, Attachment DAW-3.

<sup>9</sup> Hearing Ex. 200, Garren Answer at 23-32.

<sup>10</sup> Hearing Ex. 300, Pous Answer at 59.

<sup>11</sup> “Pursuant to the Commission’s Decision No. C03-0670 in the Company’s 2002 rate case in Proceeding 02S-315EG, the approved software system amortization periods are three, five, or ten years, depending on the type of system. Work station operating systems were assigned a three-year amortization period. Large base systems, such as Public Service’s billing system, were assigned the 10-year amortization period, while most other software systems are assigned a five-year amortization period.” Hearing Ex. 110, Schwartz Rebuttal, at 44.

<sup>12</sup> Hearing Ex. 300, Pous Answer at 56.

<sup>13</sup> Hearing Ex. 300, Pous Answer at 86-95

determine which asset(s) should be physically retired prior to setting the beginning balance in the 2018 rate case. With respect to the term “physically retired,” the FERC Uniform System of Accounts defines “property retired:” “as applied to electric plant, means property which has been removed, sold, abandoned, destroyed, or which for any cause has been withdrawn from service.” For software that is physically retired, the Company agrees that it will establish and support which portions and corresponding costs of the individual software assets have been replaced by later additions either fully or partially and will retire the portion that has been replaced and is no longer in use. The retired portions of the asset would include those portions replaced due to subsequent upgrades to current systems, replacement of current systems with new ones, or the removal of a system from our computer hardware assets.

Also, its next electric Phase I rate case, which is expected to be filed in the second quarter of 2017, for Intangible Plant - Account 303, the Company will present and provide supporting data for (1) the Company’s current accounting method for software, which amortizes software individually; and (2) a group method of accounting for the amortization of software. The Company and any intervenor in the next Electric Phase I rate case are free to advocate for their preferred accounting method for software in Intangible Plant - Account 303.

**D. Decommissioning Costs for Production Plant**

The Settling Parties agree that the Company’s estimated decommissioning costs for Production Plant, as set forth in the 2016 Decommissioning Cost Study sponsored by Mr. Kopp, should be approved except as modified below.

1. Decommissioning Contingency

The Company proposed that the contingency costs, which represent unspecified but expected additional costs to be incurred by Public Service during the execution of decommission and demolition activities, be set at 20 percent of direct costs.<sup>14</sup> CEC witness Mr. Pous recommended that the contingency be reduced to 10 percent.<sup>15</sup> The Settling Parties agree that for purposes of settlement, the midpoint of these two recommendations, or 15 percent, is reasonable and should be approved.

2. Indirect Costs

The Company proposed that the indirect costs, which represent costs expected to be incurred by Public Service during the decommissioning process in addition to the direct costs paid to a demolition contractor, be set at 15 percent of direct costs.<sup>16</sup> CEC witness Mr. Pous recommended that the indirect costs be reduced to 10 percent.<sup>17</sup> The Settling Parties agree that for purposes of settlement, 10 percent is reasonable and should be approved.

3. Scrap Value

Decommissioning costs include a credit for scrap value. Public Service proposed scrap metal prices based on October 2015 monthly average prices as reported by American Metal Market, which were the most recent values at the time the Decommissioning Study was prepared.<sup>18</sup> CEC witness Mr. Pous recommended that

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<sup>14</sup> Hearing Ex. 104, Kopp Direct at 37-43, Attachment JTK-1 at 35.

<sup>15</sup> Hearing Ex. 300, Pous Answer at 44-48.

<sup>16</sup> Hearing Ex. 104, Kopp Direct at 37-43, Attachment JTK-1 at 35.

<sup>17</sup> Hearing Ex. 300, Pous Answer at 44-48.

<sup>18</sup> Hearing Ex. 104, Kopp Direct at 44-47.



these values be updated to current values.<sup>19</sup> The Settling Parties agree that for purposes of settlement, the scrap pricing included in the decommissioning cost estimates will be the average of the heavy metal price composite values for October 2014, 2015, and 2016 after removal of transportation costs on a per ton basis. The result is an increase to the Company-proposed scrap values of approximately 40 percent, as compared to the October 2015 value alone. These values are set forth in Confidential Exhibit D.

**E. Retired Generating Units and Craig Unit 1 Regulatory Assets**

In its direct case, with respect to the Retired Generating Units, Public Service proposed to transfer through a reserve reallocation approximately \$157 million of depreciation reserve from the operating Steam Production generating units to the Retired Generating Units, thereby providing for the future recovery of this amount over the remaining lives of the operating Steam Production facilities, rather than through the amortization of the Retired Generating Units. In its Direct Testimony, Public Service proposed including Craig Unit 1 as one of the operating Steam Production units included in the reserve reallocation, but changed its position in Supplemental Direct Testimony to exclude Craig Unit 1 from the reserve reallocation altogether. WRA recommended that the reallocation of the depreciation reserve be modified to exclude the Retired Generating Units and to include Craig Unit 1, and that the amortization period for the regulatory assets associated with the Retired Generating Units be extended to 10 years. In Rebuttal Testimony, the Company proposed to modify the

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<sup>19</sup> Hearing Ex. 300, Pous Answer at 43-44.

reserve reallocation to reallocate only 50 percent of the \$157 million depreciation reserve from the Steam Production units to the regulatory assets. The Settling Parties agree that, for the purposes of settlement, none of the \$157 million of depreciation reserve will be reallocated to the regulatory asset for Retired Generating Units. The Settling Parties further agree on a seven-year amortization period for the resulting balances of the Retired Generating Units regulatory assets, as well as the Craig Unit 1 regulatory asset.

Currently, the Company's approved base rates allow it the opportunity to earn its Weighted Average Cost of Capital ("WACC") on the regulatory assets associated with the Retired Generating Units as discussed in the Company's Application. The Settling Parties agree not to oppose the principle that the Company has the opportunity to recover its prudently incurred costs associated with the regulatory assets for the Retired Generating Units and Craig Unit 1 and the opportunity to earn a return equal to its approved WACC on those regulatory assets until the Company's prudently incurred costs are fully recovered. Nothing in this Settlement Agreement binds a party's position with regard to the treatment of other regulatory assets, including regulatory assets associated with other facilities, in future proceedings.

#### **F. Approvals Requested**

The Settling Parties agree on the following requested approvals, which reflect the provisions of the Settlement Agreement explained above:

- Approval of the depreciation rates as reflected in Exhibit A of this Settlement Agreement.

- Approval of the reserve reallocation within the functional classes that is derived from the approval of the individual lives, curves, and net salvage rates and amounts. The regulatory assets for the Retired Generating Units are excluded from this reserve reallocation.
- Except as modified above, a determination that it is reasonable to use estimated decommissioning costs from periodically updated decommissioning studies – such as the study sponsored by Mr. Kopp in this proceeding – to derive the net salvage component of the Company's depreciation rates for owned generating units.
- Approval of an effective date for these proposed depreciation rates as reflected in Exhibit A of this Settlement Agreement coincident with the date that new rates are implemented pursuant to the 2017 Rate Case.
- Approval of the amortization of the regulatory asset balances associated with the Retired Generating Units, as revised above, over seven (7) years for both accounting and ratemaking purposes.
- Approval to begin this amortization on the date that new rates are implemented pursuant to the 2017 Rate Case.
- Approval of a new 15-year amortization group for large backbone-type software systems and the inclusion of the Company's new General Ledger and Work Asset Management software systems in this new amortization group.
- Approval to establish a regulatory asset to account for deferred accruals equal to the difference between (i) the depreciation expense for Craig Unit

1 as required under Generally Accepted Accounting Principles beginning on September 1, 2016, and (ii) the depreciation expense under regulatory accounting based on the current depreciation rates previously approved by the Commission -- consistent with the deferred accounting authorized for certain of the Retired Generating Units in Decision No. C09-1446 in Proceeding No. 09AL-299E and Decision No. C10-1328 in Proceeding No. 10M-245E.

- Approval to amortize and recover the resulting Craig Unit 1 deferred amounts over the same seven-year amortization period being proposed for the Retired Generating Units, commencing with the effective date of new general electric rates to be approved in the Company's upcoming 2017 electric rate case.

#### **IV. GENERAL PROVISIONS**

1. Each Settling Party understands and agrees that this Settlement Agreement represents a negotiated resolution of all issues that the Settling Party either raised or could have raised in this proceeding to which it is a Party. Each Settling Party understands that the Commission's approval of this Settlement Agreement shall constitute a determination that the Settlement Agreement represents a just, equitable, and reasonable resolution of these issues. Accordingly, the Settling Parties state that reaching resolution of these issues through this negotiated Settlement Agreement is in the public interest and that the results of the compromises and agreements reflected in the Settlement Agreement are just, reasonable, and in the public interest.

2. This Settlement Agreement is intended to be a comprehensive settlement resolving all issues raised by the parties in this proceeding. To the extent that an issue has not been addressed specifically in this Settlement Agreement, the Settling Parties agree that the Company's methodology to calculate depreciation and amortization rates as set forth in its Rebuttal Testimony and Attachments shall govern as it relates to the approval requested in this proceeding. However, parties to this Settlement are not barred from raising and may take any position with respect to such issues in future proceedings, including but not limited to future depreciation proceedings or future Phase 1 electric rate case subsequent to the Company's planned 2017 Phase 1 electric rate case filing except as provided in Section C of this Settlement Agreement. Exhibit A to this Settlement Agreement provides the depreciation rates as revised by this Settlement Agreement.

3. The Settling Parties agree to join in a motion that requests that the Commission approve this Settlement Agreement in total and without modification, and to support the Settlement Agreement in any subsequent pleadings or filings. Each Settling Party further agrees that in the event that it sponsors a witness to address the Settlement Agreement at any hearing that the Commission may hold to address it, the Settling Party's witness will testify in support of the Settlement Agreement and all of the terms and conditions of the Settlement Agreement. The Settling Parties agree to reasonably seek approval of this Settlement Agreement before the Commission against challenges that may be made by non-executing parties.

4. The Settling Parties agree that all pre-filed testimony and attachments or corrected testimony and corrected attachments, whichever applies, shall be admitted into evidence in this proceeding without cross-examination by the Settling Parties.

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

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

Without limiting the foregoing, resolution of this proceeding through this Settlement Agreement does not bind or limit any Settling Party from presenting arguments raised in this proceeding in future proceedings before the Commission, except as expressly provided for in Section E above.

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

8. This Settlement Agreement shall not become effective until the issuance of a final Commission decision approving the Settlement Agreement, which decision does not contain any modification of the terms and conditions of this Settlement Agreement that are unacceptable to any of the Settling Parties. In the event the Commission modifies this Settlement Agreement in a manner unacceptable to any Settling Party, that Settling Party shall have the right to withdraw from this Settlement Agreement and proceed to hearing on any issue(s) that may be appropriately raised by that Settling Party in this proceeding. If any Settling Party elects to exercise such right, the withdrawing Settling Party shall notify the Settling Parties to this Settlement Agreement by e-mail within three business days of the Commission modification that the party is withdrawing from the Settlement Agreement and that the party desires to proceed to hearing. Such e-mail notice shall designate the precise issue or issues on which the party desires rehearing (the "Hearing Notice").

9. The withdrawal of a Settling Party shall not automatically terminate this Settlement Agreement as to any other Settling Party. However, within three (3) business days of the date of the Hearing Notice from the first withdrawing Settling Party, all Settling Parties shall confer to arrive at a comprehensive list of issues that shall proceed to hearing and a list of issues that remain settled as a result of the first Settling Party's withdrawal from this Settlement Agreement. Within five (5) business days of the date of the Hearing Notice, the Settling Parties shall file with the Commission in this proceeding a formal notice containing the list of issues that shall proceed to hearing and those issues that remain settled together with a proposed procedural schedule. The Settling Parties who proceed to hearing shall have and be entitled to exercise all rights with respect to the issues that are heard that they would otherwise have had in the absence of this Settlement Agreement.

10. All Parties have had the opportunity to participate in the drafting of this Settlement Agreement and the term sheet upon which it was based. There shall be no legal presumption that any specific Settling Party was the drafter of this Settlement Agreement.

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



Dated this 10<sup>th</sup> day of November 2016.

Respectfully submitted,

**PUBLIC SERVICE COMPANY OF COLORADO**

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**Exhibit No. XES – 203:** Depreciation Rates Resulting from Settlement,  
Colorado PUC Proceeding No. 16A-0231E (Exhibit A to Settlement  
Agreement)

**Public Service Company of Colorado**  
**Comparison of Current and Proposed Depreciation Rates by Plant Account**

Appendix A  
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		Approved ( 1 )		Proposed		Change
Unit or Account		Total Depr		Total Depr		Total Depr
Number	Account Number and / or Description	Notes	Rate	Rate	Notes	Rate
<u>ELECTRIC INTANGIBLE PLANT</u>						
301.00	Organization Costs					
302.00	Franchises and Consents	( 9 )	0.0000%	0.0000%		0.0000%
303.00	Miscellaneous Intangible Plant	( 9 )	0.0000%	0.0000%		0.0000%
303.40	Misc Computer Software - 3 Year		33.3333%	33.3333%		0.0000%
303.40	Misc Computer Software - 7 Year		20.0000%	14.2857%		-5.7143%
303.40	Misc Computer Software - 10 Year		10.0000%	10.0000%		0.0000%
303.40	Misc Computer Software - 15 Year		10.0000%	6.6667%		-3.3333%
<u>STEAM PRODUCTION PLANT</u>						
Cameo Common	310.2 Land Rights		2.0000%	0.0000%		-2.0000%
Cherokee Unit 2 SC	314 Turbogenerator Units		2.3080%	6.2882%		3.9802%
Cherokee Unit 2 SC	315 Accessory Electric Equipment		3.3220%	4.2023%		0.8803%
Cherokee Unit 4	311 Structures and Improvements		2.0570%	5.5181%		3.4611%
Cherokee Unit 4	312 Boiler Plant Equipment		1.9140%	5.7528%		3.8388%
Cherokee Unit 4	312 Boiler Plant Equipment AQIR		6.6667%	6.6667%		0.0000%
Cherokee Unit 4	314 Turbogenerator Units		1.9430%	5.3196%		3.3766%
Cherokee Unit 4	315 Accessory Electric Equipment		1.7800%	5.1262%		3.3462%
Cherokee Unit 4	315.2 Computers and Peripherals		4.7160%	6.1515%		1.4355%
Cherokee Unit 4	316 Miscellaneous Power Plant Equipment		1.5990%	8.1835%		6.5845%
Cherokee Common	310.2 Land Rights		2.0000%	4.5863%		2.5863%
Cherokee Common	310.3 Water Rights		2.0000%	5.6505%		3.6505%
Cherokee Common	311 Structures and Improvements		2.5530%	6.4425%		3.8895%
Cherokee Common	312 Boiler Plant Equipment		3.0560%	6.5748%		3.5188%
Cherokee Common	312 Boiler Plant Equipment AQIR		6.6667%	6.6667%		0.0000%
Cherokee Common	314 Turbogenerator Units		5.0740%	5.2816%		0.2076%
Cherokee Common	315 Accessory Electric Equipment		2.1590%	5.1872%		3.0282%
Cherokee Common	315.2 Computers and Peripherals		3.4710%	5.5587%		2.0877%
Cherokee Common	316 Miscellaneous Power Plant Equipment		2.3420%	7.3020%		4.9600%
Coal Cars	312 Boiler Plant Equipment		3.1667%	4.7285%		1.5618%
Comanche Unit 1	311 Structures and Improvements		1.8330%	2.9734%		1.1404%
Comanche Unit 1	312 Boiler Plant Equipment		2.1730%	3.8982%		1.7252%
Comanche Unit 1	314 Turbogenerator Units		1.9020%	3.4614%		1.5594%
Comanche Unit 1	315 Accessory Electric Equipment		1.7070%	3.0711%		1.3641%
Comanche Unit 1	315.2 Computers and Peripherals		4.0200%	3.4460%		-0.5740%
Comanche Unit 1	316 Miscellaneous Power Plant Equipment		1.5130%	2.7369%		1.2239%
Comanche Unit 2	311 Structures and Improvements		1.5360%	2.5843%		1.0483%
Comanche Unit 2	312 Boiler Plant Equipment		2.0120%	3.5390%		1.5270%
Comanche Unit 2	314 Turbogenerator Units		1.8270%	3.0138%		1.1868%
Comanche Unit 2	315 Accessory Electric Equipment		1.8080%	2.8577%		1.0497%
Comanche Unit 2	315.2 Computers and Peripherals			3.3694%	( 3 )	3.3694%
Comanche Unit 2	316 Miscellaneous Power Plant Equipment		1.4930%	2.5649%		1.0719%



**Public Service Company of Colorado**  
**Comparison of Current and Proposed Depreciation Rates by Plant Account**

Appendix A  
Page 2 of 8

<u>Unit or Account</u> <u>Number</u>	<u>Account Number and / or Description</u>	<u>Approved ( 1 )</u>		<u>Proposed</u>		<u>Change</u>
		<u>Notes</u>	<u>Rate</u>	<u>Rate</u>	<u>Notes</u>	<u>Total Depr</u>
Comanche Unit 3	310.2 Land Rights		2.0000%	1.7044%		-0.2956%
Comanche Unit 3	311 Structures and Improvements	( 6 )	2.0060%	1.8055%		-0.2005%
Comanche Unit 3	312 Boiler Plant Equipment	( 6 )	2.0060%	1.9153%		-0.0907%
Comanche Unit 3	314 Turbogenerator Units	( 6 )	2.0060%	1.9262%		-0.0798%
Comanche Unit 3	315 Accessory Electric Equipment	( 6 )	2.0060%	1.7829%		-0.2231%
Comanche Unit 3	315.2 Computers and Peripherals	( 6 )	2.0060%	1.8926%	( 3 )	-0.1134%
Comanche Unit 3	316 Miscellaneous Power Plant Equipment	( 6 )	2.0060%	2.0464%		0.0404%
Comanche Common	311 Structures and Improvements		1.6780%	2.0267%		0.3487%
Comanche Common	312 Boiler Plant Equipment		1.8210%	2.2313%		0.4103%
Comanche Common	314 Turbogenerator Units		2.5660%	2.2249%		-0.3411%
Comanche Common	315 Accessory Electric Equipment		1.8470%	1.9478%		0.1008%
Comanche Common	315.2 Computers and Peripherals		3.7760%	2.1863%		-1.5897%
Comanche Common	316 Miscellaneous Power Plant Equipment		1.7610%	2.2513%		0.4903%
Craig Unit 1	311 Structures and Improvements		1.5480%	5.1716%		3.6236%
Craig Unit 1	312 Boiler Plant Equipment		1.6630%	4.9996%		3.3366%
Craig Unit 1	314 Turbogenerator Units		2.8160%	10.9781%		8.1621%
Craig Unit 1	315 Accessory Electric Equipment		1.6150%	5.9522%		4.3372%
Craig Unit 1	315.2 Computers and Peripherals			5.5241%	( 3 )	5.5241%
Craig Unit 1	316 Miscellaneous Power Plant Equipment		1.5810%	4.7394%		3.1584%
Craig Unit 2	311 Structures and Improvements		1.5250%	2.3957%		0.8707%
Craig Unit 2	312 Boiler Plant Equipment		1.6530%	2.5146%		0.8616%
Craig Unit 2	314 Turbogenerator Units		1.6150%	3.0040%		1.3890%
Craig Unit 2	315 Accessory Electric Equipment		1.5840%	2.4474%		0.8634%
Craig Unit 2	315.2 Computers and Peripherals			2.5855%	( 3 )	2.5855%
Craig Unit 2	316 Miscellaneous Power Plant Equipment		1.5470%	2.4521%		0.9051%
Craig Common	311 Structures and Improvements		1.5760%	2.7072%		1.1312%
Craig Common	312 Boiler Plant Equipment		2.4110%	3.6004%		1.1894%
Craig Common	314 Turbogenerator Units		1.6590%	3.1493%		1.4903%
Craig Common	315 Accessory Electric Equipment		1.6280%	2.6916%		1.0636%
Craig Common	315.2 Computers and Peripherals		3.0200%	2.9146%		-0.1054%
Craig Common	316 Miscellaneous Power Plant Equipment		1.7140%	3.4009%		1.6869%
Hayden Unit 1	311 Structures and Improvements		1.8720%	2.8250%		0.9530%
Hayden Unit 1	312 Boiler Plant Equipment		3.2970%	4.8475%		1.5505%
Hayden Unit 1	314 Turbogenerator Units		2.3040%	3.5009%		1.1969%
Hayden Unit 1	315 Accessory Electric Equipment		2.1660%	3.0672%		0.9012%
Hayden Unit 1	315.2 Computers and Peripherals		4.0880%	6.3914%		2.3034%
Hayden Unit 1	316 Miscellaneous Power Plant Equipment		1.8880%	2.8391%		0.9511%
Hayden Unit 2	311 Structures and Improvements		1.5260%	3.8168%		2.2908%
Hayden Unit 2	312 Boiler Plant Equipment		1.9670%	3.0083%		1.0413%
Hayden Unit 2	314 Turbogenerator Units		1.6850%	2.8087%		1.1237%
Hayden Unit 2	315 Accessory Electric Equipment		1.5620%	2.6379%		1.0759%
Hayden Unit 2	315.2 Computers and Peripherals		3.8340%	4.9993%		1.1653%
Hayden Unit 2	316 Miscellaneous Power Plant Equipment		1.5680%	2.5002%		0.9322%

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		<u>Notes</u>	<u>Rate</u>	<u>Rate</u>	<u>Notes</u>	<u>Total Depr</u>
Hayden Common	311 Structures and Improvements		2.5060%	4.9803%		2.4743%
Hayden Common	312 Boiler Plant Equipment		2.8490%	4.5606%		1.7116%
Hayden Common	314 Turbogenerator Units		3.0360%	5.3967%		2.3607%
Hayden Common	315 Accessory Electric Equipment		2.7700%	4.5693%		1.7993%
Hayden Common	315.2 Computers and Peripherals		0.0000%	4.7336%	( 3 )	4.7336%
Hayden Common	316 Miscellaneous Power Plant Equipment		2.5640%	6.1166%		3.5526%
Pawnee Unit 1	311 Structures and Improvements		1.5740%	2.2050%		0.6310%
Pawnee Unit 1	312 Boiler Plant Equipment		1.7800%	3.0371%		1.2571%
Pawnee Unit 1	314 Turbogenerator Units		1.7030%	2.4585%		0.7555%
Pawnee Unit 1	315 Accessory Electric Equipment		1.6500%	2.2074%		0.5574%
Pawnee Unit 1	315.2 Computers and Peripherals		3.0870%	3.2420%		0.1550%
Pawnee Unit 1	316 Miscellaneous Power Plant Equipment		1.6410%	2.3297%		0.6887%
Pawnee Common	311 Structures and Improvements		2.8590%	6.7754%		3.9164%
Pawnee Common	312 Boiler Plant Equipment		3.0540%	6.9614%		3.9074%
Pawnee Common	314 Turbogenerator Units		2.4170%	6.5777%		4.1607%
Pawnee Common	315 Accessory Electric Equipment		2.2880%	5.9674%		3.6794%
Pawnee Common	315.2 Computers and Peripherals		2.7760%	6.8823%	( 3 )	4.1063%
Pawnee Common	316 Miscellaneous Power Plant Equipment		2.4190%	6.6584%		4.2394%
Zuni Common	310.3 Water Rights		2.0000%	0.0000%		-2.0000%
<u>HYDRAULIC PRODUCTION PLANT</u>						
Ames	331 Structures and Improvements		1.4870%	2.3793%		0.8923%
Ames	332 Reservoirs, Dams and Waterways		1.5620%	3.0421%		1.4801%
Ames	333 Waterwheels, Turbines and Generators		0.9420%	2.3055%		1.3635%
Ames	334 Accessory Electric Equipment		2.4710%	2.9670%		0.4960%
Ames	334.2 Computers and Peripherals			3.0074%	( 3 )	3.0074%
Ames	335 Misc. Power Plant Equipment		1.8330%	2.6837%		0.8507%
Ames	335.2 Recreational Facilities		2.3560%	2.8217%		0.4657%
Ames	336 Roads, Railroads and Bridges		2.4030%	2.7612%		0.3582%
Cabin Creek	331 Structures and Improvements		1.0620%	2.7279%		1.6659%
Cabin Creek	332 Reservoirs, Dams and Waterways		1.0920%	2.5022%		1.4102%
Cabin Creek	333 Waterwheels, Turbines and Generators		1.2270%	2.8618%		1.6348%
Cabin Creek	334 Accessory Electric Equipment		1.4330%	2.9371%		1.5041%
Cabin Creek	334.2 Computers and Peripherals		1.3170%	2.8036%		1.4866%
Cabin Creek	335 Misc. Power Plant Equipment		1.7060%	2.6804%		0.9744%
Cabin Creek	335.2 Recreational Facilities		1.5450%	2.9179%		1.3729%
Cabin Creek	336 Roads, Railroads and Bridges		1.0660%	2.4036%		1.3376%
Georgetown	331 Structures and Improvements		1.7020%	4.9606%		3.2586%
Georgetown	332 Reservoirs, Dams and Waterways		2.3130%	5.1769%		2.8639%
Georgetown	333 Waterwheels, Turbines and Generators		1.0310%	4.2262%		3.1952%
Georgetown	334 Accessory Electric Equipment		1.6120%	5.1803%		3.5683%
Georgetown	334.2 Computers and Peripherals			5.1616%	( 3 )	5.1616%
Georgetown	335 Misc. Power Plant Equipment		2.8780%	4.5983%		1.7203%
Georgetown	335.2 Recreational Facilities		2.2660%	5.1524%		2.8864%
Georgetown	336 Roads, Railroads and Bridges			5.1616%	( 3 )	5.1616%

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<u>Unit or Account</u>	<u>Account Number and / or Description</u>	<u>Notes</u>	<u>Rate</u>	<u>Rate</u>	<u>Notes</u>	<u>Rate</u>
Salida	331 Structures and Improvements		1.8380%	15.5793%		13.7413%
Salida	332 Reservoirs, Dams and Waterways		1.5940%	17.9323%		16.3383%
Salida	333 Waterwheels, Turbines and Generators		0.7090%	14.7550%		14.0460%
Salida	334 Accessory Electric Equipment		2.0370%	15.5893%		13.5523%
Salida	334.2 Computers and Peripherals			17.5215%	( 3 )	17.5215%
Salida	335 Misc. Power Plant Equipment		3.6900%	14.0135%		10.3235%
Salida	335.2 Recreational Facilities		3.3300%	16.8030%		13.4730%
Salida	336 Roads, Railroads and Bridges		2.6660%	15.0956%		12.4296%
Shoshone	331 Structures and Improvements		1.6770%	2.2603%		0.5833%
Shoshone	332 Reservoirs, Dams and Waterways		0.8600%	2.0428%		1.1828%
Shoshone	333 Waterwheels, Turbines and Generators		1.7780%	2.1271%		0.3491%
Shoshone	334 Accessory Electric Equipment		2.3060%	2.3660%		0.0600%
Shoshone	334.2 Computers and Peripherals			2.1285%	( 3 )	2.1285%
Shoshone	335 Misc. Power Plant Equipment		2.8300%	2.1746%		-0.6554%
Shoshone	335.2 Recreational Facilities			2.1285%	( 3 )	2.1285%
Shoshone	336 Roads, Railroads and Bridges		1.1210%	1.6213%		0.5003%
Tacoma	331 Structures and Improvements		1.4080%	3.0252%		1.6172%
Tacoma	332 Reservoirs, Dams and Waterways		1.3770%	3.8517%		2.4747%
Tacoma	333 Waterwheels, Turbines and Generators		1.8510%	3.4758%		1.6248%
Tacoma	334 Accessory Electric Equipment		1.8020%	3.7017%		1.8997%
Tacoma	334.2 Computers and Peripherals			3.7233%	( 3 )	3.7233%
Tacoma	335 Misc. Power Plant Equipment		1.9290%	3.1796%		1.2506%
Tacoma	335.2 Recreational Facilities		1.6620%	3.1806%		1.5186%
Tacoma	336 Roads, Railroads and Bridges		1.3290%	2.8330%		1.5040%
<b><u>OTHER PRODUCTION PLANT</u></b>						
Alamosa	341 Structures and Improvements		4.6300%	3.8389%		-0.7911%
Alamosa	342 Fuel Holders, Producers, and Accessories		1.0410%	1.5181%		0.4771%
Alamosa	343 Prime Movers		0.0000%	2.6280%	( 3 )	2.6280%
Alamosa	344 Generators		1.6180%	1.8092%		0.1912%
Alamosa	345 Accessory Electric Equipment		3.7450%	7.2037%		3.4587%
Alamosa	345.2 Computers and Peripherals			2.6280%	( 3 )	2.6280%
Alamosa	346 Miscellaneous Power Plant Equipment		0.9760%	7.4631%		6.4871%
Blue Spruce	341 Structures and Improvements	( 7 )	2.6887%	2.6031%	( 3 )	-0.0856%
Blue Spruce	342 Fuel Holders, Producers, and Accessories	( 7 )	2.6887%	2.6031%	( 3 )	-0.0856%
Blue Spruce	343 Prime Movers	( 7 )	2.6887%	2.6031%	( 3 )	-0.0856%
Blue Spruce	344 Generators	( 7 )	2.6887%	2.6025%		-0.0862%
Blue Spruce	344 Generators	( 7 )	2.6887%	2.6025%		-0.0862%
Blue Spruce	345 Accessory Electric Equipment	( 7 )	2.6887%	2.8604%		0.1717%
Blue Spruce	345.2 Computers and Peripherals	( 7 )	2.6887%	2.6031%	( 3 )	-0.0856%
Blue Spruce	346 Miscellaneous Power Plant Equipment	( 7 )	2.6887%	2.6031%	( 3 )	-0.0856%

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Cherokee 5-7	341 Structures and Improvements	( 11 )	2.5698%	2.5358%		-0.0340%
Cherokee 5-7	342 Fuel Holders, Producers, and Accessories	( 11 )	2.5698%	2.7523%		0.1825%
Cherokee 5-7	343 Prime Movers	( 11 )	2.5698%	2.7453%		0.1755%
Cherokee 5-7	344 Generators	( 11 )	2.5698%	2.6307%		0.0609%
Cherokee 5-7	345 Accessory Electric Equipment	( 11 )	2.5698%	2.6200%		0.0502%
Cherokee 5-7	345.2 Computers and Peripherals	( 11 )	2.5698%	2.6312%	( 3 )	0.0614%
Cherokee 5-7	346 Miscellaneous Power Plant Equipment	( 11 )	2.5698%	2.5614%		-0.0084%
Fruita	340 Land Rights		2.0000%	1.1052%		-0.8948%
Fruita	341 Structures and Improvements		0.8850%	1.5613%		0.6763%
Fruita	342 Fuel Holders, Producers, and Accessories		1.0400%	3.0408%		2.0008%
Fruita	343 Prime Movers		0.0000%	2.3778%	( 3 )	2.3778%
Fruita	344 Generators		1.0290%	1.8005%		0.7715%
Fruita	345 Accessory Electric Equipment		4.2030%	4.2196%		0.0166%
Fruita	345.2 Computers and Peripherals			2.3778%	( 3 )	2.3778%
Fruita	346 Miscellaneous Power Plant Equipment		1.1310%	7.7488%		6.6178%
Ft Saint Vrain Unit 1	341 Structures and Improvements		1.4350%	1.6188%		0.1838%
Ft Saint Vrain Unit 1	342 Fuel Holders, Producers, and Accessories		2.4810%	2.1538%		-0.3272%
Ft Saint Vrain Unit 1	343 Prime Movers		2.2110%	3.3481%		1.1371%
Ft Saint Vrain Unit 1	344 Generators		1.4240%	2.2035%		0.7795%
Ft Saint Vrain Unit 1	345 Accessory Electric Equipment		1.4370%	2.0974%		0.6604%
Ft Saint Vrain Unit 1	345.2 Computers and Peripherals		1.7130%	1.8621%		0.1491%
Ft Saint Vrain Unit 1	346 Miscellaneous Power Plant Equipment		1.4940%	1.6657%		0.1717%
Ft Saint Vrain Unit 2	341 Structures and Improvements	( 4 )	2.3400%	3.7307%		1.3907%
Ft Saint Vrain Unit 2	342 Fuel Holders, Producers, and Accessories		2.8540%	2.8630%		0.0090%
Ft Saint Vrain Unit 2	343 Prime Movers		2.3150%	3.7520%		1.4370%
Ft Saint Vrain Unit 2	344 Generators		2.4180%	2.5164%		0.0984%
Ft Saint Vrain Unit 2	345 Accessory Electric Equipment	( 4 )	2.2100%	3.5782%		1.3682%
Ft Saint Vrain Unit 2	345.2 Computers and Peripherals	( 4 )	2.2100%	2.5607%	( 3 )	0.3507%
Ft Saint Vrain Unit 2	346 Miscellaneous Power Plant Equipment	( 4 )	1.8800%	3.3646%		1.4846%
Ft Saint Vrain Unit 3	341 Structures and Improvements		0.0000%	3.4230%	( 3 )	3.4230%
Ft Saint Vrain Unit 3	342 Fuel Holders, Producers, and Accessories		2.8910%	3.7272%		0.8362%
Ft Saint Vrain Unit 3	343 Prime Movers	( 4 )	2.0700%	3.9156%		1.8456%
Ft Saint Vrain Unit 3	344 Generators		2.7260%	3.2332%		0.5072%
Ft Saint Vrain Unit 3	345 Accessory Electric Equipment	( 4 )	2.2100%	3.7374%		1.5274%
Ft Saint Vrain Unit 3	345.2 Computers and Peripherals	( 4 )	2.2100%	3.4230%	( 3 )	1.2130%
Ft Saint Vrain Unit 3	346 Miscellaneous Power Plant Equipment	( 4 )	1.8800%	3.7636%		1.8836%
Ft Saint Vrain Unit 4	341 Structures and Improvements		2.4930%	1.6102%		-0.8828%
Ft Saint Vrain Unit 4	342 Fuel Holders, Producers, and Accessories		2.5270%	2.5550%		0.0280%
Ft Saint Vrain Unit 4	343 Prime Movers	( 4 )	2.0700%	3.8916%		1.8216%
Ft Saint Vrain Unit 4	344 Generators		2.6890%	2.5798%		-0.1092%
Ft Saint Vrain Unit 4	345 Accessory Electric Equipment		2.5410%	2.5161%		-0.0249%
Ft Saint Vrain Unit 4	345.2 Computers and Peripherals			2.5511%	( 3 )	2.5511%
Ft Saint Vrain Unit 4	346 Miscellaneous Power Plant Equipment		2.5230%	2.4709%		-0.0521%

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Ft Saint Vrain Unit 5	341 Structures and Improvements	( 6 )	2.5620%	2.4774%		-0.0846%
Ft Saint Vrain Unit 5	342 Fuel Holders, Producers, and Accessories	( 6 )	2.5620%	2.6238%		0.0618%
Ft Saint Vrain Unit 5	343 Prime Movers	( 6 )	2.5620%	3.1567%		0.5947%
Ft Saint Vrain Unit 5	344 Generators	( 6 )	2.5620%	2.5431%		-0.0189%
Ft Saint Vrain Unit 5	345 Accessory Electric Equipment	( 6 )	2.5620%	2.5365%		-0.0255%
Ft Saint Vrain Unit 5	345.2 Computers and Peripherals		2.5620%	2.5468%	( 3 )	-0.0152%
Ft Saint Vrain Unit 5	346 Miscellaneous Power Plant Equipment	( 6 )	2.5620%	2.5401%		-0.0219%
Ft Saint Vrain Unit 6	341 Structures and Improvements	( 6 )	2.5620%	2.4782%		-0.0838%
Ft Saint Vrain Unit 6	342 Fuel Holders, Producers, and Accessories	( 6 )	2.5620%	2.6246%		0.0626%
Ft Saint Vrain Unit 6	343 Prime Movers	( 6 )	2.5620%	3.1578%		0.5958%
Ft Saint Vrain Unit 6	344 Generators	( 6 )	2.5620%	2.5440%		-0.0180%
Ft Saint Vrain Unit 6	345 Accessory Electric Equipment	( 6 )	2.5620%	2.5376%		-0.0244%
Ft Saint Vrain Unit 6	345.2 Computers and Peripherals		2.5620%	2.5483%	( 3 )	-0.0137%
Ft Saint Vrain Unit 6	346 Miscellaneous Power Plant Equipment	( 6 )	2.5620%	2.4960%		-0.0660%
Ft Saint Vrain Common	341 Structures and Improvements		1.7200%	2.0845%		0.3645%
Ft Saint Vrain Common	342 Fuel Holders, Producers, and Accessories		1.7030%	2.3240%		0.6210%
Ft Saint Vrain Common	343 Prime Movers		2.7290%	3.1735%		0.4445%
Ft Saint Vrain Common	344 Generators		2.6890%	2.3105%		-0.3785%
Ft Saint Vrain Common	345 Accessory Electric Equipment		2.6970%	2.3240%		-0.3730%
Ft Saint Vrain Common	345.2 Computers and Peripherals		2.2020%	3.2462%		1.0442%
Ft Saint Vrain Common	346 Miscellaneous Power Plant Equipment		2.6290%	3.0945%		0.4655%
Ft. Lupton CT	341 Structures and Improvements		2.5600%	2.3627%		-0.1973%
Ft. Lupton CT	342 Fuel Holders, Producers, and Accessories		3.8900%	2.8058%		-1.0842%
Ft. Lupton CT	343 Prime Movers		0.0000%	3.2085%	( 3 )	3.2085%
Ft. Lupton CT	344 Generators		4.0260%	3.0846%		-0.9414%
Ft. Lupton CT	345 Accessory Electric Equipment		1.3660%	6.1215%		4.7555%
Ft. Lupton CT	345.2 Computers and Peripherals			3.2085%	( 3 )	3.2085%
Ft. Lupton CT	346 Miscellaneous Power Plant Equipment		1.4550%	1.4803%		0.0253%
Rocky Mountain	341 Structures and Improvements	( 7 )	2.8491%	2.7060%		-0.1431%
Rocky Mountain	342 Fuel Holders, Producers, and Accessories	( 7 )	2.8491%	3.1391%		0.2900%
Rocky Mountain	343 Prime Movers	( 7 )	2.8491%	3.1315%		0.2824%
Rocky Mountain	344 Generators	( 7 )	2.8491%	2.6522%		-0.1969%
Rocky Mountain	344 Generators	( 7 )	2.8491%	2.6522%		-0.1969%
Rocky Mountain	345 Accessory Electric Equipment	( 7 )	2.8491%	2.7567%		-0.0924%
Rocky Mountain	345.2 Computers and Peripherals	( 7 )	2.8491%	2.6587%	( 3 )	-0.1904%
Rocky Mountain	346 Miscellaneous Power Plant Equipment	( 7 )	2.8491%	2.6526%		-0.1965%
Valmont	341 Structures and Improvements		0.8200%	1.4055%		0.5855%
Valmont	342 Fuel Holders, Producers, and Accessories		1.3530%	1.7488%		0.3958%
Valmont	343 Prime Movers			2.3349%	( 3 )	2.3349%
Valmont	344 Generators		1.9020%	2.2941%		0.3921%
Valmont	345 Accessory Electric Equipment		4.5530%	3.1096%		-1.4434%
Valmont	345.2 Computers and Peripherals			2.3349%	( 3 )	2.3349%
Valmont	346 Miscellaneous Power Plant Equipment		4.8350%	3.0965%		-1.7385%
Wind to Hydrogen	344 Generators	( 5 )	6.6700%	5.2320%		-1.4380%

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	<b><u>TRANSMISSION PLANT</u></b>					
350.20	Land Rights		1.0300%	0.9980%		-0.0320%
352.00	Structures and Improvements		1.4400%	1.1916%		-0.2484%
352.00	Structures and Improvements	( 7 )	1.4400%	1.1916%		-0.2484%
353.00	Station Equipment		1.7800%	1.9792%		0.1992%
353.00	Station Equipment	( 7 )	1.7800%	1.9792%		0.1992%
354.00	Towers and Fixtures		1.1800%	1.4750%		0.2950%
355.00	Poles and Fixtures		1.6400%	2.2547%		0.6147%
356.00	Overhead Conductors and Devices		1.7900%	1.7817%		-0.0083%
357.00	Underground Conduit		1.9400%	1.6627%		-0.2773%
358.00	Underground Conductors and Devices		1.8800%	1.9945%		0.1145%
359.00	Roads and Trails		0.9700%	1.0825%		0.1125%
	<b><u>DISTRIBUTION PLANT</u></b>					
360.20	Land Rights		1.0900%	0.9898%		-0.1002%
361.00	Structures and Improvements		1.7100%	1.5834%		-0.1266%
362.00	Station Equipment		2.0500%	1.8919%		-0.1581%
364.00	Poles, Towers and Fixtures		3.6500%	2.7020%		-0.9480%
365.00	Overhead Conductors and Devices		3.3100%	2.7400%		-0.5700%
366.00	Underground Conduit		1.9900%	1.7497%		-0.2403%
367.00	Underground Conductors and Devices		2.0500%	2.1815%		0.1315%
368.00	Line Transformers		2.2100%	2.2600%		0.0500%
369.00	Services		2.3300%	2.1540%		-0.1760%
369.10	Services-Overhead		2.3300%	2.4347%		0.1047%
369.20	Services-Underground		2.3300%	2.4311%		0.1011%
370.00	Meters		3.9700%	3.8122%		-0.1578%
370.20	Automated Meter Reading Equipment		8.8100%	7.5908%		-1.2192%
371.00	Installation on Customer Premises		1.0000%	4.4155%		3.4155%
373.00	Street Lighting and Signal Systems		2.9500%	2.9492%		-0.0008%
	<b><u>ELECTRIC GENERAL PLANT</u></b>					
389.20	Land Rights		0.0000%	1.6667%		1.6667%
390.00	Structures and Improvements	( 12 )	4.1833%	2.2521%		-1.9312%
391.00	Office Furniture and Equipment		4.7500%	4.5583%		-0.1917%
391.20	Computer Hardware		20.0000%	16.2260%		-3.7740%
392.10	Transportation Equipment-Autos		9.0000%	7.1923%		-1.8077%
392.20	Transportation Equipment-Light Trucks		9.0000%	7.0136%		-1.9864%
392.30	Transportation Equipment-Trailers		9.0000%	3.1247%		-5.8753%
392.40	Transportation Equipment-Heavy Trucks		9.0000%	5.8937%		-3.1063%
393.00	Stores Equipment		3.1700%	3.1640%		-0.0060%
394.00	Tools, Shop and Garage Equipment		3.8000%	3.8445%		0.0445%
395.00	Laboratory Equipment		9.5000%	10.0000%		0.5000%
396.00	Power Operated Equipment		9.0000%	5.6340%		-3.3660%
397.00	Communication Equipment		6.6700%	6.3007%		-0.3693%
398.00	Miscellaneous Equipment		5.0000%	4.5977%		-0.4023%
	<b><u>COMMON INTANGIBLE PLANT</u></b>					
301.00	Organization Costs					
302.00	Franchises and Consents	( 9 )	Various			
303.00	Misc Computer Software-3 Year		33.3333%	33.3333%		0.0000%
303.04	Misc Computer Software-7 Year		20.0000%	14.2857%		-5.7143%
303.04	Misc Computer Software-10 Year		10.0000%	10.0000%		0.0000%
303.04	Misc Computer Software-15 Year		10.0000%	6.6667%		-3.3333%

**Public Service Company of Colorado**  
**Comparison of Current and Proposed Depreciation Rates by Plant Account**

Appendix A  
Page 8 of 8

<u>Unit or Account</u> <u>Number</u>	<u>Account Number and / or Description</u>	<u>Approved ( 1 )</u>		<u>Proposed</u>		<u>Change</u>
		<u>Notes</u>	<u>Rate</u>	<u>Rate</u>	<u>Notes</u>	<u>Total Depr</u>
	<u>COMMON GENERAL PLANT</u>					
389.20	Land Rights		0.0000%	1.6667%		1.6667%
390.00	Structures and Improvements	( 12 )	2.3855%	2.4191%		0.0336%
390.07	Structures and Improvements - Leasehold Improvements	( 10 )	Various			
390.85	Structures and Improvements - 1800 Larimer	( 8 )	Various			
391.00	Office Furniture and Equipment		4.7500%	4.9019%		0.1519%
391.04	Computer Hardware		20.0000%	16.3559%		-3.6441%
391.05	Computer Hardware - 3 Year Life		33.3300%	32.6080%		-0.7220%
392.10	Transportation Equipment - Automobiles		9.0000%	7.4233%		-1.5767%
392.20	Transportation Equipment - Light Trucks		9.0000%	7.3603%		-1.6397%
392.30	Transportation Equipment - Trailers		9.0000%	3.1677%		-5.8323%
392.40	Transportation Equipment - Heavy Trucks		9.0000%	6.1716%		-2.8284%
393.00	Stores Equipment		3.1700%	3.1640%		-0.0060%
394.00	Tools and Shop Equipment		3.8000%	3.9186%		0.1186%
395.00	Laboratory Equipment		9.5000%	9.9572%		0.4572%
396.00	Power Operated Equipment		9.0000%	5.8982%		-3.1018%
397.00	Communication Equipment		6.6700%	5.4453%		-1.2247%
398.00	Miscellaneous Equipment		5.0000%	4.6394%		-0.3606%
	<u>Regulatory Assets Retired Generation Stations</u>					
	<u>Life</u>					
182.20	Arapahoe		Various	14.2857%	( 13 )	Various
182.20	Cameo		Various	14.2857%	( 13 )	Various
182.20	Cherokee		Various	14.2857%	( 13 )	Various
182.20	Craig Unit 1	( 2 )		14.2857%	( 13 )	
182.20	Valmont		Various	14.2857%	( 13 )	Various
182.20	Zuni		Various	14.2857%	( 13 )	Various
	<u>COR</u>					
182.20	Arapahoe		Various	14.2857%	( 13 )	Various
182.20	Cameo		Various	14.2857%	( 13 )	Various
182.20	Cherokee		Various	14.2857%	( 13 )	Various
182.20	Valmont		Various	14.2857%	( 13 )	Various
182.20	Zuni		Various	14.2857%	( 13 )	Various

**Notes:**

- ( 1 ) Approved Rates for Electric utility are from Docket No. 06S-234EG and Common utility are from Docket No. 02S-315EG, unless specified in the Notes column.
- ( 2 ) Intentionally left blank
- ( 3 ) There is currently no balance in these accounts. In the event plant is added to these accounts, PSCo requests authorization to use the depreciation rate listed, which represents the composite depreciation rate for each unit.
- ( 4 ) Depreciation rates from Docket 02S-315EG. These units and accounts were not addressed in 06S-234EG Rate Case.
- ( 5 ) Depreciation rates were utilized from Non-utility Wind prior to transfer to Electric Utility.
- ( 6 ) Depreciation rates for Comanche 3, FSV GT 5 and FSV GT 6 were approved in Docket 08S-520E.
- ( 7 ) Depreciation rates for Blue Spruce and Rocky Mountain were approved in CPUC Docket 11AL-947E. FERC subsequently required the Company to record an acquisition adjustment, resulting in depreciation calculated at net plant, plus amortization of the acquisition adjustment, per FERC Docket ER11-2853-000.
- ( 8 ) Amortized to the end of the lease term 6/2025.
- ( 9 ) Amortized over the terms of the franchise agreements or license.
- ( 10 ) Amortized over the lease term.
- ( 11 ) Depreciation rates for Cherokee Other Production Unit 5, 6, 7, and Common were approved in Docket No. 15A-0916E.
- ( 12 ) Composite depreciation accrual rate for General Account 390 Structures and Improvements.
- ( 13 ) This amortization percent of 14.2857%, represents the 7-year amortization period.

**Exhibit No. XES – 204:** Documents Supporting the Depreciation Rates Resulting from Settlement Agreement, Colorado PUC Proceeding No. 16A-0231E (portions of Exhibit B to Settlement Agreement affecting transmission rates)



**APPENDIX A-4 – Depreciation Rate Calculations Trans, Dist, Gen and Common  
Depreciable Plant**

**Public Service Company of Colorado**  
**Computation of Proposed Depreciation Accrual Rates**  
**For Transmission, Distribution, General, and Common Property**  
**For the Forecast Year January 1, 2018**

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Account Number	Description	Plant Balance 1/1/2018	Allocated Reserve Balance	Net Salvage %	Net Salvage Amount	Unaccrued Balance	Remaining Life	Annual Accrual	Annual Accrual %
<b><u>TRANSMISSION PLANT</u></b>									
350.20	Land Rights	77,137,901	14,498,557	0%	0	62,639,343	81.37	769,824	0.9980%
352.00	Structures and Improvements	79,240,594	10,827,916	-5%	(3,962,030)	72,374,708	76.65	944,251	1.1916%
353.00	Station Equipment	1,050,103,042	207,627,973	-15%	(157,515,456)	999,990,525	48.12	20,783,341	1.9792%
354.00	Towers and Fixtures	189,264,961	75,849,978	-20%	(37,852,992)	151,267,974	54.18	2,791,706	1.4750%
355.00	Poles and Fixtures	421,418,577	85,267,438	-40%	(168,567,431)	504,718,571	53.12	9,501,891	2.2547%
356.00	OH Conductors and Devices	299,581,242	77,299,511	-25%	(74,895,310)	297,177,041	55.68	5,337,546	1.7817%
357.00	UG Conduit	35,592,625	7,653,673	0%	0	27,938,952	47.21	591,795	1.6627%
358.00	UG Conductors and Devices	64,752,789	15,568,363	0%	0	49,184,426	38.08	1,291,487	1.9945%
359.00	Roads and Trails	4,318,793	1,375,915	0%	0	2,942,878	62.95	46,753	1.0825%
	Total Transmission	2,221,410,524	495,969,324		(442,793,220)	2,168,234,420		42,058,594	
<b><u>DISTRIBUTION PLANT</u></b>									
360.20	Land Rights	38,790,186	4,446,666	0%	0	34,343,520	89.45	383,949	0.9898%
361.00	Structures and Improvements	77,174,622	16,426,668	-5%	(3,858,731)	64,606,685	52.87	1,221,965	1.5834%
362.00	Station Equipment	660,394,109	146,362,524	-10%	(66,039,411)	580,070,996	46.43	12,493,814	1.8919%
364.00	Poles, Towers and Fixtures	291,089,376	113,913,849	-50%	(145,544,688)	322,720,216	41.03	7,865,092	2.7020%
365.00	OH Conductors and Devices	345,551,518	104,471,124	-40%	(138,220,607)	379,301,002	40.06	9,468,108	2.7400%
366.00	UG Conduit	380,777,422	97,877,640	-25%	(95,194,356)	378,094,138	56.75	6,662,472	1.7497%
367.00	UG Conductors and Devices	1,824,579,253	445,385,098	-5%	(91,228,963)	1,470,423,118	36.94	39,803,341	2.1815%
368.00	Line Transformers	508,368,612	172,953,128	-10%	(50,836,861)	386,252,346	33.62	11,488,978	2.2600%
369.00	Services	24,404,882	22,963,796	-30%	(7,321,465)	8,762,551	16.67	525,687	2.1540%
369.10	Services-Overhead	46,739,929	28,116,323	-30%	(14,021,979)	32,645,585	28.69	1,137,977	2.4347%
369.20	Services-Underground	221,507,889	134,308,769	-30%	(66,452,367)	153,651,487	28.53	5,384,968	2.4311%
370.00	Meters	148,065,110	79,812,535	0%	0	68,252,574	12.09	5,644,596	3.8122%
370.20	AMR Equipment	68,769,058	65,089,394	0%	0	3,679,663	0.70	5,220,113	7.5908%
371.00	Installation on Customer Premises	7,154,178	4,487,808	-20%	(1,430,836)	4,097,206	12.97	315,891	4.4155%
373.00	Street Lighting and Signal Systems	166,707,410	62,140,522	-25%	(41,676,852)	146,243,740	29.75	4,916,452	2.9492%
	Total Distribution	4,810,073,555	1,498,755,843		(721,827,115)	4,033,144,827		112,533,404	
<b><u>ELECTRIC GENERAL PLANT</u></b>									
390.00	Structures and Improvements	6,784,142	1,931,451	-5%	(339,207)	5,191,898	33.98	152,787	2.2521%
389.20	Land Rights	0		0%	0	0	60.00	0	1.6667%
<b><u>COMMON GENERAL PLANT</u></b>									
390.00	Structures and Improvements	166,089,841	48,164,877	-10%	(16,608,984)	134,533,948	33.48	4,017,867	2.4191%

**APPENDIX A-5 – Depreciation Rate Calculations Electric Amortized**

Public Service Company of Colorado  
Computation of Proposed Amortization Accrual Rates  
Electric General Property  
For the Forecast at January 1, 2018

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Account Number	Description	Plant Balance 1/1/2018	Allocated Reserve 1/1/2018	Theoretical Reserve 1/1/2018	Reserve Difference	Remaining Life	Amortize Reserve Difference	Assets to Retire
<b>ELECTRIC GENERAL PLANT</b>								
391.00	Office Furniture and Equipment	5,639,525	3,581,433	3,382,020	199,412	10.75	(18,557)	1,437,918
391.20	Computer Hardware	22,643,181	5,560,708	5,096,733	463,975	4.80	(96,586)	727,227
392.10	Transportation Equipment - Automobiles	620,535	196,350	180,859	15,491	8.68	(1,784)	40,593
392.20	Transportation Equipment - Light Trucks	16,140,689	7,478,383	6,989,539	488,844	7.38	(66,209)	2,529,774
392.30	Transportation Equipment - Trailers	5,575,044	933,620	848,697	84,923	20.24	(4,195)	0
392.40	Transportation Equipment - Heavy Trucks	54,012,176	25,707,140	23,628,688	2,078,452	7.69	(270,202)	3,491,843
393.00	Stores Equipment	410,989	253,779	245,364	8,415	20.36	(413)	166,966
394.00	Tools, Shop, and Garage Equipment	40,956,498	14,767,287	13,708,136	1,059,151	18.03	(58,730)	3,183,175
395.00	Laboratory Equipment	8,444,002	6,185,493	6,185,493	0	6.24	0	4,823,791
396.00	Power Operated Equipment	11,359,725	4,545,310	4,148,535	396,775	8.22	(48,275)	323,435
397.00	Communication Equipment	108,345,858	41,881,208	38,020,458	3,860,750	9.92	(389,326)	1,969,385
398.00	Miscellaneous Equipment	1,607,864	790,283	718,739	71,544	11.20	(6,389)	19,825
	Total Electric General	275,756,086	111,880,993	103,153,262	8,727,731		(960,668)	18,713,932

After Retirement of Fully Accrued Assets

	Plant Balance 1/1/2018	Allocated Reserve 1/1/2018	Amortization Life	Amortization Net Salv %	Annual Amortization	Accrual For Reserve Difference	Total Amortization	Amortization Rate
<b>ELECTRIC GENERAL PLANT</b>								
391.00	Office Furniture and Equipment	4,201,607	2,143,515	20	0.00%	210,080	(18,557)	191,523
391.20	Computer Hardware	21,915,953	4,833,480	6	0.00%	3,652,659	(96,586)	3,556,073
392.10	Transportation Equipment - Automobiles	579,942	159,816	12	10.00%	43,496	(1,784)	41,711
392.20	Transportation Equipment - Light Trucks	13,610,915	5,201,587	12	10.00%	1,020,819	(66,209)	954,610
392.30	Transportation Equipment - Trailers	5,575,044	933,620	25	20.00%	178,401	(4,195)	174,206
392.40	Transportation Equipment - Heavy Trucks	50,520,332	22,564,481	14	10.00%	3,247,736	(270,202)	2,977,534
393.00	Stores Equipment	244,023	86,813	30	0.00%	8,134	(413)	7,721
394.00	Tools, Shop, and Garage Equipment	37,773,323	11,584,112	25	0.00%	1,510,933	(58,730)	1,452,203
395.00	Laboratory Equipment	3,620,211	1,361,702	10	0.00%	362,021	0	362,021
396.00	Power Operated Equipment	11,036,290	4,270,390	14	15.00%	670,060	(48,275)	621,785
397.00	Communication Equipment	106,376,473	39,911,824	15	0.00%	7,091,765	(389,326)	6,702,438
398.00	Miscellaneous Equipment	1,588,039	770,458	20	0.00%	79,402	(6,389)	73,013
	Total Electric General	257,042,153	93,821,797			18,075,506	(960,668)	17,114,838

**APPENDIX A-6 – Depreciation Rate Calculations Common Amortized**

Public Service of Colorado  
**Computation of Amortization Rates**  
for Common General Plant For the Forecast January 1, 2018

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Account Number	Description	Plant Balance 1/1/2018	Allocated Reserve 1/1/2018	Theoretical Reserve 1/1/2018	Reserve Difference	Remaining Life	Amortize Reserve Difference	Assets to Retire
<b>COMMON GENERAL PLANT</b>								
391.00	Office Furniture and Equipment	45,812,474	30,965,936	30,668,826	297,110	11.00	(27,008)	18,280,435
391.04	Computer Hardware	150,563,663	84,520,808	83,266,018	1,254,790	3.38	(371,720)	30,945,878
391.05	Computer Hardware - 3 Year Life	1,505,288	1,192,237	1,185,273	6,963	1.57	(4,427)	894,932
392.10	Transportation Equipment - Automobiles	2,277,049	1,284,376	1,276,470	7,906	8.41	(940)	1,052,033
392.20	Transportation Equipment - Light Trucks	12,017,199	7,526,741	7,466,367	60,374	6.63	(9,109)	5,498,874
392.30	Transportation Equipment - Trailers	959,396	232,801	227,349	5,452	17.59	(310)	0
392.40	Transportation Equipment - Heavy Trucks	4,089,552	2,553,915	2,507,004	46,911	5.25	(8,935)	612,222
393.00	Stores Equipment	869,668	722,546	714,674	7,872	9.09	(866)	358,017
394.00	Tools, Shop, and Garage Equipment	10,768,341	7,454,993	7,386,155	68,838	13.48	(5,107)	4,495,733
395.00	Laboratory Equipment	435,435	406,564	406,440	124	8.49	(15)	401,267
396.00	Power Operated Equipment	4,873,837	2,711,186	2,669,133	42,053	6.39	(6,578)	1,077,260
397.00	Communication Equipment	29,705,789	28,128,485	27,774,701	353,783	1.74	(203,754)	13,023,246
398.00	Miscellaneous Equipment	1,153,011	913,075	894,425	18,650	4.99	(3,737)	116,804
<b>Total Common General</b>		<b>265,030,702</b>	<b>168,613,662</b>	<b>166,442,835</b>	<b>2,170,827</b>		<b>(642,506)</b>	<b>76,756,701</b>

After Retirement of Fully Accrued Assets

	Plant Balance 1/1/2018	Allocated Reserve 1/1/2018	Amortization Life	Amortization Net Salv %	Annual Amortization	Accrual For Reserve Difference	Total Amortization	Amortization Rate
<b>COMMON GENERAL PLANT</b>								
391.00	Office Furniture and Equipment	27,532,039	12,685,500	20	0.00%	1,376,602	1,349,594	4.9019%
391.04	Computer Hardware	119,617,785	53,574,930	6	0.00%	19,936,298	19,564,578	16.3559%
391.05	Computer Hardware - 3 Year Life	610,356	297,305	3	0.00%	203,452	199,025	32.6080%
392.10	Transportation Equipment - Automobiles	1,225,016	337,547	12	10.00%	91,876	90,936	7.4233%
392.20	Transportation Equipment - Light Trucks	6,518,325	2,577,754	12	10.00%	488,874	479,765	7.3603%
392.30	Transportation Equipment - Trailers	959,396	232,801	25	20.00%	30,701	30,391	3.1677%
392.40	Transportation Equipment - Heavy Trucks	3,477,330	2,002,915	14	10.00%	223,543	214,607	6.1716%
393.00	Stores Equipment	511,651	364,529	30	0.00%	17,055	16,189	3.1640%
394.00	Tools, Shop, and Garage Equipment	6,272,608	2,959,260	25	0.00%	250,904	245,798	3.9186%
395.00	Laboratory Equipment	34,168	5,297	10	0.00%	3,417	3,402	9.9572%
396.00	Power Operated Equipment	3,796,576	1,795,515	14	15.00%	230,506	223,928	5.8982%
397.00	Communication Equipment	16,682,543	15,105,238	15	0.00%	1,112,170	908,416	5.4453%
398.00	Miscellaneous Equipment	1,036,207	796,271	20	0.00%	51,810	48,074	4.6394%
<b>Total Common General</b>		<b>188,274,001</b>	<b>92,734,863</b>			<b>24,017,208</b>	<b>23,374,702</b>	

## **APPENDIX B - Depreciation Expense Comparison**

Public Service of Colorado																		
Comparison of Depreciation Rates and Annual Amounts																		
January 1, 2018																		
			Approved ( 1 )				Proposed			Approved			Proposed			Difference		
		Estimated Plant	Life Depr COR Depr Tot Depr				Life Depr COR Depr Tot Depr			Life COR Total			Life COR Total			Life COR Total		
Unit or Account Number	Account Number and / or Description	Balance 1/1/2018	Notes	Rate	Rate	Rate	Rate	Rate	Rate	Notes	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp
ELECTRIC INTANGIBLE PLANT																		
301.00	Organization Costs	-									-	-	-	-	-	-	-	-
302.00	Franchises and Consents	17,102,114	( 9 )	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%		-	-	-	-	-	-	-	-
303.00	Miscellaneous Intangible Plant	8,762,060	( 9 )	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%		-	-	-	-	-	-	-	-
303.40	Misc Computer Software - 3 Year	-		33.3333%	0.0000%	33.3333%	33.3333%	0.0000%	33.3333%		-	-	-	-	-	-	-	-
303.40	Misc Computer Software - 7 Year	53,141,490		20.0000%	0.0000%	20.0000%	14.2857%	0.0000%	14.2857%		10,628,298	-	10,628,298	7,591,641	-	7,591,641	(3,036,657)	(3,036,657)
303.40	Misc Computer Software - 10 Year	-		10.0000%	0.0000%	10.0000%	10.0000%	0.0000%	10.0000%		-	-	-	-	-	-	-	-
303.40	Misc Computer Software - 15 Year	-		10.0000%	0.0000%	10.0000%	6.6667%	0.0000%	6.6667%		-	-	-	-	-	-	-	-
Total Electric Intangible Plant		79,005,664									10,628,298	-	10,628,298	7,591,641	-	7,591,641	(3,036,657)	(3,036,657)
STEAM PRODUCTION PLANT																		
Cameo Common	310.2 Land Rights	1,392		2.0000%	0.0000%	2.0000%	0.0000%	0.0000%	0.0000%		28	-	28	-	-	-	(28)	(28)
Cherokee Unit 2 SC	314 Turbogenerator Units	10,862,755		2.1116%	0.1964%	2.3080%	6.2014%	0.0868%	6.2882%		229,378	21,334	250,712	673,643	9,429	683,072	444,265	(11,906)
Cherokee Unit 2 SC	315 Accessory Electric Equipment	2,040,021		3.0393%	0.2827%	3.3220%	4.1566%	0.0457%	4.2023%		62,002	5,767	67,769	84,795	932	85,728	22,793	(4,835)
Cherokee Unit 2 SC	Total	12,902,775		2.2583%	0.2100%	2.4683%	5.8781%	0.0803%	5.9584%		291,380	27,102	318,482	758,438	10,361	768,800	467,058	(16,740)
Cherokee Unit 4	311 Structures and Improvements	9,139,690		1.8240%	0.2330%	2.0570%	4.8569%	0.6612%	5.5181%		166,708	21,295	188,003	443,906	60,432	504,337	277,198	39,136
Cherokee Unit 4	312 Boiler Plant Equipment	59,493,607		1.6920%	0.2220%	1.9140%	5.0559%	0.6969%	5.7528%		1,006,632	132,076	1,138,708	3,007,937	414,611	3,422,548	2,001,305	282,535
Cherokee Unit 4	312 Boiler Plant Equipment AQIR	14,894,894		6.6667%	0.0000%	6.6667%	6.6667%	0.0000%	6.6667%		992,998	-	992,998	992,998	-	992,998	-	-
Cherokee Unit 4	314 Turbogenerator Units	20,913,647		1.7190%	0.2240%	1.9430%	4.6744%	0.6452%	5.3196%		359,506	46,847	406,352	977,588	134,935	1,112,522	618,082	88,088
Cherokee Unit 4	315 Accessory Electric Equipment	7,307,248		1.5800%	0.2000%	1.7800%	4.5164%	0.6098%	5.1262%		115,455	14,614	130,069	330,025	44,560	374,584	214,570	29,945
Cherokee Unit 4	315.2 Computers and Peripherals	3,233,582		4.3147%	0.4013%	4.7160%	5.4237%	0.7278%	6.1515%		139,519	12,976	152,496	175,380	23,534	198,914	35,860	10,558
Cherokee Unit 4	316 Miscellaneous Power Plant Equipment	401,316		1.4290%	0.1700%	1.5990%	7.2002%	0.9833%	8.1835%		5,735	682	6,417	28,896	3,946	32,842	23,161	3,264
Cherokee Unit 4	Total	115,383,984		2.4150%	0.1980%	2.6131%	5.1625%	0.5911%	5.7536%		2,786,552	228,491	3,015,043	5,956,728	682,017	6,638,745	3,170,176	453,526
Cherokee Common	310.2 Land Rights	12,865,962		2.0000%	0.0000%	2.0000%	4.5863%	0.0000%	4.5863%		257,319	-	257,319	590,072	-	590,072	332,752	-
Cherokee Common	310.3 Water Rights	112,245		2.0000%	0.0000%	2.0000%	5.6505%	0.0000%	5.6505%		2,245	-	2,245	6,342	-	6,342	4,098	-
Cherokee Common	311 Structures and Improvements	32,477,475		2.3050%	0.2480%	2.5530%	5.8977%	0.5448%	6.4425%		748,606	80,544	829,150	1,915,424	176,937	2,092,361	1,166,818	96,393
Cherokee Common	312 Boiler Plant Equipment	18,490,653		2.7650%	0.2910%	3.0560%	6.0095%	0.5653%	6.5748%		511,267	53,808	565,074	1,111,196	104,528	1,215,723	599,929	50,720
Cherokee Common	312 Boiler Plant Equipment AQIR	17,251,728		6.6667%	0.0000%	6.6667%	6.6667%	0.0000%	6.6667%		1,150,121	-	1,150,121	1,150,121	-	1,150,121	-	-
Cherokee Common	314 Turbogenerator Units	193,363		4.6390%	0.4350%	5.0740%	4.8266%	0.4550%	5.2816%		8,970	841	9,811	9,333	880	10,213	363	39
Cherokee Common	315 Accessory Electric Equipment	8,446,055		1.9540%	0.2050%	2.1590%	4.7534%	0.4338%	5.1872%		165,036	17,314	182,350	401,475	36,639	438,114	236,439	19,325
Cherokee Common	315.2 Computers and Peripherals	192,016		3.1757%	0.2953%	3.4710%	5.0977%	0.4610%	5.5587%		6,098	567	6,665	9,788	885	10,674	3,691	318
Cherokee Common	316 Miscellaneous Power Plant Equipment	2,294,961		2.1380%	0.2040%	2.3420%	6.6820%	0.6200%	7.3020%		49,066	4,682	53,748	153,349	14,229	167,578	104,283	9,547
Cherokee Common	Total	92,324,458		3.1397%	0.1709%	3.3106%	5.7916%	0.3619%	6.1535%		2,898,728	157,756	3,056,484	5,347,100	334,098	5,681,198	2,448,373	176,341
Coal Cars	312 Boiler Plant Equipment	23,102,076		3.1667%	0.0000%	3.1667%	4.7285%	0.0000%	4.7285%		731,573	-	731,573	1,092,382	-	1,092,382	360,808	-
Comanche Unit 1	311 Structures and Improvements	17,989,658		1.6360%	0.1970%	1.8330%	2.8847%	0.0887%	2.9734%		294,311	35,440	329,750	518,948	15,957	534,905	224,637	(19,483)
Comanche Unit 1	312 Boiler Plant Equipment	228,008,023		1.9460%	0.2270%	2.1730%	3.7706%	0.1276%	3.8982%		4,437,036	517,578	4,954,614	8,597,271	290,938	8,888,209	4,160,234	(226,640)
Comanche Unit 1	314 Turbogenerator Units	37,687,510		1.6980%	0.2040%	1.9020%	3.3469%	0.1145%	3.4614%		639,934	76,883	716,816	1,261,363	43,152	1,304,515	621,429	(33,730)
Comanche Unit 1	315 Accessory Electric Equipment	21,114,222		1.5310%	0.1760%	1.7070%	2.9854%	0.0857%	3.0711%		323,259	37,161	360,420	630,344	18,095	648,439	307,085	(19,066)
Comanche Unit 1	315.2 Computers and Peripherals	1,407,501		3.6712%	0.3488%	4.0200%	3.3446%	0.1014%	3.4460%		51,672	4,909	56,582	47,075	1,427	48,502	(4,597)	(3,482)
Comanche Unit 1	316 Miscellaneous Power Plant Equipment	570,557		1.3680%	0.1450%	1.5130%	2.6534%	0.0835%	2.7369%		7,805	827	8,633	15,139	476	15,616	7,334	(351)
Comanche Unit 1	Total	306,777,470		1.8756%	0.2193%	2.0949%	3.6085%	0.1206%	3.7291%		5,754,017	672,798	6,426,815	11,070,140	370,046	11,440,186	5,316,123	(302,752)



Public Service of Colorado Comparison of Depreciation Rates and Annual Amounts January 1, 2018																		
			Approved ( 1 )				Proposed			Approved			Proposed			Difference		
		Estimated Plant Balance 1/1/2018	Life Depr	COR Depr	Tot Depr	Life Depr	COR Depr	Tot Depr		Life	COR	Total	Life	COR	Total	Life	COR	Total
Unit or Account Number	Account Number and / or Description		Notes	Rate	Rate	Rate	Rate	Rate	Notes	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp
Comanche Unit 2	311 Structures and Improvements	8,931,575		1.3710%	0.1650%	1.5360%	2.4913%	0.0930%	2.5843%	122,452	14,737	137,189	222,512	8,306	230,819	100,060	(6,431)	93,630
Comanche Unit 2	312 Boiler Plant Equipment	184,356,650		1.8040%	0.2080%	2.0120%	3.4001%	0.1389%	3.5390%	3,325,794	383,462	3,709,256	6,268,310	256,071	6,524,382	2,942,516	(127,390)	2,815,126
Comanche Unit 2	314 Turbogenerator Units	37,394,504		1.6350%	0.1920%	1.8270%	2.8943%	0.1195%	3.0138%	611,400	71,797	683,198	1,082,309	44,686	1,126,996	470,909	(27,111)	443,798
Comanche Unit 2	315 Accessory Electric Equipment	20,279,179		1.6290%	0.1790%	1.8080%	2.7612%	0.0965%	2.8577%	330,348	36,300	366,648	559,949	19,569	579,518	229,601	(16,730)	212,871
Comanche Unit 2	315.2 Computers and Peripherals	-					3.2386%	0.1308%	3.3694%	( 3 )	-	-	-	-	-	-	-	-
Comanche Unit 2	316 Miscellaneous Power Plant Equipment	726,289		1.3560%	0.1370%	1.4930%	2.4708%	0.0941%	2.5649%	9,848	995	10,843	17,945	683	18,629	8,097	(312)	7,785
Comanche Unit 2	Total	251,688,196		1.7481%	0.2016%	1.9497%	3.2385%	0.1308%	3.3694%	4,399,842	507,291	4,907,133	8,151,026	329,317	8,480,343	3,751,183	(177,974)	3,573,209
Comanche Unit 3	310.2 Land Rights	8,159		2.0000%	0.0000%	2.0000%	1.7044%	0.0000%	1.7044%	163	-	163	139	-	139	(24)	-	(24)
Comanche Unit 3	311 Structures and Improvements	128,543,794	( 6 )	1.8850%	0.1210%	2.0060%	1.7654%	0.0401%	1.8055%	2,423,051	155,538	2,578,589	2,269,312	51,546	2,320,858	(153,738)	(103,992)	(257,730)
Comanche Unit 3	312 Boiler Plant Equipment	544,912,450	( 6 )	1.8850%	0.1210%	2.0060%	1.8536%	0.0617%	1.9153%	10,271,600	659,344	10,930,944	10,100,497	336,211	10,436,708	(171,103)	(323,133)	(494,236)
Comanche Unit 3	314 Turbogenerator Units	170,691,771	( 6 )	1.8850%	0.1210%	2.0060%	1.8619%	0.0643%	1.9262%	3,217,540	206,537	3,424,077	3,178,110	109,755	3,287,865	(39,430)	(96,782)	(136,212)
Comanche Unit 3	315 Accessory Electric Equipment	91,002,381	( 6 )	1.8850%	0.1210%	2.0060%	1.7566%	0.0263%	1.7829%	1,715,395	110,113	1,825,508	1,598,548	23,934	1,622,481	(116,847)	(86,179)	(203,026)
Comanche Unit 3	315.2 Computers and Peripherals	-	( 6 )	1.8850%	0.1210%	2.0060%	1.8370%	0.0556%	1.8926%	( 3 )	-	-	-	-	-	-	-	-
Comanche Unit 3	316 Miscellaneous Power Plant Equipment	19,720,826	( 6 )	1.8850%	0.1210%	2.0060%	1.9988%	0.0476%	2.0464%	371,738	23,862	395,600	394,180	9,387	403,567	22,442	(14,475)	7,967
Comanche Unit 3	Total	954,879,381		1.8850%	0.1210%	2.0060%	1.8370%	0.0556%	1.8926%	17,999,486	1,155,394	19,154,880	17,540,786	530,833	18,071,619	(458,700)	(624,562)	(1,083,261)
Comanche Common	311 Structures and Improvements	38,454,435		1.5000%	0.1780%	1.6780%	1.4479%	0.5788%	2.0267%	576,817	68,449	645,265	556,782	222,574	779,356	(20,035)	154,125	134,091
Comanche Common	312 Boiler Plant Equipment	32,477,070		1.6290%	0.1920%	1.8210%	1.5821%	0.6492%	2.2313%	529,051	62,356	591,407	513,820	210,841	724,661	(15,232)	148,485	133,253
Comanche Common	314 Turbogenerator Units	2,495,730		2.3140%	0.2520%	2.5660%	1.5761%	0.6488%	2.2249%	57,751	6,289	64,040	39,335	16,192	55,528	(18,416)	9,903	(8,513)
Comanche Common	315 Accessory Electric Equipment	2,284,687		1.6650%	0.1820%	1.8470%	1.3992%	0.5486%	1.9478%	38,040	4,158	42,198	31,967	12,534	44,501	(6,073)	8,376	2,303
Comanche Common	315.2 Computers and Peripherals	190,989		3.4484%	0.3276%	3.7760%	1.5771%	0.6092%	2.1863%	6,586	626	7,212	3,012	1,164	4,176	(3,574)	538	(3,036)
Comanche Common	316 Miscellaneous Power Plant Equipment	2,638,976		1.6030%	0.1580%	1.7610%	1.6071%	0.6442%	2.2513%	42,303	4,170	46,472	42,411	17,000	59,411	108	12,831	12,939
Comanche Common		78,541,887		1.5922%	0.1859%	1.7782%	1.5117%	0.6115%	2.1232%	1,250,548	146,048	1,396,596	1,187,327	480,305	1,667,632	(63,221)	334,258	271,037
Craig Unit 1	311 Structures and Improvements	7,455,497		1.4600%	0.0880%	1.5480%	5.2696%	-0.0980%	5.1716%	108,850	6,561	115,411	392,875	(7,306)	385,569	284,025	(13,867)	270,157
Craig Unit 1	312 Boiler Plant Equipment	20,495,642		1.5570%	0.1060%	1.6630%	5.0963%	-0.0967%	4.9996%	319,117	21,725	340,843	1,044,519	(19,819)	1,024,700	725,402	(41,545)	683,858
Craig Unit 1	314 Turbogenerator Units	2,216,766		2.6570%	0.1590%	2.8160%	10.6924%	0.2857%	10.9781%	58,899	3,525	62,424	237,025	6,333	243,359	178,126	2,809	180,935
Craig Unit 1	315 Accessory Electric Equipment	3,260,823		1.5290%	0.0860%	1.6150%	6.0102%	-0.0580%	5.9522%	49,858	2,804	52,662	195,982	(1,891)	194,091	146,124	(4,696)	141,428
Craig Unit 1	315.2 Computers and Peripherals	-					5.5922%	-0.0681%	5.5241%	( 3 )	-	-	-	-	-	-	-	-
Craig Unit 1	316 Miscellaneous Power Plant Equipment	139,397		1.5120%	0.0690%	1.5810%	4.8690%	-0.1296%	4.7394%	2,108	96	2,204	6,787	(181)	6,607	4,680	(277)	4,403
Craig Unit 1	Total	33,568,126		1.6052%	0.1034%	1.7086%	5.5922%	-0.0681%	5.5241%	538,833	34,711	573,544	1,877,189	(22,864)	1,854,325	1,338,356	(57,576)	1,280,781
Craig Unit 2	311 Structures and Improvements	7,212,413		1.4380%	0.0870%	1.5250%	2.3310%	0.0647%	2.3957%	103,714	6,275	109,989	168,121	4,666	172,788	64,407	(1,608)	62,798
Craig Unit 2	312 Boiler Plant Equipment	16,216,121		1.5470%	0.1060%	1.6530%	2.4362%	0.0784%	2.5146%	250,863	17,189	268,052	395,057	12,713	407,771	144,194	(4,476)	139,718
Craig Unit 2	314 Turbogenerator Units	7,372,248		1.5140%	0.1010%	1.6150%	2.9089%	0.0951%	3.0040%	111,616	7,446	119,062	214,451	7,011	221,462	102,835	(435)	102,401
Craig Unit 2	315 Accessory Electric Equipment	3,969,785		1.4990%	0.0850%	1.5840%	2.3883%	0.0591%	2.4474%	59,507	3,374	62,881	94,810	2,346	97,157	35,303	(1,028)	34,275
Craig Unit 2	315.2 Computers and Peripherals	-					2.5086%	0.0769%	2.5855%	( 3 )	-	-	-	-	-	-	-	-
Craig Unit 2	316 Miscellaneous Power Plant Equipment	136,910		1.4780%	0.0690%	1.5470%	2.3838%	0.0683%	2.4521%	2,024	94	2,118	3,264	94	3,357	1,240	(1)	1,239
Craig Unit 2	Total	34,907,477		1.5118%	0.0985%	1.6103%	2.5086%	0.0769%	2.5855%	527,724	34,379	562,103	875,704	26,831	902,534	347,980	(7,548)	340,431
Craig Common	311 Structures and Improvements	7,825,104		1.4870%	0.0890%	1.5760%	2.5028%	0.2044%	2.7072%	116,359	6,964	123,324	195,847	15,995	211,841	79,487	9,030	88,518
Craig Common	312 Boiler Plant Equipment	37,457,353		2.2670%	0.1440%	2.4110%	3.3150%	0.2854%	3.6004%	849,158	53,939	903,097	1,241,711	106,903	1,348,615	392,553	52,965	445,518
Craig Common	314 Turbogenerator Units	3,756,569		1.5560%	0.1030%	1.6590%	2.8983%	0.2510%	3.1493%	58,452	3,869	62,321	108,877	9,429	118,306	50,424	5,560	55,984
Craig Common	315 Accessory Electric Equipment	2,204,781		1.5410%	0.0870%	1.6280%	2.4953%	0.1963%	2.6916%	33,976	1,918	35,894	55,016	4,328	59,344	21,040	2,410	23,450
Craig Common	315.2 Computers and Peripherals	282,900		2.8817%	0.1383%	3.0200%	2.7077%	0.2069%	2.9146%	8,152	391	8,544	7,660	585	8,245	(492)	194	(298)
Craig Common	316 Miscellaneous Power Plant Equipment	1,928,593		1.6400%	0.0740%	1.7140%	3.1415%	0.2594%	3.4009%	31,629	1,427	33,056	60,587	5,003	65,590	28,958	3,576	32,533
Craig Common	Total	53,455,301		2.0535%	0.1282%	2.1817%	3.1235%	0.2661%	3.3896%	1,097,727	68,509	1,166,235	1,669,697	142,243	1,811,940	571,971	73,734	645,705

Public Service of Colorado																			
Comparison of Depreciation Rates and Annual Amounts																			
January 1, 2018																			
			Approved ( 1 )				Proposed			Approved			Proposed			Difference			
		Estimated Plant	Life Depr	COR Depr	Tot Depr	Life Depr	COR Depr	Tot Depr		Life	COR	Total	Life	COR	Total	Life	COR	Total	
Unit or Account Number	Account Number and / or Description	Balance 1/1/2018	Notes	Rate	Rate	Rate	Rate	Rate	Notes	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	
Hayden Unit 1	311 Structures and Improvements	7,181,544		1.6759%	0.1961%	1.8720%		2.6802%		120,356	14,083	134,439		192,480	10,399	202,879	72,124	(3,684)	68,440
Hayden Unit 1	312 Boiler Plant Equipment	133,144,049		2.9517%	0.3453%	3.2970%		4.5886%		3,930,013	459,746	4,389,759		6,109,448	344,710	6,454,158	2,179,435	(115,036)	2,064,398
Hayden Unit 1	314 Turbogenerator Units	17,681,172		2.0627%	0.2413%	2.3040%		3.3130%		364,710	42,665	407,374		585,777	33,223	619,000	221,068	(9,442)	211,626
Hayden Unit 1	315 Accessory Electric Equipment	4,708,510		1.9391%	0.2269%	2.1660%		2.9143%		91,303	10,684	101,986		137,220	7,199	144,419	45,917	(3,484)	42,433
Hayden Unit 1	315.2 Computers and Peripherals	1,097,995		3.6598%	0.4282%	4.0880%		6.0797%		40,184	4,702	44,886		66,755	3,422	70,177	26,570	(1,279)	25,291
Hayden Unit 1	316 Miscellaneous Power Plant Equipment	215,253		1.6902%	0.1978%	1.8880%		2.6921%		3,638	426	4,064		5,795	316	6,111	2,157	(109)	2,047
Hayden Unit 1	Total	164,028,523		2.7740%	0.3245%	3.0986%		4.3270%		4,550,203	532,305	5,082,508		7,097,475	399,270	7,496,744	2,547,271	(133,035)	2,414,236
Hayden Unit 2	311 Structures and Improvements	49,583,577		1.3310%	0.1950%	1.5260%		3.7015%		659,957	96,688	756,645		1,835,336	57,170	1,892,506	1,175,379	(39,518)	1,135,861
Hayden Unit 2	312 Boiler Plant Equipment	75,620,650		1.7300%	0.2370%	1.9670%		2.9068%		1,308,237	179,221	1,487,458		2,198,141	76,755	2,274,896	889,904	(102,466)	787,438
Hayden Unit 2	314 Turbogenerator Units	14,560,020		1.4760%	0.2090%	1.6850%		2.7128%		214,906	30,430	245,336		394,984	13,963	408,947	180,078	(16,467)	163,611
Hayden Unit 2	315 Accessory Electric Equipment	7,573,282		1.3750%	0.1870%	1.5620%		2.5645%		104,133	14,162	118,295		194,217	5,559	199,776	90,084	(8,603)	81,481
Hayden Unit 2	315.2 Computers and Peripherals	975,875		3.4324%	0.4016%	3.8340%		4.8692%		33,496	3,919	37,415		47,517	1,270	48,787	14,021	(2,650)	11,372
Hayden Unit 2	316 Miscellaneous Power Plant Equipment	546,677		1.3970%	0.1710%	1.5680%		2.4227%		7,637	935	8,572		13,244	424	13,668	5,607	(511)	5,096
Hayden Unit 2	Total	148,860,082		1.5641%	0.2186%	1.7827%		3.1462%		2,328,366	325,355	2,653,722		4,683,440	155,140	4,838,580	2,355,074	(170,215)	2,184,858
Hayden Common	311 Structures and Improvements	5,218,478		2.2160%	0.2900%	2.5060%		3.5764%		115,641	15,134	130,775		186,634	73,262	259,896	70,992	58,129	129,121
Hayden Common	312 Boiler Plant Equipment	29,711,991		2.5300%	0.3190%	2.8490%		3.2662%		751,713	94,781	846,495		970,453	384,592	1,355,045	218,740	289,811	508,550
Hayden Common	314 Turbogenerator Units	1,692,433		2.7010%	0.3350%	3.0360%		3.8637%		45,713	5,670	51,382		65,391	25,945	91,336	19,678	20,275	39,953
Hayden Common	315 Accessory Electric Equipment	200,108		2.4740%	0.2960%	2.7700%		3.2872%		4,951	592	5,543		6,578	2,566	9,144	1,627	1,973	3,601
Hayden Common	315.2 Computers and Peripherals	-				0.0000%		3.3919%	( 3 )	-	-	-		-	-	-	-	-	-
Hayden Common	316 Miscellaneous Power Plant Equipment	1,998,090		2.3100%	0.2540%	2.5640%		4.3898%		46,156	5,075	51,231		87,712	34,503	122,215	41,556	29,428	70,984
Hayden Common	Total	38,821,099		2.4836%	0.3123%	2.7960%		3.3919%		964,174	121,252	1,085,426		1,316,767	520,868	1,837,635	352,593	399,616	752,209
Pawnee Unit 1	311 Structures and Improvements	147,075,489		1.4840%	0.0900%	1.5740%		2.1696%		2,182,600	132,368	2,314,968		3,190,950	52,065	3,243,015	1,008,350	(80,303)	928,046
Pawnee Unit 1	312 Boiler Plant Equipment	583,582,463		1.6670%	0.1130%	1.7800%		2.9742%		9,728,320	659,448	10,387,768		17,356,910	367,073	17,723,983	7,628,590	(292,375)	7,336,215
Pawnee Unit 1	314 Turbogenerator Units	64,686,875		1.5970%	0.1060%	1.7030%		2.4062%		1,033,049	68,568	1,101,617		1,556,496	33,831	1,590,327	523,446	(34,737)	488,709
Pawnee Unit 1	315 Accessory Electric Equipment	61,165,532		1.5620%	0.0880%	1.6500%		2.1791%		955,406	53,826	1,009,231		1,332,858	17,310	1,350,168	377,452	(36,516)	340,937
Pawnee Unit 1	315.2 Computers and Peripherals	8,668,564		2.9428%	0.1442%	3.0870%		3.2083%		255,099	12,500	267,599		278,114	2,921	281,035	23,015	(9,579)	13,436
Pawnee Unit 1	316 Miscellaneous Power Plant Equipment	6,351,065		1.5700%	0.0710%	1.6410%		2.2901%		99,712	4,509	104,221		145,446	2,515	147,961	45,734	(1,994)	43,740
Pawnee Unit 1	Total	871,529,987		1.6355%	0.1068%	1.7424%		2.7378%		14,254,185	931,219	15,185,404		23,860,772	475,716	24,336,488	9,606,587	(455,504)	9,151,084
Pawnee Common	311 Structures and Improvements	6,161,361		2.7150%	0.1440%	2.8590%		3.2149%		167,281	8,872	176,153		198,082	219,375	417,457	30,801	210,503	241,304
Pawnee Common	312 Boiler Plant Equipment	28,197,319		2.8790%	0.1750%	3.0540%		3.2955%		811,801	49,345	861,146		929,243	1,033,685	1,962,928	117,442	984,340	1,101,782
Pawnee Common	314 Turbogenerator Units	304,100		2.2750%	0.1420%	2.4170%		3.1130%		6,918	432	7,350		9,467	10,536	20,003	2,548	10,104	12,653
Pawnee Common	315 Accessory Electric Equipment	983,649		2.1720%	0.1160%	2.2880%		2.8359%		21,365	1,141	22,506		27,895	30,803	58,698	6,530	29,662	36,192
Pawnee Common	315.2 Computers and Peripherals	-		2.6463%	0.1297%	2.7760%		3.2599%	( 3 )	-	-	-		-	-	-	-	-	-
Pawnee Common	316 Miscellaneous Power Plant Equipment	2,586,383		2.3210%	0.0980%	2.4190%		3.1579%		60,030	2,535	62,565		81,675	90,536	172,212	21,645	88,002	109,647
Pawnee Common	Total	38,232,812		2.7918%	0.1630%	2.9548%		3.2599%		1,067,395	62,325	1,129,720		1,246,362	1,384,936	2,631,298	178,967	1,322,611	1,501,578
Zuni Common	310.3 Water Rights	565,476		2.0000%	0.0000%	2.0000%		0.0000%		11,310	-	11,310		-	-	-	(11,310)	-	(11,310)
	Total Steam Production	3,219,570,504								61,452,071	5,004,935	66,457,006		93,731,333	5,819,115	99,550,448	32,279,262	814,180	33,093,443
HYDRAULIC PRODUCTION PLANT																			
Ames	331 Structures and Improvements	151,878		1.4679%	0.0191%	1.4870%		2.0310%		2,229	29	2,258		3,085	529	3,614	855	500	1,355
Ames	332 Reservoirs, Dams and Waterways	10,010,622		1.5420%	0.0200%	1.5620%		2.5934%		154,364	2,002	156,366		259,615	44,918	304,533	105,252	42,916	148,167
Ames	333 Waterwheels, Turbines and Generators	159,362		0.9299%	0.0121%	0.9420%		1.9526%		1,482	19	1,501		3,112	562	3,674	1,630	543	2,173
Ames	334 Accessory Electric Equipment	1,760,898		2.4393%	0.0317%	2.4710%		2.5118%		42,954	558	43,512		44,230	8,016	52,246	1,277	7,457	8,734
Ames	334.2 Computers and Peripherals	-						2.5612%	( 3 )	-	-	-		-	-	-	-	-	-
Ames	335 Misc. Power Plant Equipment	102,068		1.8095%	0.0235%	1.8330%		2.2912%		1,847	24	1,871		2,339	401	2,739	492	377	868
Ames	335.2 Recreational Facilities	168,022		2.3258%	0.0302%	2.3560%		2.4005%		3,908	51	3,959		4,033	708	4,741	126	657	782
Ames	336 Roads, Railroads and Bridges	21,232		2.3722%	0.0308%	2.4030%		2.3618%		504	7	510		501	85	586	(2)	78	76
Ames	Total	12,374,082		1.6752%	0.0217%	1.6969%		2.5611%		207,287	2,690	209,977		316,915	55,218	372,133	109,628	52,528	162,156

Public Service of Colorado Comparison of Depreciation Rates and Annual Amounts January 1, 2018																				
		Estimated Plant Balance 1/1/2018	Approved ( 1 )			Proposed			Approved			Proposed			Difference					
			Life Depr	COR Depr	Tot Depr	Life Depr	COR Depr	Tot Depr	Life	COR	Total	Life	COR	Total	Life	COR	Total			
Unit or Account Number	Account Number and / or Description		Notes	Rate	Rate	Rate	Rate	Rate	Rate	Notes	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp		
Cabin Creek	331 Structures and Improvements	14,864,472		0.9324%	0.1296%	1.0620%		1.9838%	0.7441%	2.7279%		138,596	19,264	157,861	294,881	110,607	405,488	156,285	91,342	247,627
Cabin Creek	332 Reservoirs, Dams and Waterways	21,164,528		0.9587%	0.1333%	1.0920%		1.8112%	0.6910%	2.5022%		202,904	28,212	231,117	383,332	146,247	529,579	180,428	118,035	298,462
Cabin Creek	333 Waterwheels, Turbines and Generators	20,565,620		1.0773%	0.1497%	1.2270%		2.0656%	0.7962%	2.8618%		221,553	30,787	252,340	424,803	163,743	588,547	203,250	132,957	336,207
Cabin Creek	334 Accessory Electric Equipment	4,965,647		1.2581%	0.1749%	1.4330%		2.1190%	0.8181%	2.9371%		62,473	8,685	71,158	105,222	40,624	145,846	42,749	31,939	74,688
Cabin Creek	334.2 Computers and Peripherals	58,913		1.1563%	0.1607%	1.3170%		2.0428%	0.7608%	2.8036%		681	95	776	1,203	448	1,652	522	354	876
Cabin Creek	335 Misc. Power Plant Equipment	582,339		1.4978%	0.2082%	1.7060%		1.9495%	0.7309%	2.6804%		8,722	1,212	9,935	11,353	4,256	15,609	2,630	3,044	5,674
Cabin Creek	335.2 Recreational Facilities	4,116		1.3565%	0.1885%	1.5450%		2.1151%	0.8028%	2.9179%		56	8	64	87	33	120	31	25	57
Cabin Creek	336 Roads, Railroads and Bridges	501,678		0.9359%	0.1301%	1.0660%		1.7513%	0.6523%	2.4036%		4,695	653	5,348	8,786	3,272	12,058	4,091	2,620	6,710
Cabin Creek	Total	62,707,312		1.0201%	0.1418%	1.1619%		1.9610%	0.7483%	2.7093%		639,681	88,916	728,597	1,229,668	469,231	1,698,899	589,987	380,315	970,302
Georgetown	331 Structures and Improvements	440,643		1.6952%	0.0068%	1.7020%		4.2242%	0.7364%	4.9606%		7,470	30	7,500	18,614	3,245	21,859	11,144	3,215	14,359
Georgetown	332 Reservoirs, Dams and Waterways	14,522,763		2.3038%	0.0092%	2.3130%		4.3967%	0.7802%	5.1769%		334,575	1,336	335,912	638,522	113,307	751,829	303,947	111,971	415,917
Georgetown	333 Waterwheels, Turbines and Generators	164,947		1.0269%	0.0041%	1.0310%		3.5833%	0.6429%	4.2262%		1,694	7	1,701	5,911	1,060	6,971	4,217	1,054	5,270
Georgetown	334 Accessory Electric Equipment	1,559,459		1.6056%	0.0064%	1.6120%		4.3911%	0.7892%	5.1803%		25,039	100	25,138	68,477	12,307	80,785	43,439	12,207	55,646
Georgetown	334.2 Computers and Peripherals	-		4.3833%	0.7783%	5.1616%	( 3 )	-	-	-		-	-	-	-	-	-	-	-	-
Georgetown	335 Misc. Power Plant Equipment	3,932		2.8665%	0.0115%	2.8780%		3.9160%	0.6823%	4.5983%		113	0	113	154	27	181	41	26	68
Georgetown	335.2 Recreational Facilities	717,476		2.2570%	0.0090%	2.2660%		4.3793%	0.7731%	5.1524%		16,193	65	16,258	31,420	5,547	36,967	15,227	5,482	20,709
Georgetown	336 Roads, Railroads and Bridges	-		4.3833%	0.7783%	5.1616%	( 3 )	-	-	-		-	-	-	-	-	-	-	-	-
Georgetown	Total	17,409,220		2.2120%	0.0088%	2.2208%		4.3833%	0.7783%	5.1616%		385,084	1,538	386,621	763,098	135,493	898,591	378,014	133,955	511,970
Salida	331 Structures and Improvements	118,933		1.8055%	0.0325%	1.8380%		6.0832%	9.4961%	15.5793%		2,147	39	2,186	7,235	11,294	18,529	5,088	11,255	16,343
Salida	332 Reservoirs, Dams and Waterways	3,492,027		1.5658%	0.0282%	1.5940%		6.9982%	10.9341%	17.9323%		54,678	985	55,663	244,379	381,822	626,201	189,701	380,837	570,538
Salida	333 Waterwheels, Turbines and Generators	87,830		0.6965%	0.0125%	0.7090%		5.7563%	8.9987%	14.7550%		612	11	623	5,056	7,904	12,959	4,444	7,893	12,337
Salida	334 Accessory Electric Equipment	388,626		2.0010%	0.0360%	2.0370%		6.0814%	9.5079%	15.5893%		7,776	140	7,916	23,634	36,950	60,584	15,857	36,810	52,668
Salida	334.2 Computers and Peripherals	-		6.8378%	10.6837%	17.5215%	( 3 )	-	-	-		-	-	-	-	-	-	-	-	-
Salida	335 Misc. Power Plant Equipment	3,597		3.6248%	0.0652%	3.6900%		5.4719%	8.5416%	14.0135%		130	2	133	197	307	504	66	305	371
Salida	335.2 Recreational Facilities	188,186		3.2711%	0.0589%	3.3300%		6.5585%	10.2445%	16.8030%		6,156	111	6,267	12,342	19,279	31,621	6,186	19,168	25,354
Salida	336 Roads, Railroads and Bridges	25,403		2.6189%	0.0471%	2.6660%		5.8957%	9.1999%	15.0956%		665	12	677	1,498	2,337	3,835	832	2,325	3,158
Salida	Total	4,304,601		1.6765%	0.0302%	1.7067%		6.8378%	10.6837%	17.5215%		72,165	1,299	73,464	294,340	459,892	754,233	222,175	458,593	680,768
Shoshone	331 Structures and Improvements	3,849,934		1.6234%	0.0536%	1.6770%		2.1536%	0.1067%	2.2603%		62,500	2,064	64,563	82,912	4,108	87,020	20,412	2,044	22,457
Shoshone	332 Reservoirs, Dams and Waterways	16,175,370		0.8325%	0.0275%	0.8600%		1.9332%	0.1096%	2.0428%		134,660	4,448	139,108	312,702	17,728	330,430	178,042	13,280	191,322
Shoshone	333 Waterwheels, Turbines and Generators	2,959,308		1.7212%	0.0568%	1.7780%		2.0048%	0.1223%	2.1271%		50,936	1,681	52,616	59,328	3,619	62,947	8,393	1,938	10,331
Shoshone	334 Accessory Electric Equipment	3,562,678		2.2323%	0.0737%	2.3060%		2.2286%	0.1374%	2.3660%		79,530	2,626	82,155	79,398	4,895	84,293	(132)	2,269	2,138
Shoshone	334.2 Computers and Peripherals	-		2.0146%	0.1139%	2.1285%	( 3 )	-	-	-		-	-	-	-	-	-	-	-	-
Shoshone	335 Misc. Power Plant Equipment	915,036		2.7396%	0.0904%	2.8300%		2.0723%	0.1023%	2.1746%		25,068	827	25,896	18,962	936	19,898	(6,106)	109	(5,997)
Shoshone	335.2 Recreational Facilities	-		2.0146%	0.1139%	2.1285%	( 3 )	-	-	-		-	-	-	-	-	-	-	-	-
Shoshone	336 Roads, Railroads and Bridges	9,629		1.0852%	0.0358%	1.1210%		1.5492%	0.0721%	1.6213%		104	3	108	149	7	156	45	3	48
Shoshone	Total	27,471,954		1.2842%	0.0424%	1.3266%		2.0146%	0.1139%	2.1285%		352,798	11,649	364,447	553,452	31,293	584,745	200,654	19,644	220,299
Tacoma	331 Structures and Improvements	501,151		1.3804%	0.0276%	1.4080%		2.3043%	0.7209%	3.0252%		6,918	138	7,056	11,548	3,613	15,161	4,630	3,474	8,105
Tacoma	332 Reservoirs, Dams and Waterways	14,145,451		1.3500%	0.0270%	1.3770%		2.9211%	0.9306%	3.8517%		190,964	3,819	194,783	413,203	131,638	544,840	222,239	127,818	350,057
Tacoma	333 Waterwheels, Turbines and Generators	1,844,962		1.8147%	0.0363%	1.8510%		2.6290%	0.8468%	3.4758%		33,481	670	34,150	48,504	15,623	64,127	15,024	14,953	29,977
Tacoma	334 Accessory Electric Equipment	4,445,812		1.7667%	0.0353%	1.8020%		2.7987%	0.9030%	3.7017%		78,544	1,569	80,114	124,425	40,146	164,571	45,881	38,576	84,457
Tacoma	334.2 Computers and Peripherals	-		2.8221%	0.9012%	3.7233%	( 3 )	-	-	-		-	-	-	-	-	-	-	-	-
Tacoma	335 Misc. Power Plant Equipment	315,705		1.8912%	0.0378%	1.9290%		2.4222%	0.7574%	3.1796%		5,971	119	6,090	7,647	2,391	10,038	1,676	2,272	3,948
Tacoma	335.2 Recreational Facilities	709,479		1.6294%	0.0326%	1.6620%		2.4153%	0.7653%	3.1806%		11,560	231	11,792	17,136	5,430	22,566	5,576	5,198	10,774
Tacoma	336 Roads, Railroads and Bridges	400,241		1.3029%	0.0261%	1.3290%		2.1618%	0.6712%	2.8330%		5,215	104	5,319	8,652	2,686	11,339	3,438	2,582	6,020
Tacoma	Total	22,362,801		1.4875%	0.0297%	1.5173%		2.8222%	0.9012%	3.7233%		332,652	6,652	339,304	631,115	201,526	832,642	298,463	194,875	493,338
Total Hydraulic Production		146,629,970										1,989,667	112,744	2,102,411	3,788,589	1,352,654	5,141,243	1,798,922	1,239,910	3,038,832

Public Service of Colorado Comparison of Depreciation Rates and Annual Amounts January 1, 2018																		
			Approved ( 1 )				Proposed			Approved			Proposed			Difference		
		Estimated Plant Balance 1/1/2018	Life Depr	COR Depr	Tot Depr	Life Depr	COR Depr	Tot Depr		Life	COR	Total	Life	COR	Total	Life	COR	Total
Unit or Account Number	Account Number and / or Description		Notes	Rate	Rate	Rate	Rate	Rate	Notes	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp
OTHER PRODUCTION PLANT																		
Alamosa	341 Structures and Improvements	560,558		4.4734%	0.1566%	4.6300%		3.6169%	0.2220%	3.8389%		25,076	878	25,954		20,275	1,244	21,519
Alamosa	342 Fuel Holders, Producers, and Accessories	355,948		1.0058%	0.0352%	1.0410%		1.4287%	0.0894%	1.5181%		3,580	125	3,705		5,085	318	5,404
Alamosa	343 Prime Movers	-				0.0000%		2.4741%	0.1539%	2.6280%	( 3 )	-	-	-		-	-	-
Alamosa	344 Generators	8,040,994		1.5633%	0.0547%	1.6180%		1.7030%	0.1062%	1.8092%		125,705	4,398	130,103		136,938	8,540	145,478
Alamosa	345 Accessory Electric Equipment	1,080,614		3.6184%	0.1266%	3.7450%		6.7815%	0.4222%	7.2037%		39,101	1,368	40,469		73,282	4,562	77,844
Alamosa	345.2 Computers and Peripherals	-						2.4741%	0.1539%	2.6280%	( 3 )	-	-	-		-	-	-
Alamosa	346 Miscellaneous Power Plant Equipment	280,376		0.9430%	0.0330%	0.9760%		7.0300%	0.4331%	7.4631%		2,644	93	2,736		19,710	1,214	20,925
Alamosa	Total	10,318,489		1.9005%	0.0665%	1.9670%		2.4741%	0.1539%	2.6280%		196,106	6,862	202,968		255,291	15,879	271,169
Blue Spruce	341 Structures and Improvements	-	( 7 )	2.5000%	0.1887%	2.6887%		2.5394%	0.0637%	2.6031%	( 3 )	-	-	-		-	-	-
Blue Spruce	342 Fuel Holders, Producers, and Accessories	-	( 7 )	2.5000%	0.1887%	2.6887%		2.5394%	0.0637%	2.6031%	( 3 )	-	-	-		-	-	-
Blue Spruce	343 Prime Movers	-	( 7 )	2.5000%	0.1887%	2.6887%		2.5394%	0.0637%	2.6031%	( 3 )	-	-	-		-	-	-
Blue Spruce	344 Generators	220,437,349	( 7 )	2.5000%	0.1887%	2.6887%		2.5388%	0.0637%	2.6025%		5,510,934	415,965	5,926,899		5,596,463	140,419	5,736,882
Blue Spruce	344 Generators	-	( 7 )	2.5000%	0.1887%	2.6887%		2.5388%	0.0637%	2.6025%		(1,022,383)	(77,169)	(1,099,552)		-	-	-
Blue Spruce	345 Accessory Electric Equipment	511,171	( 7 )	2.5000%	0.1887%	2.6887%		2.7919%	0.0685%	2.8604%		12,779	965	13,744		14,271	350	14,622
Blue Spruce	345.2 Computers and Peripherals	-	( 7 )	2.5000%	0.1887%	2.6887%		2.5394%	0.0637%	2.6031%	( 3 )	-	-	-		-	-	-
Blue Spruce	346 Miscellaneous Power Plant Equipment	-	( 7 )	2.5000%	0.1887%	2.6887%		2.5394%	0.0637%	2.6031%	( 3 )	-	-	-		-	-	-
Blue Spruce	Total	220,948,520		2.0373%	0.1538%	2.1910%		2.5394%	0.0637%	2.6031%		4,501,330	339,760	4,841,091		5,610,735	140,769	5,751,504
Cherokee 5-7	341 Structures and Improvements	130,501,920	( 12 )	2.5213%	0.0485%	2.5698%		2.4925%	0.0433%	2.5358%		3,290,345	63,293	3,353,638		3,252,760	56,507	3,309,268
Cherokee 5-7	342 Fuel Holders, Producers, and Accessories	5,303,272	( 12 )	2.5213%	0.0485%	2.5698%		2.6878%	0.0645%	2.7523%		133,711	2,572	136,283		142,541	3,421	145,962
Cherokee 5-7	343 Prime Movers	126,330,612	( 12 )	2.5213%	0.0485%	2.5698%		2.6659%	0.0794%	2.7453%		3,185,174	61,270	3,246,444		3,367,848	100,307	3,468,154
Cherokee 5-7	344 Generators	236,015,776	( 12 )	2.5213%	0.0485%	2.5698%		2.5712%	0.0595%	2.6307%		5,950,666	114,468	6,065,133		6,068,438	140,429	6,208,867
Cherokee 5-7	345 Accessory Electric Equipment	60,019,980	( 12 )	2.5213%	0.0485%	2.5698%		2.5624%	0.0576%	2.6200%		1,513,284	29,110	1,542,393		1,537,952	34,572	1,572,523
Cherokee 5-7	345.2 Computers and Peripherals	-	( 12 )	2.5213%	0.0485%	2.5698%		2.5717%	0.0595%	2.6312%	( 3 )	-	-	-		-	-	-
Cherokee 5-7	346 Miscellaneous Power Plant Equipment	26,049,450	( 12 )	2.5213%	0.0485%	2.5698%		2.5142%	0.0472%	2.5614%		656,785	12,634	669,419		654,935	12,295	667,231
Cherokee 5-7	Total	584,221,010		2.5213%	0.0485%	2.5698%		2.5717%	0.0595%	2.6312%		14,729,964	283,347	15,013,312		15,024,474	347,531	15,372,005
Fruita	340 Land Rights	452		2.0000%	0.0000%	2.0000%		1.1052%	0.0000%	1.1052%		9	-	9		5	-	5
Fruita	341 Structures and Improvements	92,002		0.8302%	0.0548%	0.8850%		1.3754%	0.1859%	1.5613%		764	50	814		1,265	171	1,436
Fruita	342 Fuel Holders, Producers, and Accessories	599,152		0.9756%	0.0644%	1.0400%		2.6759%	0.3649%	3.0408%		5,845	386	6,231		16,033	2,186	18,219
Fruita	343 Prime Movers	-				0.0000%		2.0930%	0.2848%	2.3778%	( 3 )	-	-	-		-	-	-
Fruita	344 Generators	2,512,252		0.9653%	0.0637%	1.0290%		1.5847%	0.2158%	1.8005%		24,251	1,600	25,851		39,812	5,421	45,233
Fruita	345 Accessory Electric Equipment	74,773		3.9428%	0.2602%	4.2030%		3.7143%	0.5053%	4.2196%		2,948	195	3,143		2,777	378	3,155
Fruita	345.2 Computers and Peripherals	-						2.0930%	0.2848%	2.3778%	( 3 )	-	-	-		-	-	-
Fruita	346 Miscellaneous Power Plant Equipment	184,511		1.0610%	0.0700%	1.1310%		6.8247%	0.9241%	7.7488%		1,958	129	2,087		12,592	1,705	14,297
Fruita	Total	3,463,143		1.0330%	0.0682%	1.1012%		2.0930%	0.2848%	2.3778%		35,775	2,360	38,135		72,484	9,862	82,346
Ft Saint Vrain Unit 1	341 Structures and Improvements	24,174,374		1.3811%	0.0539%	1.4350%		1.5866%	0.0322%	1.6188%		333,872	13,030	346,902		383,551	7,784	391,335
Ft Saint Vrain Unit 1	342 Fuel Holders, Producers, and Accessories	3,889,738		2.3879%	0.0931%	2.4810%		2.1025%	0.0513%	2.1538%		92,883	3,621	96,504		81,782	1,995	83,777
Ft Saint Vrain Unit 1	343 Prime Movers	1,121,784		2.1280%	0.0830%	2.2110%		3.2570%	0.0911%	3.3481%		23,872	931	24,803		36,537	1,022	37,558
Ft Saint Vrain Unit 1	344 Generators	81,854,830		1.3705%	0.0535%	1.4240%		2.1523%	0.0512%	2.2035%		1,121,820	43,792	1,165,613		1,761,762	41,910	1,803,671
Ft Saint Vrain Unit 1	345 Accessory Electric Equipment	21,140,984		1.3831%	0.0539%	1.4370%		2.0495%	0.0479%	2.0974%		292,401	11,395	303,796		433,284	10,127	443,411
Ft Saint Vrain Unit 1	345.2 Computers and Peripherals	102,108		1.6487%	0.0643%	1.7130%		1.8258%	0.0363%	1.8621%		1,683	66	1,749		1,864	37	1,901
Ft Saint Vrain Unit 1	346 Miscellaneous Power Plant Equipment	4,031,347		1.4379%	0.0561%	1.4940%		1.6312%	0.0345%	1.6657%		57,967	2,262	60,228		65,759	1,391	67,150
Ft Saint Vrain Unit 1	Total	136,315,165		1.4118%	0.0551%	1.4669%		2.0280%	0.0471%	2.0752%		1,924,498	75,097	1,999,595		2,764,538	64,266	2,828,804

Public Service of Colorado Comparison of Depreciation Rates and Annual Amounts January 1, 2018																			
		Estimated Plant Balance 1/1/2018	Approved ( 1 )			Proposed			Approved			Proposed			Difference				
Unit or Account Number	Account Number and / or Description		Life Depr	COR Depr	Tot Depr	Life Depr	COR Depr	Tot Depr	Life	COR	Total	Life	COR	Total	Life	COR	Total		
			Notes	Rate	Rate	Rate	Rate	Rate	Rate	Notes	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	
Ft Saint Vrain Unit 2	341 Structures and Improvements	15,446	( 4 )	2.1005%	0.2395%	2.3400%	3.6857%	0.0450%	3.7307%		324	37	361	569	7	576	245	(30)	215
Ft Saint Vrain Unit 2	342 Fuel Holders, Producers, and Accessories	125,344		2.7469%	0.1071%	2.8540%	2.8171%	0.0459%	2.8630%		3,443	134	3,577	3,531	58	3,589	88	(77)	11
Ft Saint Vrain Unit 2	343 Prime Movers	2,355,725		2.2281%	0.0869%	2.3150%	3.6789%	0.0731%	3.7520%		52,488	2,047	54,535	86,665	1,722	88,387	34,177	(325)	33,852
Ft Saint Vrain Unit 2	344 Generators	90,401,430		2.3272%	0.0908%	2.4180%	2.4775%	0.0389%	2.5164%	2,103,822	82,084	2,185,907	2,239,695	35,166	2,274,862	135,873	(46,918)	88,955	
Ft Saint Vrain Unit 2	345 Accessory Electric Equipment	1,073,745	( 4 )	1.9838%	0.2262%	2.2100%	3.5243%	0.0539%	3.5782%	21,301	2,429	23,730	37,842	579	38,421	16,541	(1,850)	14,691	
Ft Saint Vrain Unit 2	345.2 Computers and Peripherals	-	( 4 )	1.9838%	0.2262%	2.2100%	2.5208%	0.0399%	2.5607%	( 3 )	-	-	-	-	-	-	-	-	-
Ft Saint Vrain Unit 2	346 Miscellaneous Power Plant Equipment	61,699	( 4 )	1.6876%	0.1924%	1.8800%	3.3213%	0.0433%	3.3646%		1,041	119	1,160	2,049	27	2,076	1,008	(92)	916
Ft Saint Vrain Unit 2	Total	94,033,390		2.3209%	0.0924%	2.4133%	2.5208%	0.0399%	2.5607%		2,182,420	86,850	2,269,270	2,370,352	37,558	2,407,910	187,932	(49,292)	138,640
Ft Saint Vrain Unit 3	341 Structures and Improvements	-		0.0000%	0.0000%	0.0000%	3.2335%	0.1895%	3.4230%	( 3 )	-	-	-	-	-	-	-	-	-
Ft Saint Vrain Unit 3	342 Fuel Holders, Producers, and Accessories	334,847		2.7825%	0.1085%	2.8910%	3.5225%	0.2047%	3.7272%		9,317	363	9,680	11,795	685	12,480	2,478	322	2,800
Ft Saint Vrain Unit 3	343 Prime Movers	4,898,752	( 4 )	1.8582%	0.2118%	2.0700%	3.6882%	0.2274%	3.9156%		91,029	10,376	101,404	180,676	11,140	191,816	89,647	764	90,411
Ft Saint Vrain Unit 3	344 Generators	14,579,156		2.6237%	0.1023%	2.7260%	3.0574%	0.1758%	3.2332%		382,513	14,914	397,428	445,743	25,630	471,373	63,230	10,716	73,945
Ft Saint Vrain Unit 3	345 Accessory Electric Equipment	674,312	( 4 )	1.9838%	0.2262%	2.2100%	3.5355%	0.2019%	3.7374%		13,377	1,525	14,902	23,840	1,361	25,202	10,463	(164)	10,299
Ft Saint Vrain Unit 3	345.2 Computers and Peripherals	-	( 4 )	1.9838%	0.2262%	2.2100%	3.2335%	0.1895%	3.4230%	( 3 )	-	-	-	-	-	-	-	-	-
Ft Saint Vrain Unit 3	346 Miscellaneous Power Plant Equipment	116,912	( 4 )	1.6876%	0.1924%	1.8800%	3.5679%	0.1957%	3.7636%		1,973	225	2,198	4,171	229	4,400	2,198	4	2,202
Ft Saint Vrain Unit 3	Total	20,603,979		2.4180%	0.1330%	2.5510%	3.2335%	0.1895%	3.4230%		498,209	27,404	525,613	666,225	39,046	705,271	168,016	11,642	179,658
Ft Saint Vrain Unit 4	341 Structures and Improvements	3,072,750		2.3994%	0.0936%	2.4930%	1.5949%	0.0153%	1.6102%		73,728	2,876	76,604	49,007	470	49,477	(24,720)	(2,406)	(27,126)
Ft Saint Vrain Unit 4	342 Fuel Holders, Producers, and Accessories	29,420,436		2.4321%	0.0949%	2.5270%	2.5204%	0.0346%	2.5550%		715,534	27,920	743,454	741,513	10,179	751,692	25,978	(17,741)	8,238
Ft Saint Vrain Unit 4	343 Prime Movers	600,015	( 4 )	1.8582%	0.2118%	2.0700%	3.8255%	0.0661%	3.8916%		11,149	1,271	12,420	22,954	397	23,350	11,804	(874)	10,930
Ft Saint Vrain Unit 4	344 Generators	78,395,499		2.5881%	0.1009%	2.6890%	2.5464%	0.0334%	2.5798%	2,028,954	79,101	2,108,055	1,996,263	26,184	2,022,447	(32,691)	(52,917)	(85,608)	
Ft Saint Vrain Unit 4	345 Accessory Electric Equipment	7,925,262		2.4456%	0.0954%	2.5410%	2.4845%	0.0316%	2.5161%	193,820	7,561	201,381	196,903	2,504	199,408	3,083	(5,056)	(1,973)	
Ft Saint Vrain Unit 4	345.2 Computers and Peripherals	-		2.5178%	0.0333%	2.5511%	( 3 )	0.0333%	2.5511%		-	-	-	-	-	-	-	-	-
Ft Saint Vrain Unit 4	346 Miscellaneous Power Plant Equipment	18,497		2.4283%	0.0947%	2.5230%	2.4453%	0.0256%	2.4709%		449	18	467	452	5	457	3	(13)	(10)
Ft Saint Vrain Unit 4	Total	119,432,459		2.5317%	0.0994%	2.6311%	2.5178%	0.0333%	2.5511%		3,023,635	118,746	3,142,381	3,007,092	39,739	3,046,831	(16,543)	(79,007)	(95,550)
Ft Saint Vrain Unit 5	341 Structures and Improvements	7,455,257	( 6 )	2.3680%	0.1940%	2.5620%	2.4549%	0.0225%	2.4774%		176,540	14,463	191,004	183,019	1,677	184,697	6,479	(12,786)	(6,307)
Ft Saint Vrain Unit 5	342 Fuel Holders, Producers, and Accessories	2,201,944	( 6 )	2.3680%	0.1940%	2.5620%	2.5857%	0.0381%	2.6238%		52,142	4,272	56,414	56,936	839	57,775	4,794	(3,433)	1,361
Ft Saint Vrain Unit 5	343 Prime Movers	1,160,629	( 6 )	2.3680%	0.1940%	2.5620%	3.0961%	0.0606%	3.1567%		27,484	2,252	29,735	35,934	703	36,638	8,451	(1,548)	6,902
Ft Saint Vrain Unit 5	344 Generators	60,241,900	( 6 )	2.3680%	0.1940%	2.5620%	2.5081%	0.0350%	2.5431%	1,426,528	116,869	1,543,397	1,510,927	21,085	1,532,012	84,399	(95,785)	(11,386)	
Ft Saint Vrain Unit 5	345 Accessory Electric Equipment	12,510,593	( 6 )	2.3680%	0.1940%	2.5620%	2.5029%	0.0336%	2.5365%	296,251	24,271	320,521	313,128	4,204	317,331	16,877	(20,067)	(3,190)	
Ft Saint Vrain Unit 5	345.2 Computers and Peripherals	-		2.3680%	0.1940%	2.5620%	2.5127%	0.0341%	2.5468%	( 3 )	-	-	-	-	-	-	-	-	-
Ft Saint Vrain Unit 5	346 Miscellaneous Power Plant Equipment	645,106	( 6 )	2.3680%	0.1940%	2.5620%	2.5141%	0.0260%	2.5401%		15,276	1,252	16,528	16,219	168	16,386	942	(1,084)	(141)
Ft Saint Vrain Unit 5	Total	84,215,429		2.3680%	0.1940%	2.5620%	2.5128%	0.0341%	2.5468%		1,994,221	163,378	2,157,599	2,116,162	28,676	2,144,838	121,941	(134,702)	(12,761)
Ft Saint Vrain Unit 6	341 Structures and Improvements	7,368,631	( 6 )	2.3680%	0.1940%	2.5620%	2.4548%	0.0234%	2.4782%		174,489	14,295	188,784	180,885	1,724	182,609	6,396	(12,571)	(6,175)
Ft Saint Vrain Unit 6	342 Fuel Holders, Producers, and Accessories	2,479,260	( 6 )	2.3680%	0.1940%	2.5620%	2.5856%	0.0390%	2.6246%		58,709	4,810	63,519	64,104	967	65,071	5,395	(3,843)	1,552
Ft Saint Vrain Unit 6	343 Prime Movers	1,169,307	( 6 )	2.3680%	0.1940%	2.5620%	3.0961%	0.0617%	3.1578%		27,689	2,268	29,958	36,203	721	36,924	8,514	(1,547)	6,967
Ft Saint Vrain Unit 6	344 Generators	59,918,767	( 6 )	2.3680%	0.1940%	2.5620%	2.5081%	0.0359%	2.5440%	1,418,876	116,242	1,535,119	1,502,823	21,511	1,524,333	83,946	(94,732)	(10,785)	
Ft Saint Vrain Unit 6	345 Accessory Electric Equipment	9,202,734	( 6 )	2.3680%	0.1940%	2.5620%	2.5032%	0.0344%	2.5376%	217,921	17,853	235,774	230,363	3,166	233,529	12,442	(14,688)	(2,245)	
Ft Saint Vrain Unit 6	345.2 Computers and Peripherals	-		2.3680%	0.1940%	2.5620%	2.5133%	0.0350%	2.5483%	( 3 )	-	-	-	-	-	-	-	-	-
Ft Saint Vrain Unit 6	346 Miscellaneous Power Plant Equipment	632,061	( 6 )	2.3680%	0.1940%	2.5620%	2.4697%	0.0263%	2.4960%		14,967	1,226	16,193	15,610	166	15,776	643	(1,060)	(417)
Ft Saint Vrain Unit 6	Total	80,770,760		2.3680%	0.1940%	2.5620%	2.5133%	0.0350%	2.5483%		1,912,652	156,695	2,069,347	2,029,987	28,255	2,058,243	117,336	(128,440)	(11,104)
Ft Saint Vrain Common	341 Structures and Improvements	10,998,253		1.6554%	0.0646%	1.7200%	1.7335%	0.3510%	2.0845%		182,065	7,105	189,170	190,655	38,604	229,259	8,590	31,499	40,089
Ft Saint Vrain Common	342 Fuel Holders, Producers, and Accessories	2,033,953		1.6391%	0.0639%	1.7030%	1.9238%	0.4002%	2.3240%		33,339	1,300	34,638	39,129	8,140	47,269	5,791	6,840	12,631
Ft Saint Vrain Common	343 Prime Movers	912,972		2.6266%	0.1024%	2.7290%	2.6166%	0.5569%	3.1735%		23,980	935	24,915	23,889	5,084	28,973	(91)	4,149	4,058
Ft Saint Vrain Common	344 Generators	45,789,538		2.5881%	0.1009%	2.6890%	1.9139%	0.3966%	2.3105%	1,185,079	46,202	1,231,281	876,366	181,601	1,057,967	(308,713)	135,400	(173,313)	
Ft Saint Vrain Common	345 Accessory Electric Equipment	14,639,796		2.5958%	0.1012%	2.6970%	1.9259%	0.3981%	2.3240%	380,020	14,815	394,835	281,948	58,281	340,229	(98,072)	43,466	(54,606)	
Ft Saint Vrain Common	345.2 Computers and Peripherals	1,215,605		2.1193%	0.0827%	2.2020%	2.7009%	0.5453%	3.2462%	25,762	1,005	26,768	32,832	6,629	39,461	7,070	5,623	12,693	
Ft Saint Vrain Common	346 Miscellaneous Power Plant Equipment	984,731		2.5303%	0.0987%	2.6290%	2.5710%	0.5235%	3.0945%	24,917	972	25,889	25,317	5,155	30,472	401	4,183	4,584	
Ft Saint Vrain Common	Total	76,574,849		2.4227%	0.0945%	2.5171%	1.9199%	0.3963%	2.3162%		1,855,162	72,334	1,927,495	1,470,136	303,494	1,773,630	(38		

**Public Service of Colorado**  
**Comparison of Depreciation Rates and Annual Amounts**  
**January 1, 2018**

			Approved ( 1 )				Proposed			Approved			Proposed			Difference			
			Life Depr	COR Depr	Tot Depr	Life Depr	COR Depr	Tot Depr	Life	COR	Total	Life	COR	Total	Life	COR	Total		
Unit or Account Number	Account Number and / or Description	Estimated Plant Balance 1/1/2018	Notes	Rate	Rate	Rate	Rate	Rate	Rate	Notes	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp
Ft. Lupton CT	341 Structures and Improvements	191,963		2.4128%	0.1472%	2.5600%	2.1831%	0.1796%	2.3627%		4,632	283	4,914	4,191	345	4,535	(441)	62	(379)
Ft. Lupton CT	342 Fuel Holders, Producers, and Accessories	350,190		3.6664%	0.2236%	3.8900%	2.5897%	0.2161%	2.8058%		12,839	783	13,622	9,069	757	9,826	(3,770)	(26)	(3,797)
Ft. Lupton CT	343 Prime Movers	-				0.0000%	2.9619%	0.2466%	3.2085%	( 3 )	-	-	-	-	-	-	-	-	-
Ft. Lupton CT	344 Generators	12,539,804		3.7945%	0.2315%	4.0260%	2.8475%	0.2371%	3.0846%		475,823	29,030	504,853	357,071	29,732	386,803	(118,752)	702	(118,050)
Ft. Lupton CT	345 Accessory Electric Equipment	640,399		1.2875%	0.0785%	1.3660%	5.6516%	0.4699%	6.1215%		8,245	503	8,748	36,193	3,009	39,202	27,948	2,507	30,454
Ft. Lupton CT	345.2 Computers and Peripherals	-					2.9619%	0.2466%	3.2085%	( 3 )	-	-	-	-	-	-	-	-	-
Ft. Lupton CT	346 Miscellaneous Power Plant Equipment	4,773		1.3713%	0.0837%	1.4550%	1.3675%	0.1128%	1.4803%		65	4	69	65	5	71	(0)	1	1
Ft. Lupton CT	Total	13,727,129		3.6541%	0.2229%	3.8770%	2.9619%	0.2466%	3.2085%		501,605	30,602	532,206	406,589	33,848	440,437	(95,016)	3,246	(91,770)
Rocky Mountain	341 Structures and Improvements	2,705,527	( 7 )	2.5000%	0.3491%	2.8491%	2.6093%	0.0967%	2.7060%		67,638	9,445	77,083	70,595	2,616	73,212	2,957	(6,829)	(3,872)
Rocky Mountain	342 Fuel Holders, Producers, and Accessories	1,356,564	( 7 )	2.5000%	0.3491%	2.8491%	3.0103%	0.1288%	3.1391%		33,914	4,736	38,650	40,837	1,747	42,584	6,923	(2,989)	3,934
Rocky Mountain	343 Prime Movers	3,260,108	( 7 )	2.5000%	0.3491%	2.8491%	2.9886%	0.1429%	3.1315%		81,503	11,381	92,884	97,432	4,659	102,090	15,929	(6,722)	9,207
Rocky Mountain	344 Generators	394,877,852	( 7 )	2.5000%	0.3491%	2.8491%	2.5453%	0.1069%	2.6522%		9,871,946	1,378,519	11,250,465	10,050,826	422,124	10,472,950	178,880	(956,394)	(777,514)
Rocky Mountain	344 Generators	-	( 7 )	2.5000%	0.3491%	2.8491%	2.5453%	0.1069%	2.6522%		(1,407,013)	(196,475)	(1,603,488)	-	-	-	1,407,013	196,475	1,603,488
Rocky Mountain	345 Accessory Electric Equipment	2,347,066	( 7 )	2.5000%	0.3491%	2.8491%	2.6470%	0.1097%	2.7567%		58,677	8,194	66,870	62,127	2,575	64,702	3,450	(5,619)	(2,169)
Rocky Mountain	345.2 Computers and Peripherals	-	( 7 )	2.5000%	0.3491%	2.8491%	2.5515%	0.1072%	2.6587%	( 3 )	-	-	-	-	-	-	-	-	-
Rocky Mountain	346 Miscellaneous Power Plant Equipment	230,315	( 7 )	2.5000%	0.3491%	2.8491%	2.5549%	0.0977%	2.6526%		5,758	804	6,562	5,884	225	6,109	126	(579)	(453)
Rocky Mountain	Total	404,777,432		2.1524%	0.3006%	2.4530%	2.5515%	0.1072%	2.6587%		8,712,423	1,216,603	9,929,026	10,327,701	433,946	10,761,647	1,615,278	(782,656)	832,621
Valmont	341 Structures and Improvements	65,587		0.7780%	0.0420%	0.8200%	1.3919%	0.0136%	1.4055%		510	28	538	913	9	922	403	(19)	384
Valmont	342 Fuel Holders, Producers, and Accessories	109,932		1.2837%	0.0693%	1.3530%	1.7298%	0.0190%	1.7488%		1,411	76	1,487	1,902	21	1,922	490	(55)	435
Valmont	343 Prime Movers	-					2.3100%	0.0249%	2.3349%	( 3 )	-	-	-	-	-	-	-	-	-
Valmont	344 Generators	9,324,270		1.8046%	0.0974%	1.9020%	2.2696%	0.0245%	2.2941%		168,266	9,082	177,348	211,624	2,284	213,908	43,358	(6,797)	36,560
Valmont	345 Accessory Electric Equipment	633,802		4.3197%	0.2333%	4.5530%	3.0767%	0.0329%	3.1096%		27,378	1,479	28,857	19,500	209	19,709	(7,878)	(1,270)	(9,148)
Valmont	345.2 Computers and Peripherals	-					2.3100%	0.0249%	2.3349%	( 3 )	-	-	-	-	-	-	-	-	-
Valmont	346 Miscellaneous Power Plant Equipment	18,864		4.5873%	0.2477%	4.8350%	3.0657%	0.0308%	3.0965%		865	47	912	578	6	584	(287)	(41)	(328)
Valmont	Total	10,152,454		1.9545%	0.1055%	2.0600%	2.3100%	0.0249%	2.3349%		198,431	10,711	209,142	234,517	2,529	237,045	36,086	(8,182)	27,903
Wind to Hydrogen	344 Generators	1,017,482	( 5 )	6.6700%	0.0000%	6.6700%	5.2188%	0.0132%	5.2320%		67,866	-	67,866	53,100	134	53,235	(14,766)	134	(14,631)
	Total Other Production	1,860,571,692									42,334,296	2,590,750	44,925,046	46,409,384	1,525,531	47,934,915	4,075,088	(1,065,218)	3,009,869
	Total Production	5,226,772,167									105,776,034	7,708,429	113,484,463	143,929,306	8,697,300	152,626,606	38,153,272	988,872	39,142,144
TRANSMISSION PLANT																			
350.20	Land Rights	77,137,901		1.0300%	0.0000%	1.0300%	0.9980%	0.0000%	0.9980%		794,520	-	794,520	769,824	-	769,824	(24,697)	-	(24,697)
352.00	Structures and Improvements	79,240,594		1.3091%	0.1309%	1.4400%	1.1349%	0.0567%	1.1916%		1,037,339	103,726	1,141,065	899,287	44,964	944,251	(138,052)	(58,762)	(196,813)
352.00	Structures and Improvements	-	( 7 )	1.3091%	0.1309%	1.4400%	1.1349%	0.0567%	1.1916%		(4,680)	(468)	(5,148)	-	-	-	4,680	468	5,148
353.00	Station Equipment	1,050,103,042		1.6481%	0.1319%	1.7800%	1.7210%	0.2582%	1.9792%		17,306,748	1,385,086	18,691,834	18,072,470	2,710,871	20,783,341	765,722	1,325,785	2,091,507
353.00	Station Equipment	-	( 7 )	1.6481%	0.1319%	1.7800%	1.7210%	0.2582%	1.9792%		(111,760)	(8,944)	(120,705)	-	-	-	111,760	8,944	120,705
354.00	Towers and Fixtures	189,264,961		1.1238%	0.0562%	1.1800%	1.2292%	0.2458%	1.4750%		2,126,960	106,367	2,233,327	2,326,422	465,284	2,791,706	199,462	358,917	558,380
355.00	Poles and Fixtures	421,418,577		1.5619%	0.0781%	1.6400%	1.6105%	0.6442%	2.2547%		6,582,137	329,128	6,911,265	6,787,065	2,714,826	9,501,891	204,928	2,385,698	2,590,626
356.00	Overhead Conductors and Devices	299,581,242		1.7048%	0.0852%	1.7900%	1.4253%	0.3563%	1.7817%		5,107,261	255,243	5,362,504	4,270,037	1,067,509	5,337,546	(837,224)	812,266	(24,958)
357.00	Underground Conduit	35,592,625		1.9400%	0.0000%	1.9400%	1.6627%	0.0000%	1.6627%		690,497	-	690,497	591,795	-	591,795	(98,702)	-	(98,702)
358.00	Underground Conductors and Devices	64,752,789		1.8800%	0.0000%	1.8800%	1.9945%	0.0000%	1.9945%		1,217,352	-	1,217,352	1,291,487	-	1,291,487	74,135	-	74,135
359.00	Roads and Trails	4,318,793		0.9700%	0.0000%	0.9700%	1.0825%	0.0000%	1.0825%		41,892	-	41,892	46,753	-	46,753	4,860	-	4,860
	Total Transmission	2,221,410,524					34,788,266	2,170,137	36,958,404		35,055,140	7,003,454	42,058,594	266,873	4,833,317	5,100,190			

Public Service of Colorado Comparison of Depreciation Rates and Annual Amounts January 1, 2018																		
			Approved ( 1 )				Proposed			Approved			Proposed			Difference		
		Estimated Plant Balance 1/1/2018	Life Depr	COR Depr	Tot Depr	Life Depr	COR Depr	Tot Depr		Life	COR	Total	Life	COR	Total	Life	COR	Total
Unit or Account Number	Account Number and / or Description		Notes	Rate	Rate	Rate	Rate	Rate	Notes	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp
DISTRIBUTION PLANT																		
360.20	Land Rights	38,790,186		1.0900%	0.0000%	1.0900%	0.9898%	0.0000%	0.9898%	422,813	-	422,813	383,949	-	383,949	(38,864)	-	(38,864)
361.00	Structures and Improvements	77,174,622		1.7100%	0.0000%	1.7100%	1.5080%	0.0754%	1.5834%	1,319,686	-	1,319,686	1,163,776	58,189	1,221,965	(155,910)	58,189	(97,721)
362.00	Station Equipment	660,394,109		1.7826%	0.2674%	2.0500%	1.7199%	0.1720%	1.8919%	11,772,185	1,765,894	13,538,079	11,358,013	1,135,801	12,493,814	(414,173)	(630,093)	(1,044,265)
364.00	Poles, Towers and Fixtures	291,089,376		2.8077%	0.8423%	3.6500%	1.8013%	0.9007%	2.7020%	8,172,916	2,451,846	10,624,762	5,243,395	2,621,697	7,865,092	(2,929,522)	169,851	(2,759,670)
365.00	Overhead Conductors and Devices	345,551,518		2.3643%	0.9457%	3.3100%	1.9571%	0.7829%	2.7400%	8,169,875	3,267,881	11,437,755	6,762,934	2,705,174	9,468,108	(1,406,940)	(562,707)	(1,969,647)
366.00	Underground Conduit	380,777,422		1.9135%	0.0765%	1.9900%	1.3998%	0.3499%	1.7497%	7,286,176	291,295	7,577,471	5,329,978	1,332,494	6,662,472	(1,956,198)	1,041,200	(914,998)
367.00	Underground Conductors and Devices	1,824,579,253		1.8636%	0.1864%	2.0500%	2.0776%	0.1039%	2.1815%	34,002,859	3,401,016	37,403,875	37,907,943	1,895,397	39,803,341	3,905,084	(1,505,619)	2,399,466
368.00	Line Transformers	508,368,612		2.2100%	0.0000%	2.2100%	2.0545%	0.2055%	2.2600%	11,234,946	-	11,234,946	10,444,526	1,044,453	11,488,978	(790,421)	1,044,453	254,032
369.00	Services	24,404,882		1.9580%	0.3720%	2.3300%	1.6569%	0.4971%	2.1540%	477,848	90,786	568,634	404,374	121,312	525,687	(73,473)	30,526	(42,947)
369.10	Services-Overhead	46,739,929		1.9580%	0.3720%	2.3300%	1.8728%	0.5619%	2.4347%	915,168	173,873	1,089,040	875,367	262,610	1,137,977	(39,801)	88,738	48,937
369.20	Services-Underground	221,507,889		1.9580%	0.3720%	2.3300%	1.8700%	0.5610%	2.4311%	4,337,124	824,009	5,161,134	4,142,283	1,242,685	5,384,968	(194,841)	418,676	223,835
370.00	Meters	148,065,110		3.9700%	0.0000%	3.9700%	3.8122%	0.0000%	3.8122%	5,878,185	-	5,878,185	5,644,596	-	5,644,596	(233,589)	-	(233,589)
370.20	Automated Meter Reading Equipment	68,769,058		8.8100%	0.0000%	8.8100%	7.5908%	0.0000%	7.5908%	6,058,554	-	6,058,554	5,220,113	-	5,220,113	(838,441)	-	(838,441)
371.00	Installation on Customer Premises	7,154,178		0.8333%	0.1667%	1.0000%	3.6796%	0.7359%	4.4155%	59,616	11,926	71,542	263,243	52,649	315,891	203,627	40,723	244,349
373.00	Street Lighting and Signal Systems	166,707,410		2.4583%	0.4917%	2.9500%	2.3593%	0.5898%	2.9492%	4,098,168	819,700	4,917,869	3,933,162	983,290	4,916,452	(165,006)	163,590	(1,416)
Total Distribution		4,810,073,555								104,206,119	13,098,225	117,304,345	99,077,653	13,455,752	112,533,404	(5,128,467)	357,527	(4,770,940)
ELECTRIC GENERAL PLANT																		
389.20	Land Rights	-		0.0000%	0.0000%	0.0000%	1.6667%	0.0000%	1.6667%	-	-	-	-	-	-	-	-	-
390.00	Structures and Improvements	6,784,142	( 13 )	4.1833%	0.0000%	4.1833%	2.1449%	0.1072%	2.2521%	283,803	-	283,803	145,512	7,276	152,787	(138,292)	7,276	(131,016)
391.00	Office Furniture and Equipment	4,201,607		4.7500%	0.0000%	4.7500%	4.5583%	0.0000%	4.5583%	199,576	-	199,576	191,523	-	191,523	(8,053)	-	(8,053)
391.20	Computer Hardware	21,915,953		20.0000%	0.0000%	20.0000%	16.2260%	0.0000%	16.2260%	4,383,191	-	4,383,191	3,556,073	-	3,556,073	(827,118)	-	(827,118)
392.10	Transportation Equipment-Autos	579,942		9.0000%	0.0000%	9.0000%	7.1923%	0.0000%	7.1923%	52,195	-	52,195	41,711	-	41,711	(10,483)	-	(10,483)
392.20	Transportation Equipment-Light Trucks	13,610,915		9.0000%	0.0000%	9.0000%	7.0136%	0.0000%	7.0136%	1,224,982	-	1,224,982	954,610	-	954,610	(270,373)	-	(270,373)
392.30	Transportation Equipment-Trailers	5,575,044		9.0000%	0.0000%	9.0000%	3.1247%	0.0000%	3.1247%	501,754	-	501,754	174,206	-	174,206	(327,548)	-	(327,548)
392.40	Transportation Equipment-Heavy Trucks	50,520,332		9.0000%	0.0000%	9.0000%	5.8937%	0.0000%	5.8937%	4,546,830	-	4,546,830	2,977,534	-	2,977,534	(1,569,296)	-	(1,569,296)
393.00	Stores Equipment	244,023		3.1700%	0.0000%	3.1700%	3.1640%	0.0000%	3.1640%	7,736	-	7,736	7,721	-	7,721	(15)	-	(15)
394.00	Tools, Shop and Garage Equipment	37,773,323		3.8000%	0.0000%	3.8000%	3.8445%	0.0000%	3.8445%	1,435,386	-	1,435,386	1,452,203	-	1,452,203	16,816	-	16,816
395.00	Laboratory Equipment	3,620,211		9.5000%	0.0000%	9.5000%	10.0000%	0.0000%	10.0000%	343,920	-	343,920	362,021	-	362,021	18,101	-	18,101
396.00	Power Operated Equipment	11,036,290		9.0000%	0.0000%	9.0000%	5.6340%	0.0000%	5.6340%	993,266	-	993,266	621,785	-	621,785	(371,481)	-	(371,481)
397.00	Communication Equipment	106,376,473		6.6700%	0.0000%	6.6700%	6.3007%	0.0000%	6.3007%	7,095,311	-	7,095,311	6,702,438	-	6,702,438	(392,872)	-	(392,872)
398.00	Miscellaneous Equipment	1,588,039		5.0000%	0.0000%	5.0000%	4.5977%	0.0000%	4.5977%	79,402	-	79,402	73,013	-	73,013	(6,389)	-	(6,389)
Total Electric General		263,826,295								21,147,352	-	21,147,352	17,260,350	7,276	17,267,625	(3,887,002)	7,276	(3,879,727)
Total Electric Plant		12,601,088,206								276,546,070	22,976,791	299,522,861	302,914,090	29,163,782	332,077,872	26,368,020	6,186,991	32,555,011
COMMON INTANGIBLE PLANT																		
301.00	Organization Costs									-	-	-	-	-	-	-	-	-
302.00	Franchises and Consents	3,383,421	( 9 )	Various	0.0000%	Various				-	-	-	-	-	-	-	-	-
303.00	Misc Computer Software-3 Year	-		33.3333%	0.0000%	33.3333%	33.3333%	0.0000%	33.3333%	-	-	-	-	-	-	-	-	-
303.04	Misc Computer Software-7 Year	117,738,242		20.0000%	0.0000%	20.0000%	14.2857%	0.0000%	14.2857%	23,547,648	-	23,547,648	16,819,749	-	16,819,749	(6,727,900)	-	(6,727,900)
303.04	Misc Computer Software-10 Year	5,785,234		10.0000%	0.0000%	10.0000%	10.0000%	0.0000%	10.0000%	578,523	-	578,523	578,523	-	578,523	-	-	-
303.04	Misc Computer Software-15 Year	156,941,548		10.0000%	0.0000%	10.0000%	6.6667%	0.0000%	6.6667%	15,694,155	-	15,694,155	10,462,822	-	10,462,822	(5,231,333)	-	(5,231,333)
Total Common Intangible		283,848,445								39,820,327	-	39,820,327	27,861,094	-	27,861,094	(11,959,232)	-	(11,959,232)

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Unit or Account Number	Account Number and / or Description	Estimated Plant Balance 1/1/2018	Approved ( 1 )			Proposed			Notes	Approved			Proposed			Difference		
			Life Depr	COR Depr	Tot Depr	Life Depr	COR Depr	Tot Depr		Life	COR	Total	Life	COR	Total	Life	COR	Total
			Notes	Rate	Rate	Rate	Rate	Rate		Rate	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp
COMMON GENERAL PLANT																		
389.20	Land Rights	-		0.0000%	0.0000%	0.0000%	1.6667%	0.0000%	1.6667%		-	-	-	-	-	-	-	-
390.00	Structures and Improvements	166,089,841	( 13 )	2.0774%	0.3082%	2.3855%	2.1992%	0.2199%	2.4191%		3,450,286	511,832	3,962,118	3,652,607	365,261	4,017,867	202,321	(146,571)
390.07	Structures and Improvements - Leasehold Improvements	2,109,398	( 10 )	Various	0.0000%	Various					-	-	-	-	-	-	-	-
390.85	Structures and Improvements - 1800 Larimer	15,388,552	( 8 )	Various	0.0000%	Various					-	-	-	-	-	-	-	-
391.00	Office Furniture and Equipment	27,532,039		4.7500%	0.0000%	4.7500%	4.9019%	0.0000%	4.9019%		1,307,772	-	1,307,772	1,349,594	-	1,349,594	41,822	-
391.04	Computer Hardware	119,617,785		20.0000%	0.0000%	20.0000%	16.3559%	0.0000%	16.3559%		23,923,557	-	23,923,557	19,564,578	-	19,564,578	(4,358,979)	-
391.05	Computer Hardware - 3 Year Life	610,356		33.3300%	0.0000%	33.3300%	32.6080%	0.0000%	32.6080%		203,432	-	203,432	199,025	-	199,025	(4,407)	-
392.10	Transportation Equipment - Automobiles	1,225,016		9.0000%	0.0000%	9.0000%	7.4233%	0.0000%	7.4233%		110,251	-	110,251	90,936	-	90,936	(19,315)	-
392.20	Transportation Equipment - Light Trucks	6,518,325		9.0000%	0.0000%	9.0000%	7.3603%	0.0000%	7.3603%		586,649	-	586,649	479,765	-	479,765	(106,884)	-
392.30	Transportation Equipment - Trailers	959,396		9.0000%	0.0000%	9.0000%	3.1677%	0.0000%	3.1677%		86,346	-	86,346	30,391	-	30,391	(55,955)	-
392.40	Transportation Equipment - Heavy Trucks	3,477,330		9.0000%	0.0000%	9.0000%	6.1716%	0.0000%	6.1716%		312,960	-	312,960	214,607	-	214,607	(98,352)	-
393.00	Stores Equipment	511,651		3.1700%	0.0000%	3.1700%	3.1640%	0.0000%	3.1640%		16,219	-	16,219	16,189	-	16,189	(30)	-
394.00	Tools and Shop Equipment	6,272,608		3.8000%	0.0000%	3.8000%	3.9186%	0.0000%	3.9186%		238,359	-	238,359	245,798	-	245,798	7,439	-
395.00	Laboratory Equipment	34,168		9.5000%	0.0000%	9.5000%	9.9572%	0.0000%	9.9572%		3,246	-	3,246	3,402	-	3,402	156	-
396.00	Power Operated Equipment	3,796,576		9.0000%	0.0000%	9.0000%	5.8982%	0.0000%	5.8982%		341,692	-	341,692	223,928	-	223,928	(117,763)	-
397.00	Communication Equipment	16,682,543		6.6700%	0.0000%	6.6700%	5.4453%	0.0000%	5.4453%		1,112,726	-	1,112,726	908,416	-	908,416	(204,310)	-
398.00	Miscellaneous Equipment	1,036,207		5.0000%	0.0000%	5.0000%	4.6394%	0.0000%	4.6394%		51,810	-	51,810	48,074	-	48,074	(3,737)	-
Total Common General Plant		371,861,792									31,745,305	511,832	32,257,136	27,027,309	365,261	27,392,570	(4,717,996)	(146,571)
Total Common Plant		655,710,237									71,565,631	511,832	72,077,463	54,888,403	365,261	55,253,664	(16,677,228)	(146,571)
Total Electric and Common		13,256,798,443									348,111,701	23,488,623	371,600,324	357,802,493	29,529,043	387,331,536	9,690,792	6,040,420

- Notes:
- ( 1 )

Approved Rates for Electric utility are from Docket No. 06S-234EG and Common utility are from Docket No. 02S-315EG, unless specified in the Notes column.
- ( 2 )

Intentionally left blank
- ( 3 )

There is currently no balance in these accounts. In the event plant is added to these accounts, PSCo requests authorization to use the depreciation rate listed, which represents the composite depreciation rate for each unit.
- ( 4 )

Depreciation rates from Docket 02S-315EG. These units were not addressed in 06S-234EG Rate Case.
- ( 5 )

Depreciation rates were utilized from Non-utility Wind prior to transfer to Electric Utility.
- ( 6 )

Depreciation rates for Comanche 3, FSV GT 5 and FSV GT 6 were approved in Docket 08S-520E.
- ( 7 )

Depreciation rates for Blue Spruce and Rocky Mountain were approved in CPUC Docket 11AL-947E. FERC subsequently required the Company to record an acquisition adjustment, resulting in depreciation calculated at net plant, plus amortization of the acquisition adjustment, per FERC Docket ER11-2853-000.
- ( 8 )

Amortized to the end of the lease term 6/2025.
- ( 9 )

Amortized over the terms of the franchise agreements or license.
- ( 10 )

Amortized over the lease term.
- ( 11 )

Individual amounts may not total to balance due to rounding.
- ( 12 )

Depreciation rates for Cherokee Other Production Unit 5, 6, 7, and Common were approved in Docket No. 15A-0916E.
- ( 13 )

Composite depreciation accrual rate for General Account 390 Structures and Improvements.



## **APPENDIX C - Depreciation Parameter Comparison**

Public Service of Colorado  
Comparison of Depreciation Parameters  
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		Approved (1)			Proposed			Difference		
Account			Net Salvage			Net Salvage			Net Salvage	
Number	Description	Notes	Curve	ASL	Percent	Curve	ASL	Percent	Life	Percent
<b><u>ELECTRIC INTANGIBLE PLANT</u></b>										
301.00	Organization Costs									
302.00	Franchises and Consents	(2)								
303.00	Miscellaneous Intangible Plant	(2)	Various			Various				
303.40	Misc Computer Software - 3 Year		SQ	3	0%	SQ	3	0%	0	0%
303.40	Misc Computer Software - 7 Year		SQ	5	0%	SQ	7	0%	2	0%
303.40	Misc Computer Software - 10 Year		SQ	10	0%	SQ	10	0%	0	0%
303.40	Misc Computer Software - 15 Year		SQ	10	0%	SQ	15	0%	5	0%
<b><u>COMMON INTANGIBLE PLANT</u></b>										
301.00	Organization Costs									
302.00	Franchises and Consents	(2)								
303.00	Miscellaneous Computer Software - 3 Year		SQ	3	0%	SQ	3	0%	0	0%
303.04	Misc Computer Software - 7 Year		SQ	5	0%	SQ	7	0%	2	0%
303.04	Miscellaneous Computer Software - 10 Year		SQ	10	0%	SQ	10	0%	0	0%
303.04	Miscellaneous Computer Software - 15 Year		SQ	10	0%	SQ	15	0%	5	0%
<b><u>PRODUCTION PLANT</u></b>										
312.20	Coal Cars			20	0%		24	0%	4	0%
<b><u>TRANSMISSION PLANT</u></b>										
350.20	Land Rights		R5	100	0%	R5	100	0%	0	0%
352.00	Structures and Improvements		S6	70	-5%	S2	88	-5%	18	0%
353.00	Station Equipment		R2.5	60	-5%	R2	58	-15%	-2	-10%
354.00	Towers and Fixtures		R4	70	0%	R4	81	-20%	11	-20%
355.00	Poles and Fixtures		R3	50	5%	R2.5	62	-40%	12	-45%
356.00	OH Conductors and Devices		R1.5	50	0%	R2	70	-25%	20	-25%
357.00	UG Conduit		R3	50	0%	R3	60	0%	10	0%
358.00	UG Conductors and Devices		R3	50	0%	R3	50	0%	0	0%
359.00	Roads and Trails		S6	85	0%	S5	92	0%	7	0%
<b><u>DISTRIBUTION PLANT</u></b>										
360.20	Land Rights		R4	90	0%	R4	100	0%	10	0%
361.00	Structures and Improvements		R1.5	50	0%	R2	65	-5%	15	-5%
362.00	Station Equipment		R1.5	50	-5%	R1.5	57	-10%	7	-5%
364.00	Poles, Towers and Fixtures		L2	45	-25%	S0	54	-50%	9	-25%
365.00	OH Conductors and Devices		R1	45	-25%	R0.5	50	-40%	5	-15%
366.00	UG Conduit		R2	79	-4%	R3	70	-25%	-9	-21%
367.00	UG Conductors and Devices		R2.5	50	0%	R1.5	47	-5%	-3	-5%
368.00	Line Transformers		R0.5	35	5%	R1.5	47	-10%	12	-15%
369.00	Services		R3	45	-9%	R5	50	-30%	5	-21%
369.10	Services-Overhead		R3	45	-9%	R5	50	-30%	5	-21%
369.20	Services-Underground		R3	45	-9%	R5	50	-30%	5	-21%
370.00	Meters		R0.5	25	0%	R1.5	24	0%	-1	0%
370.20	Automated Meter Reading Equipment		S6	10	5%	S6	10	0%	0	-5%
371.00	Installation on Customer Premises		L0	20	-20%	L0.5	25	-20%	5	0%
373.00	Street Lighting and Signal Systems		R0.5	35	-20%	R0.5	41	-25%	6	-5%
<b><u>ELECTRIC GENERAL PLANT</u></b>										
389.20	Land Rights					R4	60	0%	60	0%
390.06	Structures and Improvements (390B General Buildings)	(3)	R2	50	0%	R1.5	45	-5%	-5	-5%
390.00	Structures and Improvements	(3)	L1.5	20	0%	R1.5	45	-5%	25	-5%
390.08	Partitions	(3) (4)	R4	25	0%	R1.5	45	-5%	20	-5%
391.00	Office Furniture and Equipment		SQ	20	5%	SQ	20	0%	0	-5%
391.20	Computer Hardware		SQ	5	0%	SQ	6	0%	1	0%
392.10	Transportation Equipment - Automobiles		SQ	10	10%	SQ	12	10%	2	0%
392.20	Transportation Equipment - Light Trucks		SQ	10	10%	SQ	12	10%	2	0%
392.30	Transportation Equipment - Trailers		SQ	10	10%	SQ	25	20%	15	10%
392.40	Transportation Equipment - Heavy Trucks		SQ	10	10%	SQ	14	10%	4	0%
393.00	Stores Equipment		SQ	30	5%	SQ	30	0%	0	-5%
394.00	Tools, Shop and Garage Equipment		SQ	25	5%	SQ	25	0%	0	-5%
395.00	Laboratory Equipment		SQ	10	5%	SQ	10	0%	0	-5%
396.00	Power Operated Equipment		SQ	10	10%	SQ	14	15%	4	5%
397.00	Communication Equipment		SQ	15	0%	SQ	15	0%	0	0%
398.00	Miscellaneous Equipment		SQ	20	0%	SQ	20	0%	0	0%

Public Service of Colorado  
Comparison of Depreciation Parameters  
January 1, 2018

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			Approved (1)			Proposed			Difference	
Account			Net Salvage			Net Salvage			Net Salvage	
Number	Description	Notes	Curve	ASL	Percent	Curve	ASL	Percent	Life	Percent
COMMON GENERAL PLANT										
389.20	Land Rights					R4	60	0%	60	0%
390.06	Structures and Improvements (390B General Buildings)	(3)	L1	50	-10%	R1.5	45	-10%	-5	0%
390.00	Structures and Improvements	(3)	R1.5	35	-10%	R1.5	45	-10%	10	0%
390.08	Structures and Improvements - Partitions	(3) (5)	R4	25	5%	R1.5	45	-10%	20	-15%
390.07	Structures and Improvements - Leasehold Improvements	(6)								
390.85	Structures and Improvements - 1800 Larimer	(7)								
391.00	Office Furniture and Equipment		SQ	20	5%	SQ	20	0%	0	-5%
391.04	Computer Hardware		SQ	5	0%	SQ	6	0%	1	0%
391.05	Computer Hardware - 3 Year Life		SQ	3	0%	SQ	3	0%	0	0%
391.09	Office Equipment - Partition Lease Facilities	(8)	SQ	20	0%	SQ	20	0%	0	0%
392.10	Transportation Equipment - Automobiles		SQ	10	10%	SQ	12	10%	2	0%
392.20	Transportation Equipment - Light Trucks		SQ	10	10%	SQ	12	10%	2	0%
392.30	Transportation Equipment - Trailers		SQ	10	10%	SQ	25	20%	15	10%
392.40	Transportation Equipment - Heavy Trucks		SQ	10	10%	SQ	14	10%	4	0%
393.00	Stores Equipment		SQ	30	5%	SQ	30	0%	0	-5%
394.00	Tools and Shop Equipment		SQ	25	5%	SQ	25	0%	0	-5%
395.00	Laboratory Equipment		SQ	10	5%	SQ	10	0%	0	-5%
396.00	Power Operated Equipment		SQ	10	10%	SQ	14	15%	4	5%
397.00	Communication Equipment		SQ	15	0%	SQ	15	0%	0	0%
398.00	Miscellaneous Equipment		SQ	20	0%	SQ	20	0%	0	0%

Notes:

- (1) Approved Rates for Electric are from Docket No. 06S-234EG and Common are from Docket No. 02S-315EG, unless specified in the Notes column.
- (2) Amortized over the terms of the franchise agreements or license.
- (3) Accounts 390 Structures and Improvements subaccounts will be combined into one 390 Structures and Improvements account in future filings.
- (4) Account 390.08 Electric Partitions is fully accrued. Future additions to this account will be booked in Electric account 390.0 Structures and Improvements
- (5) Account 390.08 Common Partitions is almost fully accrued. Future additions to this account will be booked in Common account 390.0 Structures and Improvements
- (6) Amortized over the lease term.
- (7) Amortized to the end of the lease term 6/2025.
- (8) Account 391.09 Common Office - Partitions Leased Facilities is almost fully accrued. Future additions to this account will be booked in Common account 390.07 Structures and Improvements - Leasehold Improvements and amortized over the lease term.

**APPENDIX F-2 - Summary of Reserve Reallocation Non Production Plant**

Public Service Company of Colorado  
Comparison of Book vs Allocated Reserve  
Intangible, Transmission, Distribution, General, and Common Plant  
At January 1, 2018

FERC Acct	Description	Estimated	Estimated Book			Proposed Reallocation			Difference		
		Plant Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance
<b>ELECTRIC INTANGIBLE PLANT</b>											
301.0	Organization Costs	-	-	-	-	-	-	-	-	-	-
302.0	Franchises and Consents	17,102,114	5,056,088	-	5,056,088	5,056,088	-	5,056,088	-	-	-
303.0	Miscellaneous Intangible Plant	8,762,060	6,869,982	(5,082)	6,864,900	6,869,982	(5,082)	6,864,900	-	-	-
303.4	Misc Computer Software - 3 Year	-	-	-	-	-	-	-	-	-	-
303.4	Misc Computer Software - 5 Year	53,141,490	17,989,656	(22,000)	17,967,656	17,989,656	(22,000)	17,967,656	-	-	-
303.4	Misc Computer Software - 10 Year	-	-	-	-	-	-	-	-	-	-
303.4	Misc Computer Software - 15 Year	-	-	-	-	-	-	-	-	-	-
	Total Electric Intangible Plant	79,005,664	29,915,726	(27,082)	29,888,644	29,915,726	(27,082)	29,888,644	-	-	-
<b>TRANSMISSION PLANT</b>											
350.1	Land	19,468,842	-	-	-	-	-	-	-	-	-
350.2	Land Rights	77,137,901	15,368,127	(129,157)	15,238,970	14,498,557	-	14,498,557	(869,570)	129,157	(740,413)
352.0	Structures and Improvements	79,240,594	15,058,958	(112,154)	14,946,803	10,312,301	515,615	10,827,916	(4,746,657)	627,770	(4,118,887)
353.0	Station Equipment	1,050,103,042	197,876,090	(813,528)	197,062,562	180,546,064	27,081,910	207,627,973	(17,330,026)	27,895,438	10,565,412
354.0	Towers and Fixtures	189,264,961	94,628,420	(819,979)	93,808,442	63,208,315	12,641,663	75,849,978	(31,420,105)	13,461,642	(17,958,463)
355.0	Poles and Fixtures	421,418,577	55,298,353	(489,767)	54,808,586	60,905,313	24,362,125	85,267,438	5,606,959	24,851,892	30,458,851
356.0	OH Conductors and Devices	299,581,242	95,211,976	(826,696)	94,385,280	61,839,609	15,459,902	77,299,511	(33,372,367)	16,286,598	(17,085,770)
357.0	UG Conduit	35,592,625	9,200,801	(80,336)	9,120,465	7,653,673	-	7,653,673	(1,547,128)	80,336	(1,466,792)
358.0	UG Conductors and Devices	64,752,789	14,721,229	(128,810)	14,592,419	15,568,363	-	15,568,363	847,134	128,810	975,944
359.0	Roads and Trails	4,318,793	2,023,339	(17,542)	2,005,796	1,375,915	-	1,375,915	(647,424)	17,542	(629,881)
	Total Transmission	2,240,879,367	499,387,293	(3,417,969)	495,969,324	415,908,109	80,061,215	495,969,324	(83,479,184)	83,479,184	0
<b>DISTRIBUTION PLANT</b>											
360.1	Land	29,817,147	-	-	-	-	-	-	-	-	-
360.2	Land Rights	38,790,186	4,811,480	(2,369)	4,809,112	4,446,666	-	4,446,666	(364,815)	2,369	(362,446)
361.0	Structures and Improvements	77,174,622	19,599,867	203,083	19,802,950	15,644,446	782,222	16,426,668	(3,955,421)	579,139	(3,376,282)
362.0	Station Equipment	660,394,109	163,334,938	1,695,983	165,030,922	133,056,840	13,305,684	146,362,524	(30,278,098)	11,609,701	(18,668,397)
364.0	Poles, Towers and Fixtures	291,089,376	140,302,807	(1,747,702)	138,555,106	75,942,566	37,971,283	113,913,849	(64,360,241)	39,718,984	(24,641,257)
365.0	OH Conductors and Devices	345,551,518	113,059,463	(1,421,092)	111,638,371	74,622,231	29,848,892	104,471,124	(38,437,232)	31,269,985	(7,167,247)
366.0	UG Conduit	380,777,422	101,322,162	(1,281,730)	100,040,432	78,302,112	19,575,528	97,877,640	(23,020,051)	20,857,258	(2,162,793)
367.0	UG Conductors and Devices	1,824,579,253	354,827,707	(4,545,014)	350,282,693	424,176,284	21,208,814	445,385,098	69,348,577	25,753,828	95,102,405
368.0	Line Transformers	508,368,612	210,127,238	5,853,514	215,980,751	157,230,116	15,723,012	172,953,128	(52,897,122)	9,869,498	(43,027,624)
369.0	Services	24,404,882	23,245,508	630,686	23,876,194	17,664,459	5,299,338	22,963,796	(5,581,050)	4,668,652	(912,398)
369.1	Services-Overhead	46,739,929	18,035,859	504,070	18,539,928	21,627,940	6,488,382	28,116,323	3,592,082	5,984,312	9,576,394
369.2	Services-Underground	221,507,889	124,055,294	3,414,157	127,469,451	103,314,437	30,994,331	134,308,769	(20,740,857)	27,580,174	6,839,317
370.0	Meters	148,065,110	59,263,632	1,653,389	60,917,021	79,812,535	-	79,812,535	20,548,903	(1,653,389)	18,895,514
370.2	AMR Equipment	68,769,058	63,230,141	520	63,230,661	65,089,394	-	65,089,394	1,859,253	(520)	1,858,733
371.0	Installation on Customer Premises	7,154,178	7,381,273	199,950	7,581,223	3,739,840	747,968	4,487,808	(3,641,433)	548,018	(3,093,415)
373.0	Street Lighting and Signal Systems	166,707,410	92,573,499	(1,572,470)	91,001,028	49,712,418	12,428,104	62,140,522	(42,861,081)	14,000,575	(28,860,506)
	Total Distribution	4,839,890,702	1,495,170,867	3,584,976	1,498,755,843	1,304,382,284	194,373,559	1,498,755,843	(190,788,583)	190,788,583	0
<b>ELECTRIC GENERAL PLANT</b>											
389.0	Land	114,647	-	-	-	-	-	-	-	-	-
390.0	Structures and Improvements	6,784,142	2,628,930	(366,168)	2,262,762	1,839,477	91,974	1,931,451	(789,453)	458,141	(331,311)
391.0	Office Furniture and Equipment	5,639,525	3,155,534	-	3,155,534	3,581,433	-	3,581,433	425,898	-	425,898
391.2	Computer Hardware	22,643,181	5,709,556	(7,505)	5,702,051	5,560,708	-	5,560,708	(148,849)	7,505	(141,343)
392.10	Transportation Equipment - Automobiles	620,535	130,824	-	130,824	196,350	-	196,350	65,525	-	65,525
392.20	Transportation Equipment - Light Trucks	16,140,689	7,710,113	-	7,710,113	7,478,383	-	7,478,383	(231,730)	-	(231,730)
392.30	Transportation Equipment - Trailers	5,575,044	1,634,144	-	1,634,144	933,620	-	933,620	(700,523)	-	(700,523)
392.40	Transportation Equipment - Heavy Trucks	54,012,176	31,142,658	(229)	31,142,430	25,707,140	-	25,707,140	(5,435,519)	229	(5,435,290)
393.0	Stores Equipment	410,989	268,819	(430)	268,389	253,779	-	253,779	(15,040)	430	(14,610)

FERC Acct	Description	Estimated	Estimated Book			Proposed Reallocation			Difference		
		Plant Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance
394.0	Tools, Shop, and Garage Equipment	40,956,498	12,051,505	(35,521)	12,015,984	14,767,287	-	14,767,287	2,715,782	35,521	2,751,303
395.0	Laboratory Equipment	8,444,002	6,637,312	(10,617)	6,626,695	6,185,493	-	6,185,493	(451,819)	10,617	(441,202)
396.0	Power Operated Equipment	11,359,725	5,359,204	-	5,359,204	4,545,310	-	4,545,310	(813,894)	-	(813,894)
397.0	Communication Equipment	108,345,858	37,456,909	(339,072)	37,117,838	41,881,208	-	41,881,208	4,424,299	339,072	4,763,370
398.0	Miscellaneous Equipment	1,607,864	687,575	(1,100)	686,475	790,283	-	790,283	102,708	1,100	103,808
	Total Electric General	282,654,875	114,573,084	(760,641)	113,812,444	113,720,470	91,974	113,812,444	(852,614)	852,614	(0)
<b>COMMON INTANGIBLE PLANT</b>											
301	Organization Costs										
302	Franchises and Consents	3,383,421	2,519,092	-	2,519,092	2,519,092	-	2,519,092	-	-	-
303	Misc Computer Software-3 Year	-	-	-	-	0	-	-	-	-	-
303.04	Misc Computer Software-5 Year	117,738,242	55,889,987	-	55,889,987	55,889,987	-	55,889,987	-	-	-
303.04	Misc Computer Software-10 Year	5,785,234	3,537,208	-	3,537,208	3,537,208	-	3,537,208	-	-	-
303.04	Misc Computer Software-15 Year	156,941,548	9,784,810	-	9,784,810	9,784,810	-	9,784,810	-	-	-
	Total Common Intangible	283,848,445	71,731,097	-	71,731,097	71,731,097	-	71,731,097	-	-	-
<b>COMMON GENERAL PLANT</b>											
389.01	Land Owned in Fee	6,040,785	-	-	-	-	-	-	-	-	-
390.00	Structures and Improvements	166,089,841	44,703,245	6,282,088	50,985,333	43,786,252	4,378,625	48,164,877	(916,993)	(1,903,463)	(2,820,455)
390.07	Structures and Improvements - Leasehold Improvements	2,109,398	2,351,088	4,788	2,355,876	2,351,088	4,788	2,355,876	-	-	-
390.85	Structures and Improvements - 1800 Larimer	15,388,552	7,546,723	(5,082)	7,541,641	7,546,723	(5,082)	7,541,641	-	-	-
391.00	Office Furniture and Equipment	45,812,474	28,176,569	(18,613)	28,157,956	30,965,936	-	30,965,936	2,789,367	18,613	2,807,980
391.04	Computer Hardware	150,563,663	88,611,525	(565,413)	88,046,112	84,520,808	-	84,520,808	(4,090,717)	565,413	(3,525,304)
391.05	Computer Hardware - 3 Year Life	1,505,288	812,292	-	812,292	1,192,237	-	1,192,237	379,944	-	379,944
392.10	Transportation Equipment - Automobiles	2,277,049	1,148,020	-	1,148,020	1,284,376	-	1,284,376	136,356	-	136,356
392.20	Transportation Equipment - Light Trucks	12,017,199	7,686,535	-	7,686,535	7,526,741	-	7,526,741	(159,794)	-	(159,794)
392.30	Transportation Equipment - Trailers	959,396	377,751	-	377,751	232,801	-	232,801	(144,950)	-	(144,950)
392.40	Transportation Equipment - Heavy Trucks	4,089,552	2,099,111	-	2,099,111	2,553,915	-	2,553,915	454,804	-	454,804
393.00	Stores Equipment	869,668	685,082	(1,353)	683,729	722,546	-	722,546	37,464	1,353	38,817
394.00	Tools, Shop, and Garage Equipment	10,768,341	6,512,231	(46,841)	6,465,389	7,454,993	-	7,454,993	942,762	46,841	989,604
395.00	Laboratory Equipment	435,435	428,312	(846)	427,466	406,564	-	406,564	(21,748)	846	(20,902)
396.00	Power Operated Equipment	4,873,837	3,406,033	-	3,406,033	2,711,186	-	2,711,186	(694,847)	-	(694,847)
397.00	Communication Equipment	29,705,789	25,659,423	(5,275)	25,654,148	28,128,485	-	28,128,485	2,469,062	5,275	2,474,336
398.00	Miscellaneous Equipment	1,153,011	831,355	(2,692)	828,663	913,075	-	913,075	81,720	2,692	84,412
	Total Common General Plant	454,659,278	221,035,296	5,640,760	226,676,056	222,297,725	4,378,331	226,676,056	1,262,429	(1,262,429)	0

**Exhibit No. XES – 205:** Public Service Company of Colorado –  
Electric and Common Utility Plant Depreciation Rate Study at  
January 1, 2018, conducted by Alliance Consulting Group, Colorado  
PUC Proceeding No. 16A-0231E Supplemental

**PUBLIC SERVICE COMPANY OF  
COLORADO  
ELECTRIC AND COMMON UTILITY PLANT  
DEPRECIATION RATE STUDY  
AT JANUARY 1, 2018**



<http://www.utilityalliance.com>



**PUBLIC SERVICE COMPANY OF COLORADO  
ELECTRIC AND COMMON UTILITY PLANT  
DEPRECIATION RATE STUDY  
EXECUTIVE SUMMARY**

Public Service Company of Colorado (“PSCo” or “Company”) engaged Alliance Consulting Group to conduct a depreciation study of the Company’s Electric and Common utility plant depreciable assets using actual plant asset balances as of September 30, 2015 and projected plant and depreciation reserve balances as of January 1, 2018 (“Study”). To determine depreciation rates for the projected time period of January 1, 2018, the following process occurred: 1) historic data through September 30, 2015 and judgment are used to estimate life and net salvage parameters; 2) the Company provided Alliance a walk-forward of projected plant and depreciation reserve activity from October 1, 2015 to January 1, 2018; 3) additions are projected as the transaction year the asset went into service; 4) retirements are based on a last-in, first out approach where the oldest vintages were retired; and 5) the projected vintage balances and reserves at January 1, 2018 are used to compute the proposed depreciation accrual. The total proposed increase in depreciation expense in this Study is \$49.2 million based on plant balances as of January 1, 2018.

This Study uses the straight-line, broad (average) life group, remaining life depreciation system with changes directed by PSCo concerning certain plant-related regulatory assets. In addition, this Study performs a reallocation of the accumulated reserve for depreciation for electric Steam Production plant, which at the request of the Company, included the regulatory assets recorded in FERC Account 182.2, Regulatory Assets, for soon-to-be retired or recently retired generating units as of January 1, 2018, (i.e., Arapahoe Units 1 through 4, Cameo Units 1 and 2, Cherokee Units 1 through 4, Valmont Unit 5, and Zuni Units 1 and 2, called the “Retired Generating Units”). The Company also instructed that additional depreciation reserve be allocated to Ponnequin Wind from other generating units to

ensure full recovery of the plant investment and its estimated dismantling costs. The net salvage analysis in this Study parallels the approach previously used in developing the depreciation rates adopted by the Colorado Public Utilities Commission (“Commission”) in PSCo’s electric rate case in Proceeding No. 06S-234EG. For electric production plant, this Study uses the site-specific and generic decommissioning costs estimates developed in a 2016 Decommissioning Cost Study conducted by Burns & McDonnell Engineering Company, Inc. (“Burns & McDonnell”).

For Production accounts, the Company provided the current terminal retirement dates for generating units consistent with current expectations, environmental legislation, resource plans and the Company’s instructions as to the Retired Generating Units. Terminal demolition costs were obtained from the 2016 Decommissioning Cost Study for all production facilities. Adopting the cost estimates reflected in the 2016 Decommissioning Cost Study results in changes in depreciation rates related to the cost of removal for all production facilities. The changes in proposed depreciation expense in the production area are mainly due to the terminal retirement dates, additional investment in the generating units, the reallocation of reserve to the Retired Generating Units, updated dismantling estimates related to electric production plant facilities, and the correction of the historically under-accrued reserve position. The proposed increases in depreciation expense by function within electric production are \$43.1 million, \$3.2 million, and \$3.3 million for Steam, Hydro, and Other production groups, respectively, based on projected account balances as of January 1, 2018. The total proposed increases in depreciation expense in electric production are \$49.6 million. Appendix B demonstrates the change in depreciation expense for the various accounts based on projected plant balances as of January 1, 2018.

For Transmission, Distribution, General and Common accounts, the lives of the accounts and net salvage parameters are reviewed in this Study. This Study recommends changes in depreciation for Transmission, Distribution, General and Common accounts for each function based on estimated account balances as of

January 1, 2018 as follows: an increase of \$7.3 million for Transmission, a decrease of \$2.8 million for Distribution, a decrease of \$2.7 million for General, and an increase of \$3.0 million for Common General. For Electric Intangible Plant, there is no change in proposed expense. For Common Intangible Plant, a decrease of \$5.2 million is estimated based on projected account balances as of January 1, 2018. The total proposed change in depreciation expense for Transmission, Distribution, General, and Common is a decrease of \$0.4 million based on projected account balances as of January 1, 2018.

For Transmission, Distribution, General and Common accounts (excluding Intangibles), there are 32 accounts that have increasing lives and six accounts that have decreasing lives, while 19 had no change. There is a trend toward slightly higher negative net salvage (where the projected cost of removal exceeds projected salvage value) with 36 accounts increasing their negative net salvage (i.e., more negative or a simply decrease in net salvage) and with two accounts increasing their positive net salvage.

**PUBLIC SERVICE COMPANY OF COLORADO  
 ELECTRIC AND COMMON UTILITY PLANT  
 DEPRECIATION RATE STUDY  
 AT JANUARY 1, 2018  
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## **PURPOSE OF THE STUDY**

The purpose of this Study is to develop depreciation rates for the depreciable property of Public Service Company of Colorado's ("PSCo" or "Company") based on projected plant balances at January 1, 2018. Historic data at September 30, 2015 and judgment are used to estimate life and net salvage. The account-based depreciation rates are designed to recover the total remaining undepreciated investment, adjusted for net salvage, over the remaining life of PSCo's property on a straight-line basis. This Study includes the Company's depreciable electric and common plant assets. Non-depreciable property and property that is amortized, such as intangible software, are excluded from the analysis of this Study but are reported in the total plant and reserve data for a complete report of plant assets at the Study date.

The Study includes investment and reserves for the projected plant balances at January 1, 2018 for all Steam production units, Hydro production units, and Other production units, incorporating current retirement dates and dismantling costs for the Company's electric production assets. The depreciation rates were designed to recover the total remaining undepreciated investment, adjusted for net salvage, over the remaining life of PSCo's property on a straight-line basis.

PSCo is a regulated electric utility principally engaged in the generation, purchase, transmission, distribution and sale of electricity in Colorado. PSCo provides the essential service of generating and delivering electricity safely, reliably and economically to end-use consumers through its generation, transmission and distribution systems.

## **I. STUDY RESULTS**

Overall depreciation rates for all PSCo depreciable property are shown in Appendix A. As shown in Appendix B, these rates translate into an annual depreciation expense of \$418.8 million based on PSCo's depreciable investment for the projected plant balances as of January 1, 2018. This reflects an increase of \$49.2 million as compared to the equivalent annual depreciation expense of \$369.5 million calculated using the currently approved rates. The proposed depreciation rates translate into an annual depreciation accrual for Steam Production (excluding regulatory assets) of \$109.5 million, Hydro Production of \$5.3 million, Other Production of \$48.2 million, Transmission of \$44.3 million, Distribution of \$114.6 million, General Plant of \$18.4 million, Intangible Plant \$10.6 million and Common General and Intangible Plant of \$67.9 million (unallocated). The changes in proposed depreciation expense in the production area are mainly due to the terminal retirement dates, additional investment in the generating units, the reallocation of reserve to the Retired Generating Units, updated dismantling estimates related to electric production plant facilities, and the correction of the historically under-accrued reserve position.

Appendix A shows the development of the annual depreciation rates and accruals. Appendix B presents a comparison of approved rates versus proposed rates by account. Appendix C presents a summary of average service lives and net salvage estimates by account. Appendix D presents the terminal retirement dates and interim retirement ratios and net salvage percentages for production facilities. Appendix E presents the net salvage analysis for all accounts. Appendix F presents a comparison between the proposed book reserve reallocation and the forecasted book reserve.

## **II. GENERAL DISCUSSION OF THE DEPRECIATION RATE STUDY PROCESS**

### **A. Definition of Depreciation**

The term "depreciation" as used in this Study is considered in the accounting sense; that is, depreciation is a system of accounting that distributes the cost of assets, less net salvage (if any), over the estimated useful life of the assets in a systematic and rational manner. It is a process of allocation, not valuation. This expense is systematically allocated to accounting periods over the life of the properties. The amount allocated to any one accounting period does not necessarily represent the loss or decrease in value that will occur during that particular period. The Company accrues depreciation on the basis of the original cost of all depreciable property included in each functional property group. On retirement, the full cost of depreciable property, less the net salvage value, is charged to the depreciation reserve.

### **B. Basis of Depreciation Estimates**

#### **1. Overview of the Depreciation Method, Procedure and Technique**

The Straight-Line, Broad (Average) Life Group, Remaining Life depreciation system is employed to calculate annual and accrued depreciation in this Study. In this system, the annual depreciation accrual for each plant account or sub-account is computed by dividing the original cost of the asset, less allocated depreciation reserve less estimated net salvage, by its respective average life group remaining life. The resulting annual accrual amounts of all depreciable property within a functional group<sup>1</sup> are accumulated, and that total is divided by the original cost of all functional depreciable property to determine the depreciation rate. The calculated remaining lives and annual depreciation accrual rates are based on attained ages of plant in service and the estimated service life and salvage characteristics of each

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<sup>1</sup> Function or function group refers to different categories of plant. Specifically, the functions analyzed in this study are: Steam Production, Hydro Production, Other Production, Transmission, Distribution, General, and Common General.



depreciable group. The computations of the annual depreciation rates are shown in Appendix A.

For production property specifically, annual and accrued depreciation are calculated by the Straight-Line, Broad (Average Life) Group, Life Span (which incorporates the Remaining Life technique) depreciation system. In this system, the depreciation accrual uses an allocation of the accumulated provision for depreciation based on each unit/account's theoretical depreciation reserve to determine the net investment needed to be recovered over each unit's remaining life (along with its estimated net salvage). The computations of accrual rates for production property are shown in Appendix A, and the allocation of the accumulated provision for depreciation is found in Appendix F.

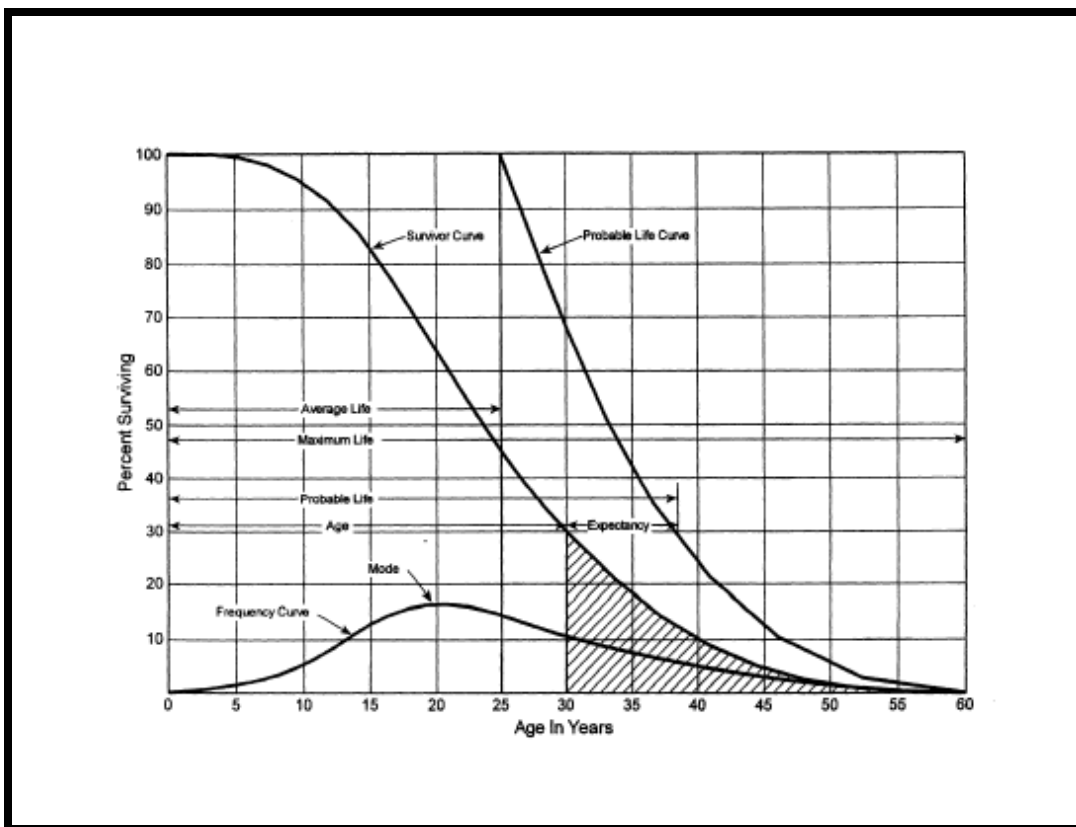
The Life Span estimation approach was incorporated into the analyses of PSCo production data. This method was used to develop the depreciation rates last approved by the Commission in the Company's electric rate case in Proceeding No. 06S-234EG and is generally used to determine depreciation rates for electric utility production property. This approach is more fully described in the next section.

For Transmission, Distribution, General and Common General Plant, actuarial analysis is used for each account within a functional group where sufficient data is available. Judgment is used to some degree on all accounts.

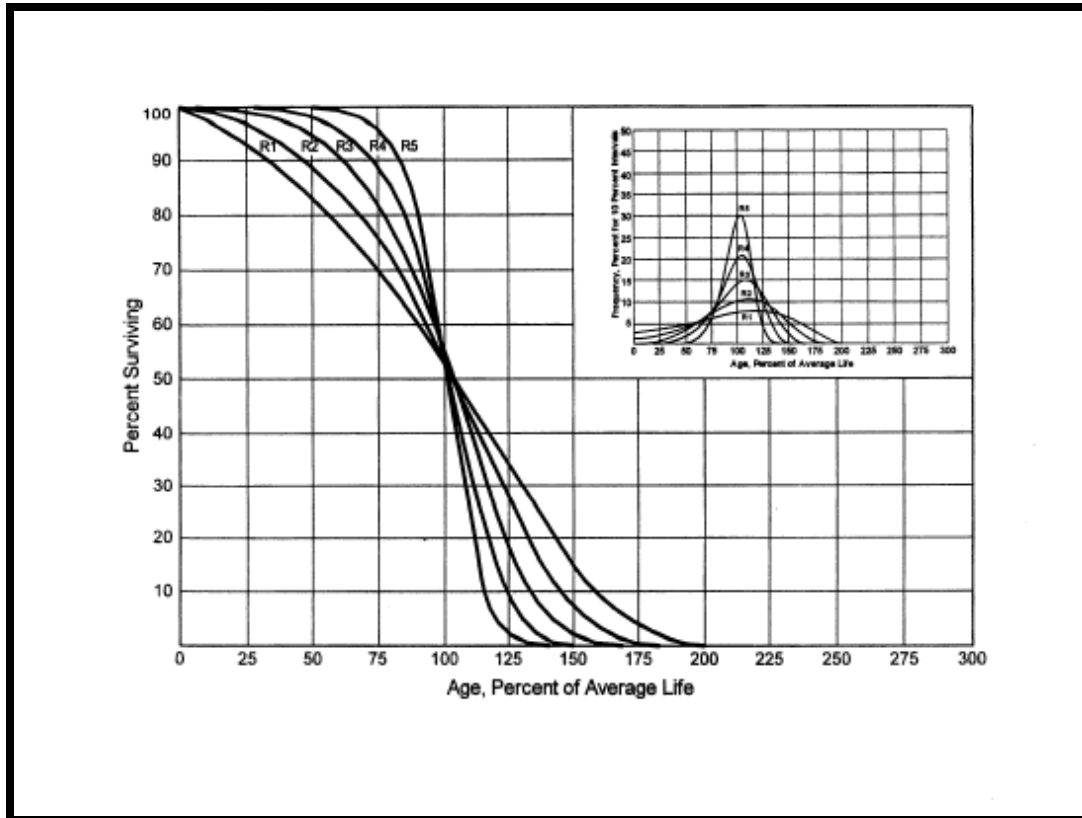
## **2. Survivor Curves**

To fully understand depreciation projections in a regulated utility setting, there must be a basic understanding of survivor curves. Individual property units within a group do not normally have identical lives or investment amounts. The average life of a group can be determined by first constructing a survivor curve, which is plotted as a percentage of the units surviving at each age. A survivor curve represents the percentage of property remaining in service at various age intervals. The Iowa Curves are the result of an extensive investigation of life characteristics of physical property made at Iowa State College Engineering Experiment Station in the first half of the prior century. Through common usage, revalidation and regulatory

acceptance, the Iowa Curves have become a descriptive standard for the life characteristics of industrial property. An example of an Iowa Curve is shown below.



There are four families in the Iowa Curves that are distinguished by the relation of the age at the retirement mode (largest annual retirement frequency) and the average life. For distributions with the mode age greater than the average life, an “R” designation (i.e., Right modal) is used. The family of “R” moded curves is shown below.



Similarly, an “S” designation (i.e., Symmetric modal) is used for the family whose mode age is symmetric about the average life. An “L” designation (i.e., Left modal) is used for the family whose mode age is less than the average life. A special case of left modal dispersion is the “O” or origin modal curve family. Within each curve family, numerical designations are used to describe the relative magnitude of the retirement frequencies at the mode. A “6” indicates that the retirements are not greatly dispersed from the mode (i.e., high mode frequency), while a “1” indicates a large dispersion about the mode (i.e., low mode frequency). For example, a curve with an average life of 30 years and an “L3” dispersion is a moderately dispersed, left modal curve that can be designated as a 30 L3 Curve. An SQ, or square, survivor curve occurs where no dispersion is present (i.e., units of common age retire simultaneously).

Most property groups can be closely fitted to one Iowa Curve with a unique average service life. The blending of judgment concerning current conditions and

future trends along with the matching of historical data permits the depreciation analyst to make an informed selection of an account's average life and retirement dispersion pattern.

### **3. Life Span Procedure**

The Life Span calculation is used for production facilities for which most components are expected to have a retirement date concurrent with the planned retirement date of the generating unit. The terminal retirement date refers to the year that each unit will cease operations. The terminal retirement date, along with the interim retirement characteristics of the assets that will retire prior to the facility ceasing operation, describe the pattern of retirement of the assets that comprise a generating unit. The estimated terminal retirement dates for the various generating units start with the retirement dates used to develop the depreciation rates last approved by the Commission in the Company's electric rate case in Proceeding No. 06S-234EG. These dates are then updated based on the terminal retirement dates provided by the Company for the current estimated retirement dates of specific generation units. At the direction of PSCo, regulatory assets related to unrecovered production plant for the Retired Generating Units are included in the steam reserve reallocation. In the other production function, Ponnequin Wind Farm (retired in 2015) is fully reserved for life and cost of removal in the other production reserve reallocation. The estimated terminal retirement dates are shown in Appendix D-1.

#### **4. Interim Retirement Rates**

Interim retirement rates are used to model the retirement of individual assets within primary plant accounts for each generating unit prior to the terminal retirement of the facility. The Life Span calculation assumes all assets are depreciated (straight-line) for the same number of periods and retire at the same time (the terminal retirement date). Adding interim retirement rates to the procedure reflects the fact that some of the assets at a power plant will not survive to the end of the life of the facility and should be depreciated (straight-line) more quickly and retired earlier than the terminal life of the overall facility. The goal of interim retirement rates is to project how many of the assets that are currently in service will retire each year in the future using historical analysis and judgment. The interim retirement methodology was used in the development of the depreciation rates approved in Proceeding No. 06S-234EG, and the proposed interim retirement ratios were used in the calculation of PSCo production depreciation rates. The interim retirement ratios recommended for production accounts are shown in Appendix D-2. By applying interim retirements, recognition is given to the obvious fact that generating units will have retirements of depreciable property before the end of their lives.

The assets that are being modeled for interim retirement are already reflected in the Company's plant accounts. Depreciation rates using interim retirements are known and measurable in the same way that setting depreciation rates for transmission or distribution property using Iowa Curves is known and measurable. There is no depreciable asset that is expected to live forever. All assets at a power plant will retire at some point. Interim retirements simply model when those retirements will occur in the same way that is followed for transmission or distribution assets.

Interim retirements are modeled by examining retirement activity by plant account from transaction years 2004-2015. Terminal retirement transactions, including retirements, gross salvage, and removal cost, are excluded from the analysis to arrive at the interim retirement transactions related to units continuing to

operate. Averages are computed over that period for interim retirement rates and used in analyzing production plant activity. Also, net salvage experienced for those assets over the same period is analyzed. Interim net salvage for those retirements occurring prior to a plant's terminal retirement date is modeled prospectively.

## **5. Actuarial Analysis**

For Transmission, Distribution, General, and Common property, actuarial analysis ("Retirement Rate" method) is used in evaluating historical asset retirement experience where vintage data are available and sufficient retirement activity is present. In actuarial analysis, interval exposures (total property subject to retirement at the beginning of the age interval, regardless of vintage) and age interval retirements are calculated. The complement of the ratio of interval retirements to interval exposures establishes a survivor ratio. The survivor ratio is the fraction of property surviving to the end of the selected age interval, given that it has survived to the beginning of that age interval. Survivor ratios for all of the available age intervals are computed by successive multiplications to establish a series of survivor factors, collectively known as an observed life table. The observed life table shows the experienced mortality characteristic of the account and may be compared to standard mortality curves, such as the Iowa Curves. Where data is available, accounts are analyzed using this method. Placement bands are used to illustrate the composite history over a specific era, and experience bands are used to focus on retirement history for all vintages during a set period. The results from the analyses for the accounts having data sufficient to be analyzed using this method are shown in the Life Analysis section of this Study.

## **6. Judgment**

Any depreciation study requires informed judgment by the analyst conducting the study. A knowledge of the property being studied, company policies and procedures, general trends in technology and industry practice, and a sound basis of understanding in depreciation theory are needed to apply this informed judgment.

Judgment is used in areas such as survivor curve modeling and selection, depreciation method selection, simulated plant record method analysis, and actuarial analysis.

Judgment is not used in cases where there are specific, significant pieces of information that influence the choice of a life or curve. Those cases would simply be a reflection of applying specific facts to the relevant analysis. Where there are multiple factors, activities, actions, property characteristics, statistical inconsistencies, implications of applying certain curves, property mix in accounts or a multitude of other considerations that impact the analysis (potentially in various directions), judgment is used to take all of these factors and synthesize them into a general direction or understanding of the characteristics of the property. Individually, no one factor in these cases may have a substantial impact on the analysis, but overall, may shed light on the utilization and characteristics of assets. Judgment also may include deduction, inference, wisdom, common sense, or the ability to make sensible decisions. Statistical analysis is a tool in life estimation; and all facets of selecting a life estimate require judgment. At the very least, as an example, any analysis requires choosing upon which bands to place more emphasis.

The establishment of appropriate average service lives and retirement dispersions for the Transmission, Distribution, General and Common Plant accounts requires judgment to incorporate the understanding of the operation of the system with the available accounting information analyzed using the Retirement Rate actuarial methods. The appropriateness of lives and curves depends not only on statistical analyses, but also on how well future retirement patterns will match past retirements.

Current applications and trends in use of the equipment also need to be factored into life and survivor curve choices in order for appropriate mortality characteristics to be chosen.

## **7. Broad (Average Life) Group Depreciation Procedure**

PSCo's current depreciation rates, as authorized by the Commission in Proceeding No. 06S-234EG for electric Transmission, Distribution and General Plant and in Proceeding No. 02S-315EG for Common Plant, were developed using the Broad (Average Life) Group ("ALG") depreciation procedure. At the request of PSCo, this Study continues to use the ALG depreciation procedure to group the assets within each account. After an average service life and dispersion are selected for each account, those parameters are used to estimate what portion of the surviving investment of each vintage is expected to retire. The depreciation of the group continues until all investment in the vintage group is retired. ALG is defined by each group's respective account dispersion, life, and salvage estimates. A straight-line rate for each ALG is calculated by computing a composite remaining life for each group across all vintages within the group, dividing the remaining investment to be recovered by the remaining life to find the annual depreciation expense and then dividing the annual depreciation expense by the surviving investment. The resulting rate for each account using the ALG procedure is designed to recover all retirements less net salvage when the last unit retires. The ALG procedure recovers net estimated book cost over the life of each account by averaging many components.

## **8. Theoretical Depreciation Reserve – Production Accounts**

The book accumulated provision for depreciation within the production functions – Steam, Hydro and Other – is allocated among units and accounts through the use of the theoretical depreciation reserve model. This Study uses a reserve model that relies on a prospective concept relating future retirement and accrual patterns for property, given current life and salvage estimates. This theoretical reserve calculation is the same calculation used in developing the depreciation rates approved by the Commission in the Company's electric rate case in Proceeding No. 06S-234EG.



The theoretical reserve of a property group (in this case, a generating unit and account) is developed from the estimated remaining life of the group, the total life of the group, and estimated net salvage. The theoretical reserve represents the portion of the group cost that would have been accrued if current expectations were used throughout the life of the group for future depreciation accruals. The computation involves multiplying the vintage balances within the group by the theoretical reserve ratio for each vintage. The straight-line, remaining life theoretical reserve ratio at any given age (RR) is calculated as:

$$RR = 1 - \frac{(Average\ Remaining\ Life)}{(Average\ Service\ Life)} * (1 - Net\ Salvage\ Ratio)$$

At the request of the Company, regulatory assets recorded in FERC Account 182.2, Regulatory Assets, for the Retired Generating Units are included in the reserve reallocation process. Also at the request of the Company, the Ponnequin Wind Farm, retired in 2015, is included in the other production reserve reallocation and is fully reserved for life and cost of removal through the reserve reallocation.

In Appendices A-1, A-2, and A-3, a theoretical reserve is computed for each unit and account at January 1, 2018 using the proposed retirement date, dismantling amount, interim retirement percentage and current age of each unit and account combination. For generating units in-service, the theoretical reserve for each unit is computed using the unit's original in-service date, plant balance, estimated dismantling costs, and accumulated depreciation for each generating unit at the Study date of January 1, 2018, as well as the remaining period to recover costs (life and cost of removal) associated with these assets (usually the retirement date). For generating units already retired and recorded as regulatory assets in FERC Account 182.2 as of January 1, 2018 (the Retired Generating Units), the same calculation is utilized, and a four-year amortization period to recover the costs are modeled, assuming full recovery at year end 2021. For each unit account, the theoretical reserve is broken into both a life component and a cost of removal component. After the theoretical reserve was computed for each unit account, each

such theoretical reserve was then multiplied by a proration factor to re-establish the estimated book reserve for each unit account for purposes of then determining the proposed depreciation rates. The proration factor is computed by developing a ratio of the total book reserve to the total theoretical reserve for Steam, Hydro and Other production, respectively. The result of those allocations is shown in Appendix F-1. Detailed computations with formulae intact are shown in the workpapers.

### **9. Theoretical Depreciation Reserve – Transmission, Distribution, General, and Common Property**

The book depreciation reserve is derived from Company records and is reallocated from a functional level to individual accounts. This Study uses a reserve model that relies on a prospective concept relating future retirement and accrual patterns for property, given current life and salvage estimates. The theoretical reserve of a group is developed from the estimated remaining life, total life of the property group, and estimated net salvage. The theoretical reserve represents the portion of the group cost that would have been accrued if current expectations were used throughout the life of the group for future depreciation accruals. The computation involves multiplying the vintage balances within the group by the theoretical reserve ratio for each vintage. The ALG method requires an estimate of dispersion and service life to establish how much of each vintage is expected to be retired in each year until all property within the group is retired. Estimated average service lives and dispersion determine the amount within each average life group. The straight-line, remaining life theoretical reserve ratio at any given age (RR) is calculated as:

$$RR = 1 - \frac{(\text{Average Remaining Life})}{(\text{Average Service Life})} * (1 - \text{Net Salvage Ratio})$$

In the workpapers, a theoretical reserve is computed for each account as of January 1, 2018, using the proposed life and net salvage percentage. For each account, the theoretical reserve is broken into a life component and a cost of removal component. The proration factor is computed by developing a ratio of the total book reserve to the total theoretical reserve for Transmission, Distribution, General and Common General. After each theoretical reserve is computed, each amount is then multiplied by the proration factor to re-establish the book reserve for each account for purposes of then determining proposed depreciation rates. The result of those allocations is shown in Appendix F-2.

### **III. THE DETAILS OF THIS DEPRECIATION RATE STUDY**

#### **A. The Four Phases of the Depreciation Study Process**

This Study encompasses four distinct phases. The first phase involves data collection and field interviews. The second phase is where the initial data analysis occurs. The third phase is where the information and analysis is evaluated. Once the first three stages are complete, the fourth phase begins. This fourth phase involves the calculation of depreciation rates and documentation of the corresponding recommendations.

During the Phase I data collection process, historical data is compiled from property records and general ledger systems. Data is validated for accuracy by extracting and comparing to multiple financial system sources. Audit of this data is validated against historical data from prior periods, historical general ledger sources, and field personnel discussions. This data is reviewed extensively to put it in the proper format for the Study. Further discussion on data review and adjustment is found in the Salvage Considerations section of this Study. Also as part of the Phase I data collection process, numerous discussions are conducted with engineers and field operations personnel to obtain information that will assist in formulating life and salvage recommendations in this Study. One of the most important elements of performing a proper depreciation study is to understand how the Company utilizes assets and the environment of those assets. Interviews with engineering and operations personnel are important ways to allow the analyst to obtain information that is beneficial when evaluating the output from the life and net salvage programs in relation to the Company's actual asset utilization and environment. Information regarding these discussions is found in the life analysis and salvage analysis discussions below in this Section IV of the Study and also in workpapers.

Phase 2 is where the actuarial analysis is performed. Phase 2 and 3 overlap to a significant degree. The detailed property records information is used in Phase 2 to develop observed life tables for life analysis. These tables are visually compared to industry standard tables to determine historical life characteristics. It is

possible that the analyst will cycle back to this Phase 2 based on the evaluation process performed in Phase 3. Net salvage analysis consists of compiling historical salvage and removal data by functional group to determine values and trends in gross salvage and removal cost. This information is then carried forward into Phase 3 for the evaluation process.

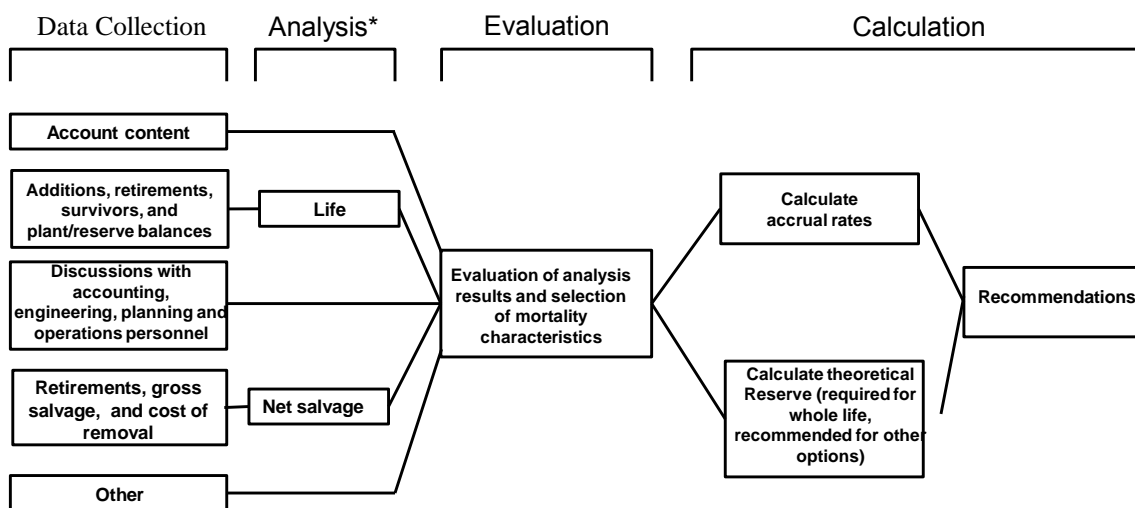
Phase 3 is the evaluation process, which synthesizes analyses, interviews, and operational characteristics into a final selection of asset lives and net salvage parameters. The historical analysis from Phase 2 is further enhanced by the incorporation of recent or future changes in the characteristics or operations of assets that were revealed in Phase 1. Phases 2 and 3 allow the depreciation analyst to validate the asset characteristics as seen in the accounting transactions with actual Company operational experience.

Finally, Phase 4 involves the calculation of accrual rates, making recommendations and documenting the conclusions in the Study. The calculation of accrual rates is found in Appendix A. Recommendations for the various accounts are contained within this Section IV of this Study. The depreciation study flow diagram shown as Figure 1<sup>2</sup> below also documents the steps used in conducting this Study. DEPRECIATION SYSTEMS<sup>3</sup>, at page 289, documents the same basic processes in performing a depreciation study which are: statistical analysis, evaluation of statistical analysis, discussions with management, forecast assumptions, and document recommendations.

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<sup>2</sup>INTRODUCTION TO DEPRECIATION FOR PUBLIC UTILITIES & OTHER INDUSTRIES, AGA EEI (2013).

<sup>3</sup> W. C. Fitch and F.K.Wolf, DEPRECIATION SYSTEMS, Iowa State Press, at page 289 (1994).



Source: Introduction to Depreciation for Public Utilities and Other Industries, AGA EEL , 2013.

\*Although not specifically noted, the mathematical analysis may need some level of input from other sources (for example, to determine analysis bands for life and adjustments to data used in all analysis).

Figure 1

## ***PSCo DEPRECIATION STUDY PROCESS***

## **B. Depreciation Rate Calculation for Production**

### **1. The Standard Process**

Annual depreciation expense amounts for the Steam Production, Hydro Production and Other Production accounts are calculated by the Straight-Line, Average Life Group, Life Span procedure as in the Staff spreadsheets used in the calculation of the approved production depreciation rates in Proceeding No. 06S-234EG. As background, in a whole-life representation, the annual accrual rate is computed by the following equation:

$$AnnualAccrualRate = \frac{(100\% - NetSalvagePercent)}{AverageServiceLife}$$

In the case of production facilities with a terminal life and terminal net salvage, the account/unit combination will determine the annual depreciation accrual rate as follows:

Annual Accrual Rate = [Plant Balance + Interim Additions over Life of the Unit – Terminal Retirement – Terminal and Interim Net Salvage – Accumulated Depreciation Reserve] /  $\sum$  Average Plant Balance over the remaining life of the unit.

In this Study, there are no interim additions beyond January 1, 2018 considered in developing depreciation rates. Interim retirements reduce the average plant balance over the remaining life of the unit, while interim net salvage increases the total net salvage of the unit. The inclusion of terminal retirement value and terminal net salvage ensure full recovery of the cost of each unit account as shown in Appendix A. At the direction of PSCo, certain steam generating units retired by January 1, 2018, (recorded to Account 182.2 Regulatory Assets) are assigned terminal retirement dates of 2022 for the purpose of calculating the theoretical reserve and reserve reallocation. The estimated terminal retirement dates are shown in Appendix D-1.

## 2. Special Situations

The existing lives for Steam production units are established in Proceeding No. 06S-234G. However, subsequent to that proceeding, circumstances arose that caused the Company to re-evaluate the lives and fuel source for selected Steam production units, along with making some additional Steam production plant additions. Below is a brief discussion of these circumstances that resulted in re-evaluation:

- Certain Commission proceedings, including the Company’s approved plan in compliance with the Colorado Clean Air Clean Jobs Act (“CACJA”) and PSCo’s approved Electric Resource Plans, resulted in the Company modifying the existing life for selected Steam production units. The following steam production units have been retired or will soon be retired; their unrecovered costs (both life and cost of removal) are being accounted for in FERC Account 182.2 – Regulatory Assets. These plants are included in the reserve reallocation process in this Study and have been referred to as the “Retired Generating Units” throughout the Study:

Arapahoe Unit 1	2002
Arapahoe Unit 2	2002
Arapahoe Unit 3	2013
Arapahoe Unit 4	2013
Cameo Unit 1	2010
Cameo Unit 2	2010
Cherokee Unit 1	2012
Cherokee Unit 2	2011
Cherokee Unit 3	2015
Cherokee 4 (Coal-related)	2017
Valmont 5	2017



Zuni Unit 1 2010

Zuni Unit 2 2015

- At Cherokee Unit 2, a synchronous condenser was installed in 2012. This equipment is expected to last for 15 years from the installation date. Proposed depreciation rates (for each applicable account) for the Cherokee Unit 2 synchronous condenser are developed in this Study.
- Per the Company's direction due to the early retirement, Alliance recalculated the depreciation rates for Craig Unit 1 using a terminal retirement date of 2025 and for Craig Common using a terminal retirement date of 2039 and reran the reserve reallocation for all operating Steam Production plant including the regulatory assets for the Retired Generating Units, only this time with Craig Unit 1 excluded from the reserve reallocation.

The unrecovered costs of these Steam production units are being accounted for in FERC Account 182.2, Regulatory Assets, upon their retirement. The Company's proposal is to amortize these regulatory assets through 2022. With regard to Other Production, the Ponnequin Wind Farm was retired in 2015. Additional depreciation reserve is allocated to this facility from other generating units to ensure full recovery of the plant investment and its estimated dismantling costs. The changes in retirement dates and recovery of regulatory assets are reflected in Appendix D-1.

Certain assets associated with the Company's Air Quality Improvement Rider ("AQIR") recorded in Account 312 were given a 15-year life in Proceeding No. 02S-485E. All of these investments had an installed date of 2003 and are set to be fully recovered at the end of 2018. For those plants with AQIR equipment, the approved 15-year life is continued to be used as the proposed depreciation rate. Another group of assets within Account 312, Coal Cars, is modeled somewhat differently than other assets within Steam production. These assets are not tied to any particular generating station, so Company history is used to develop a service life

recommendation. The Study recommends a 24-year life for this account. The current approved depreciation rate for Account 312 – Coal Cars is 3.1667% with 5 percent positive net salvage, equating to a 30-year life.

Depreciation accrual rates and interim retirement percentages use the same methodology as were used in developing the depreciation rates approved by the Commission in Proceeding No. 06S-234EG. Depreciation expense computations by generating unit and account are found in Appendices A-1, A-2, and A-3, for Steam production, Hydro production, and Other production, respectively. Proposed terminal lives are found in Appendix D-1, proposed interim retirement percentages are found in Appendix D-2, and dismantling costs are found in Appendix G-1 through G-3.

### **C. Depreciation Rate Calculation for Transmission, Distribution, General and Common**

#### **1. Overview of Calculation**

Annual depreciation expense amounts for accounts other than production are calculated by the Average Life, Straight-Line, Remaining Life system.

In a whole-life representation, the annual accrual rate is computed by the following equation:

$$\text{Annual Accrual Rate} = \frac{(100\% - \text{Net Salvage Percent})}{\text{Average Service Life}}$$

Use of the remaining life depreciation system adds a self-correcting mechanism, which accounts for any differences between theoretical and book depreciation reserve over the remaining life of the group. With the straight-line, remaining life, system using Iowa Curves, composite remaining lives are calculated according to standard broad group expectancy techniques, noted in the formula below:

$$\text{Composite Remaining Life} = \frac{\sum \text{Original Cost} - \text{Theoretical Reserve}}{\sum \text{Whole Life Annual Accrual}}$$

For each FERC plant account, the difference between the surviving investment, adjusted for estimated net salvage, and the allocated projected book depreciation reserve as of January 1, 2018, is divided by the composite remaining life to yield the annual depreciation expense as noted in this equation.

$$\text{Annual Depr Expense} = \frac{\text{Orig Cost} - \text{Allocated Reserve} - (\text{Orig Cost}) * (1 - \text{Net Salv \%})}{\text{Composite Remaining Life}}$$

In the equation above the Net Salv% represents future net salvage.

Within a group, the sum of the group annual depreciation expense amounts, as a percentage of the depreciable original cost investment summed, gives the annual depreciation rate as shown below:

$$\text{Annual Depreciation Rate} = \frac{\sum \text{Annual Depreciation Expense}}{\sum \text{Original Cost}}$$

These calculations are shown in Appendix A. The calculations of the theoretical depreciation reserve values and the corresponding remaining life calculations are shown in workpapers. Projected book depreciation reserves as of January 1, 2018 are allocated from a functional level to individual accounts and the theoretical reserve computation is used to compute a composite remaining life for each account.

The calculation of the accrual rates are shown in Appendix A. The book reserve allocations by functional level are shown in Appendix F.

## **2. Remaining Life Calculation**

The establishment of appropriate average service lives and retirement dispersions for each account within a functional group is based on engineering judgment that incorporates available accounting information analyzed using the Retirement Rate actuarial methods. After establishment of appropriate average service lives and retirement dispersion, remaining life is computed for each account.

Theoretical depreciation reserve is calculated using theoretical reserve ratios as defined in the theoretical reserve portion of Section III of this Study. The difference between plant balance and theoretical reserve is then spread over the ALG depreciation accruals for each plant account. Remaining life computations are found for each account in workpapers.

### **3. Life Analysis**

The Retirement Rate actuarial analysis method is applied to all non-production accounts for PSCo. For each account, an actuarial retirement rate analysis is made with placement and experience bands of varying width. The historical observed life table is plotted and compared with various Iowa Curves to obtain the most appropriate match. A selected Iowa Curve for each account is shown in Section V (Determination of the Lives) below. The observed life tables for all analyzed placement and experience bands are provided in workpapers.

For each account on the overall band (i.e., placement from earliest vintage year available for each account through 2015), survivor curves underlying the depreciation rates approved in Proceeding No. 06S-234EG for electric plant and Proceeding No. 02S-315EG for Common plant, as modified by subsequent orders, are used as a starting point. Using the same average life, various dispersion curves are then plotted. Frequently, visual matching confirms one specific dispersion pattern (i.e., L, S, or R) as an obviously better match than others. The next step is to determine the most appropriate life using that dispersion pattern. After looking at the overall experience band, different experience bands are then plotted and analyzed as follows: in increments from the overall band to a middle-range band, then the most recent bands with increments of approximately 20 years, such as 1939-2015, 1966-2015, 1986-2015, and 2001-2015. Next, placement bands of varying width are plotted within each experience band discussed above. Repeated matching usually points to a focus on one dispersion family and small range of service lives. The goal of visual matching is to minimize the differential between the

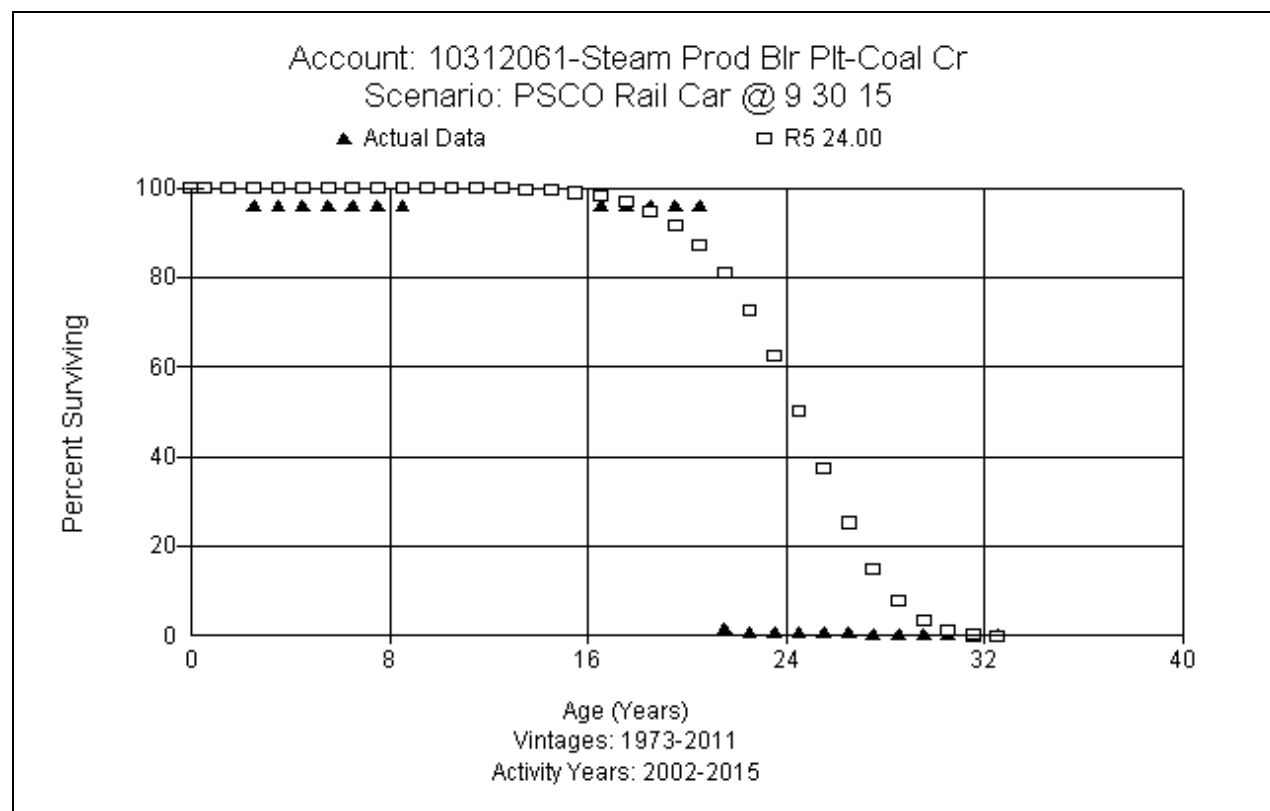
observed life table and Iowa Curve in the top- and mid-range of the plots. These results are used in conjunction with all other factors that may influence asset lives.

#### IV. DETERMINATION OF THE LIVES

##### A. Production Plant

##### FERC Account 312.2 Coal Cars 24 R5

This account includes the cost of coal cars used in producing electricity. At September 30, 2015, there was approximately \$20.4 million in this account and \$23.1 million is projected to be in the account as of January 1, 2018. The current approved life is 30 years, based on an approved depreciation rate of 3.1667% and a positive 5 percent net salvage. Based on judgment and the type of assets in this account, this Study recommends moving to a 24-year life and an R5 dispersion. A graph of the observed life table versus the proposed 24-year life is shown below.

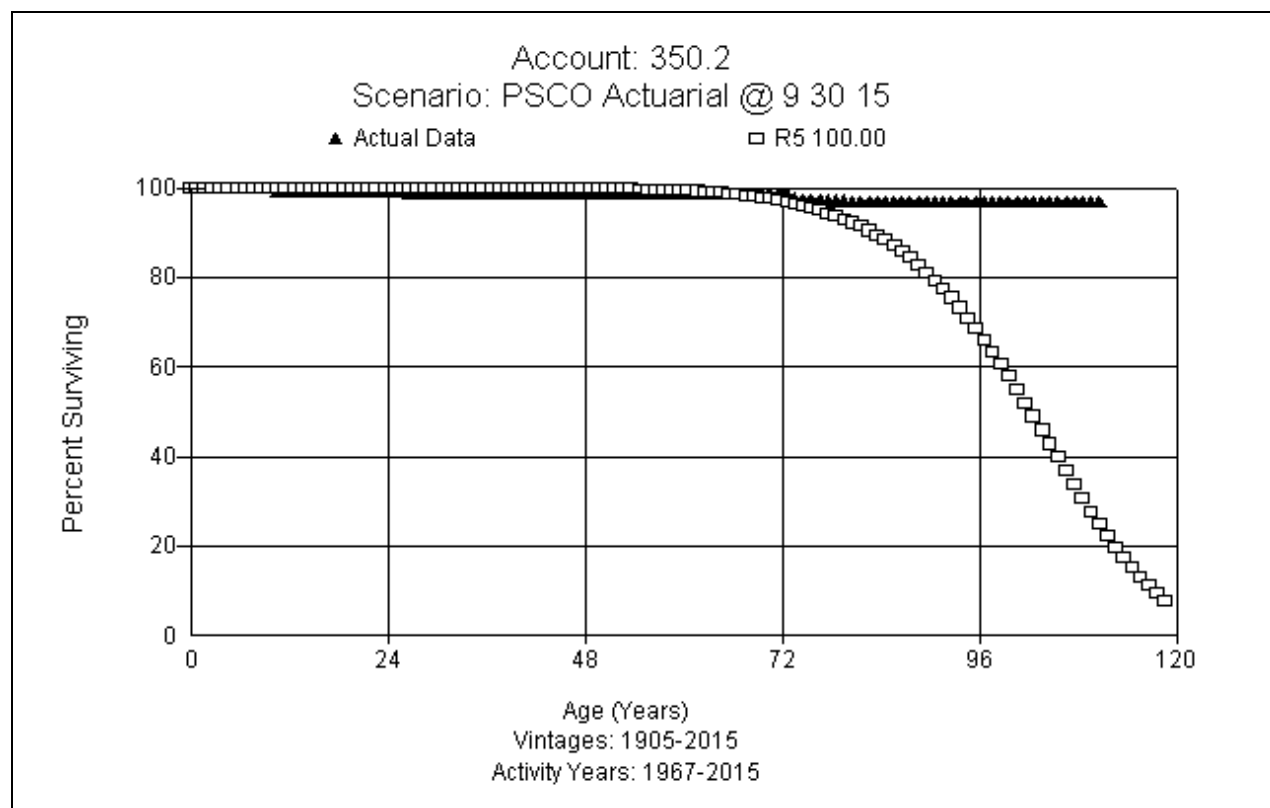


## B. Transmission Plant

### Transmission Accounts, FERC Accounts 350.2–359.0

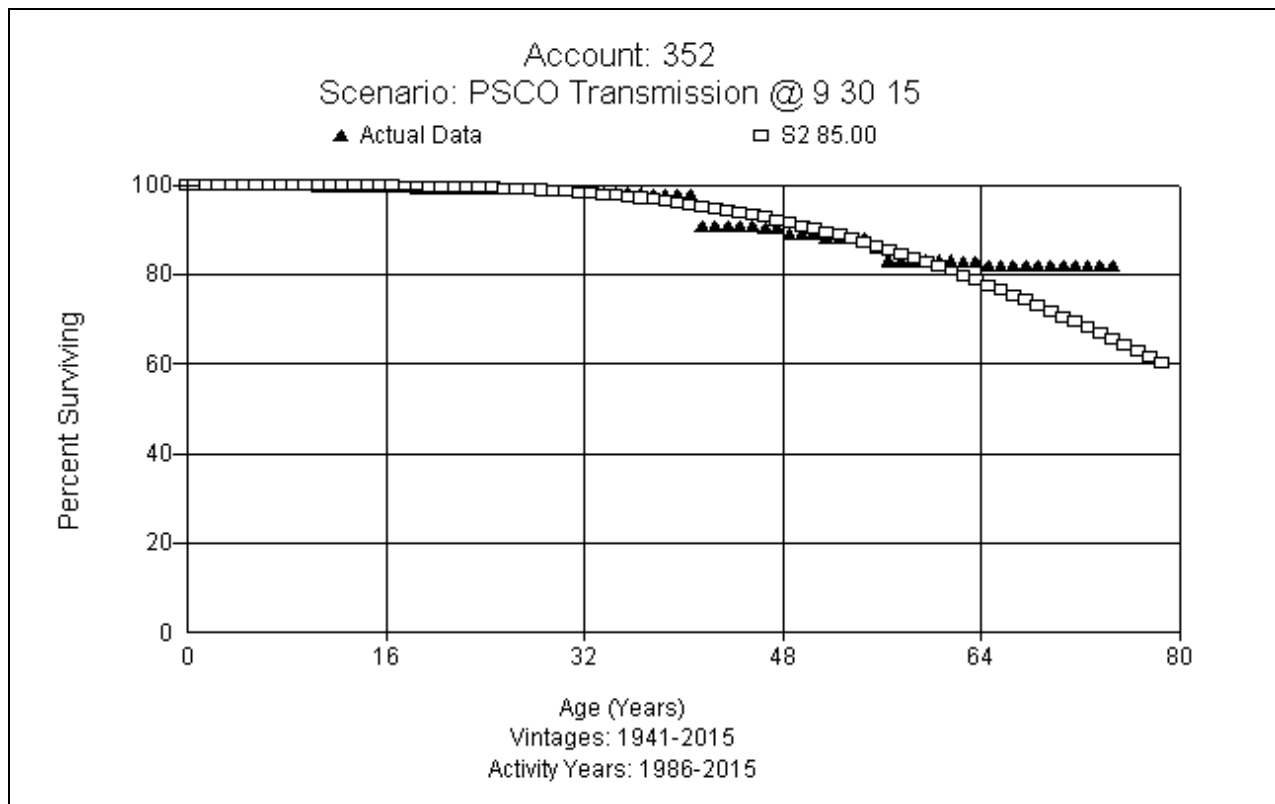
#### FERC Account 350.2 Land Rights 100 R5

This account includes the cost of rights of way in connection with transmission plant. At September 30, 2015, there was approximately \$67.7 million in this account, and \$77.1 million is projected to be in the account as of January 1, 2018. Currently, the life for this account is 100 years with an R5 dispersion. There is limited information on which to perform actuarial analysis. Based on judgment and the type of assets in this account, this Study recommends retaining the 100-year life and the R5 dispersion. A graph of the observed life table versus the proposed curve is shown below.



## FERC Account 352.0 Structures and Improvements 85 S2

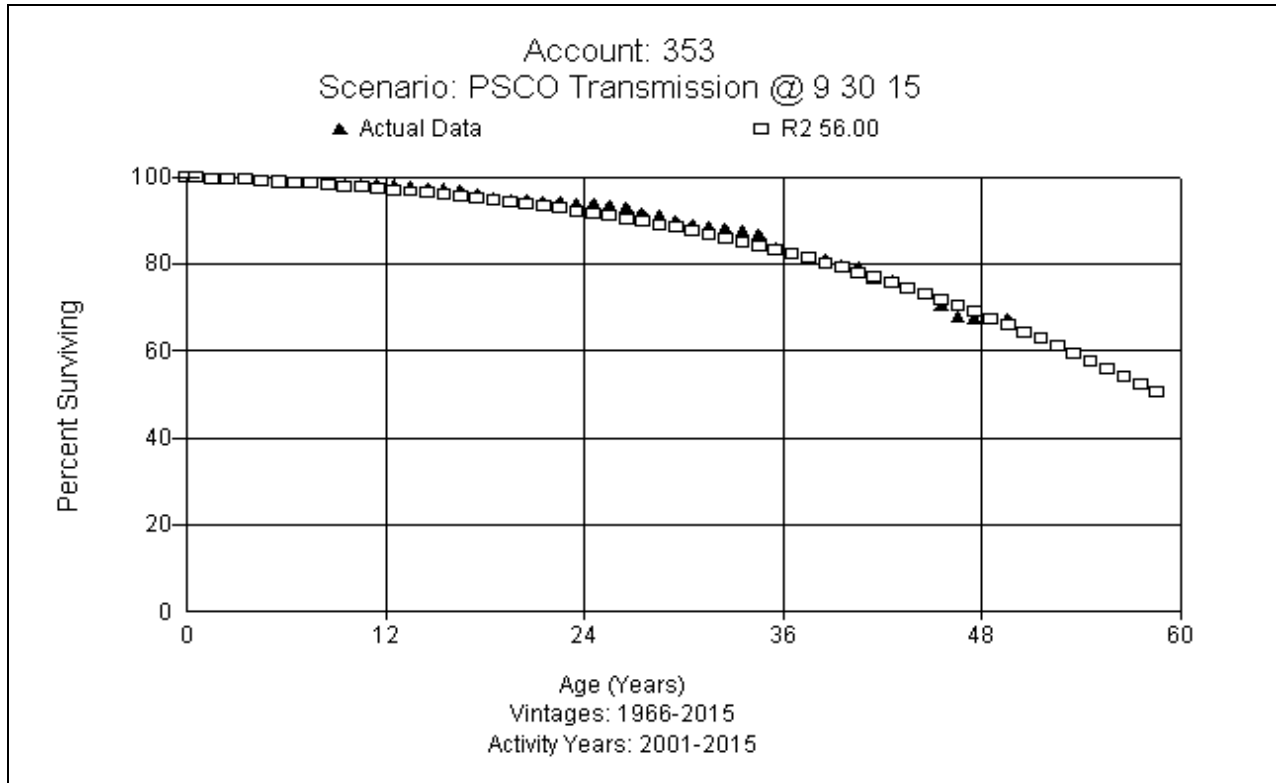
This account includes the cost of structures and improvements in connection with building station control, security systems, yard improvements, protective fencing and other structures for transmission plant. At September 30, 2015, there was approximately \$65.1 million in this account, and \$79.2 million is projected to be in the account as of January 1, 2018. The current approved life for this account is 70 years with a S6 dispersion. The limited actuarial analysis on this account and judgment shows a slightly longer life and flatter dispersion pattern across most of the bands analyzed. Based on the limited indications from the actuarial analysis, judgment, and the type of assets in this account, this Study recommends increasing the life to 85 years and moving the dispersion to S2. A graph of the observed life table versus the proposed curve is shown below.



## **FERC Account 353.0 Station Equipment 56 R2**

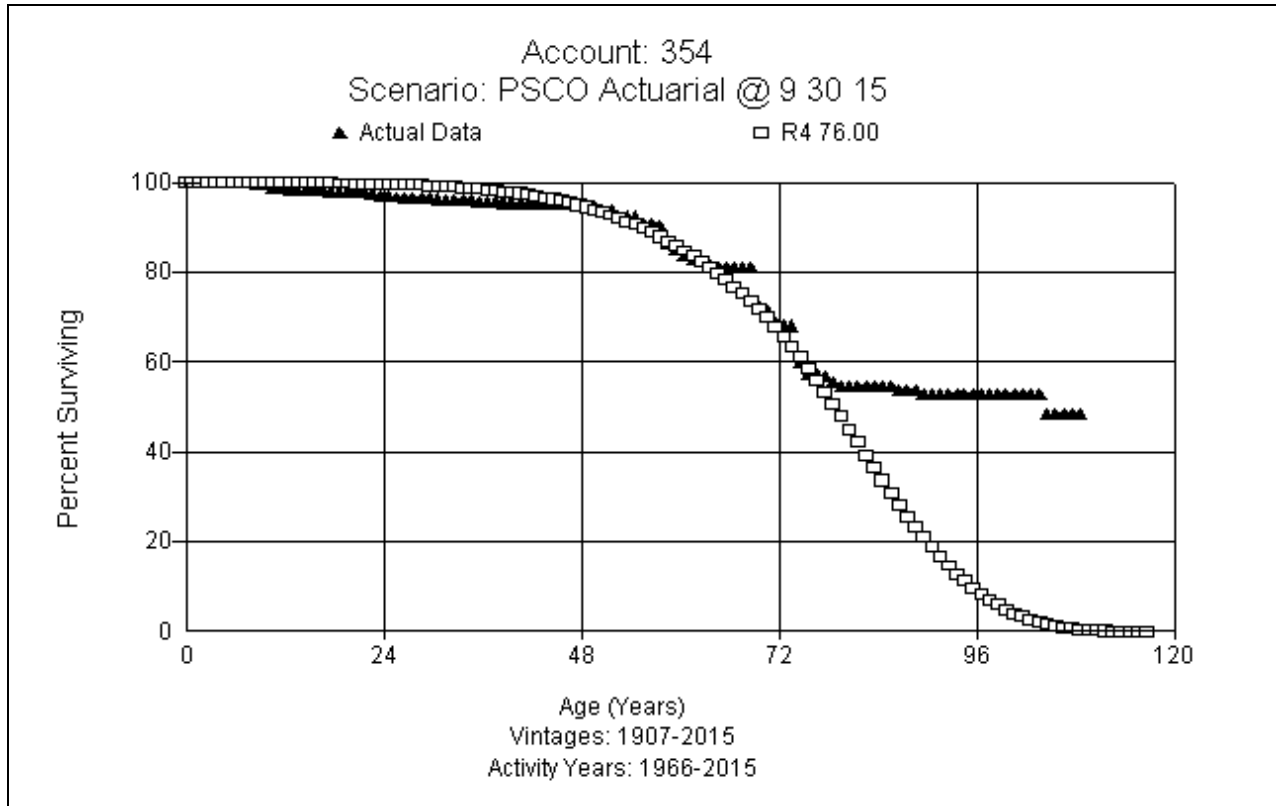
This account includes the cost of transformers, capacitor banks, circuit breakers, cubicle switchgear, equipment foundation, station controls and station wiring for transmission plant. At September 30, 2015, there was approximately \$872.6 million in this account, and \$1.1 billion is projected to be in the account as of January 1, 2018. The current approved life for this account is 60 years with an R2.5 dispersion. Discussions with Company personnel indicate installation of a large number of static VAR equipment (circuit breakers), which have a shorter life and are the standard design now. The SF6 circuit breakers associated with the static VAR equipment will have a 10-year life, which is much shorter than the normal SF6 circuit breaker life of 48 years. There are 793 circuit breakers and 250 of those circuit breakers are normal SF6. The capacitor banks have a life of around 35 years. Oil circuit breakers may last 50 years but many have been replaced due to current interruption criteria. Actuarial analysis indicates a slightly shorter life, which supports the information from Company personnel noted above. Based on the actuarial analysis, type and mix of assets, input from Company, and judgment, this Study recommends decreasing the life to 56 years while moving to the R2 dispersion. A graph of the observed life table versus the proposed curve is shown below.





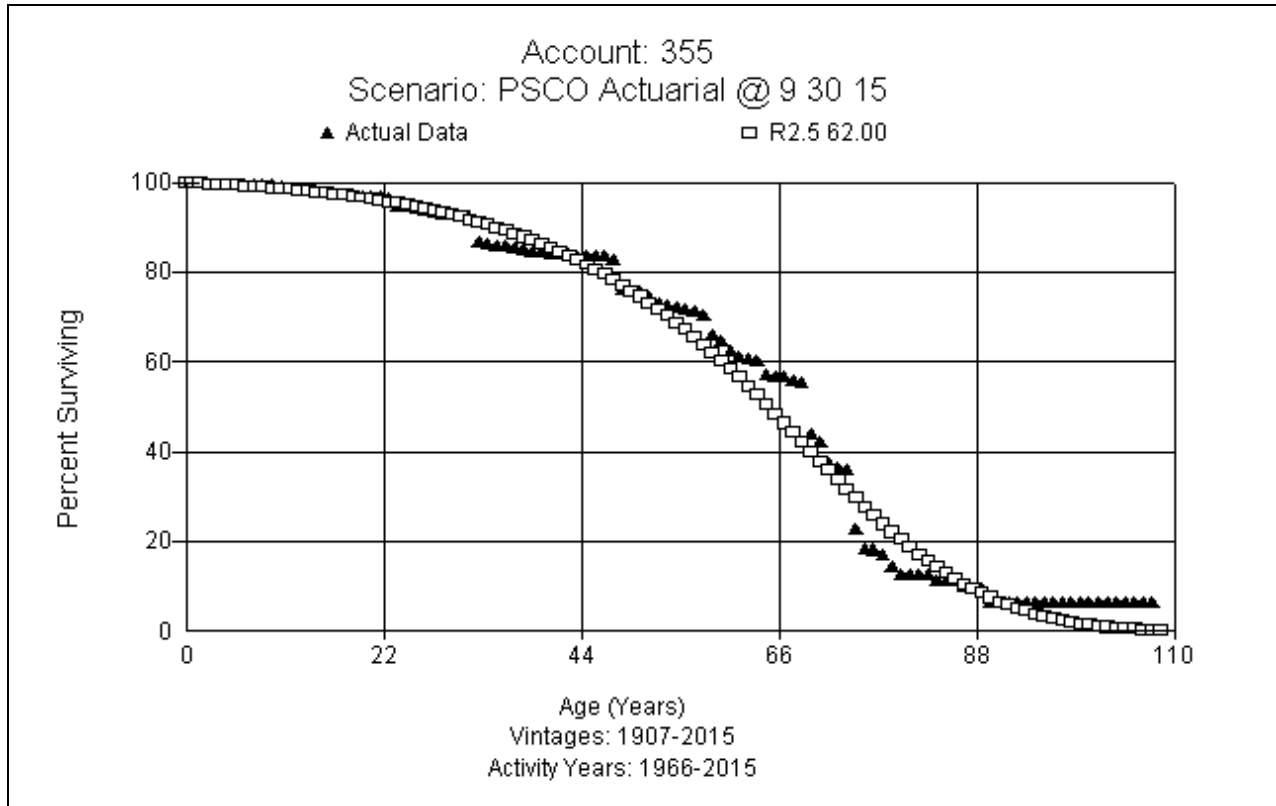
#### FERC Account 354.0 Towers & Fixtures 76 R4

This account includes towers and non-wood poles for transmission plant. At September 30, 2015, there was approximately \$164.6 million in this account and \$189.3 million is projected to be in the account as of January 1, 2018. The current approved life for this account is 70 years with an R4 dispersion. Discussions with Company personnel indicate few failures in towers. The Company has several older lattice towers still in service. Primary concerns for towers are with the foundations and subsurface conditions. The Company would not expect a life shorter than 70 years. The fuller placement bands provide better indication of expected life. In the fuller placement and experience, the life is increasing from the existing life. Based on the actuarial analysis, Company input, judgment, and the type of assets in this account, this Study recommends an increase in the life to 76 years while retaining the R4 dispersion. A graph of the observed life table versus the proposed curve is shown below.



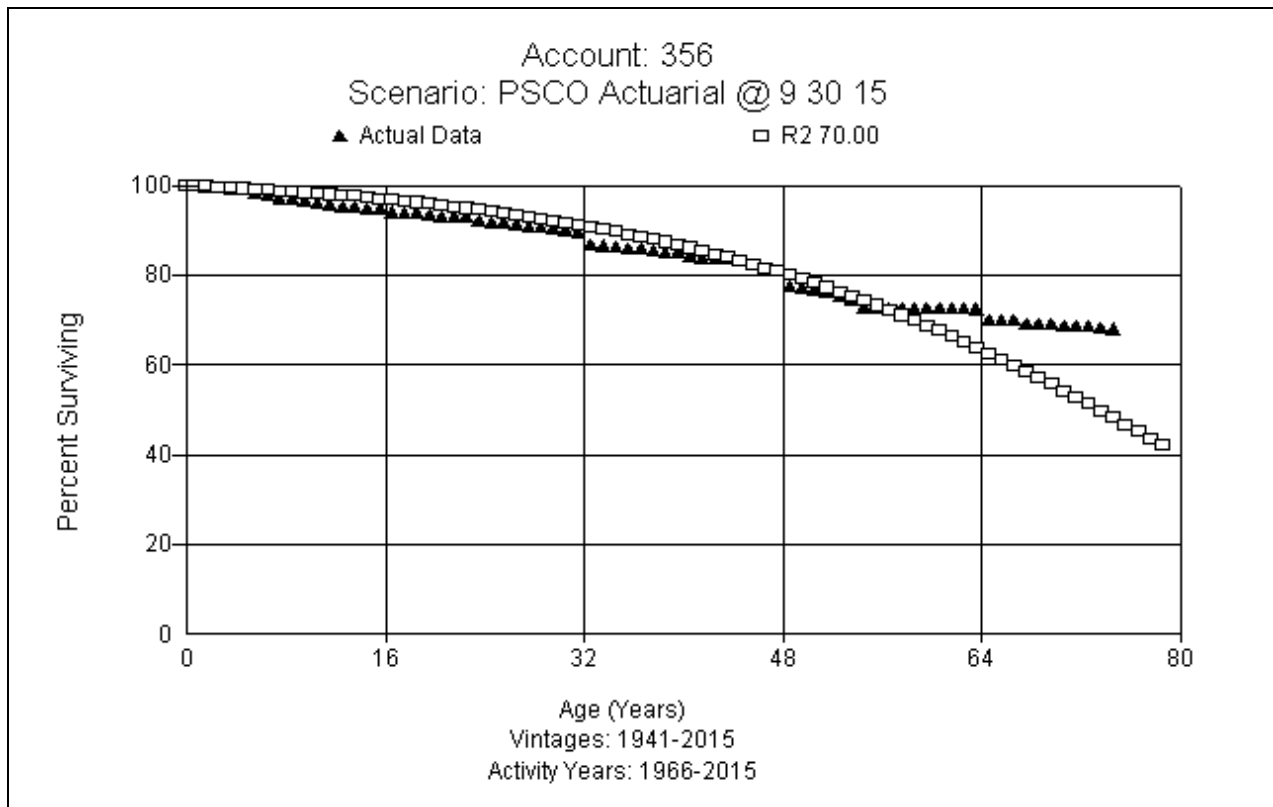
### FERC Account 355.0 Poles & Fixtures 62 R2.5

This account includes equipment foundation and many kinds of poles for transmission plant. At September 30, 2015, there is approximately \$365.7 million in this account and \$421.4 million is projected to be in the account as of January 1, 2018. The current approved life for this account is 50 years with an R3 dispersion. The Company is prioritizing retirement and replacement of the oldest pole areas first. The Company would expect to see a life longer than the existing 50 years on the replaced poles and new poles. The actuarial analysis indicates a life longer than the existing life across the bands analyzed. The full placement and experience band provide a good fit with the 62 R2.5. Based on the actuarial analysis, Company input, judgment, and the type of assets in this account, this Study recommends increasing the life to 62 years and moving to a slightly flatter R2.5 dispersion. A graph of the observed life table versus the proposed curve is shown below.



### FERC Account 356.0 OH Conductors & Devices 70 R2

This account includes overhead conductors and devices for transmission plant. At September 30, 2015, there is approximately \$260.2 million in this account and \$299.6 million is projected to be in the account as of January 1, 2018. The current approved life for this account is 50 years with an R1.5 dispersion. Discussions with Company personnel indicate they do not have the significant strand and reconductoring issues seen by other utilities. The Company expects a life longer than the existing 50 years. The actuarial analysis supports Company information and expectations with longer life are indicated across the bands analyzed. Based on the actuarial analysis, Company input, judgment, and the type of assets in this account, this Study recommends increasing the life to 70 years and moving to a R2 dispersion. A graph of the observed life table versus the proposed curve is shown below.



### FERC Account 357.0 UG Conduit 60 R3

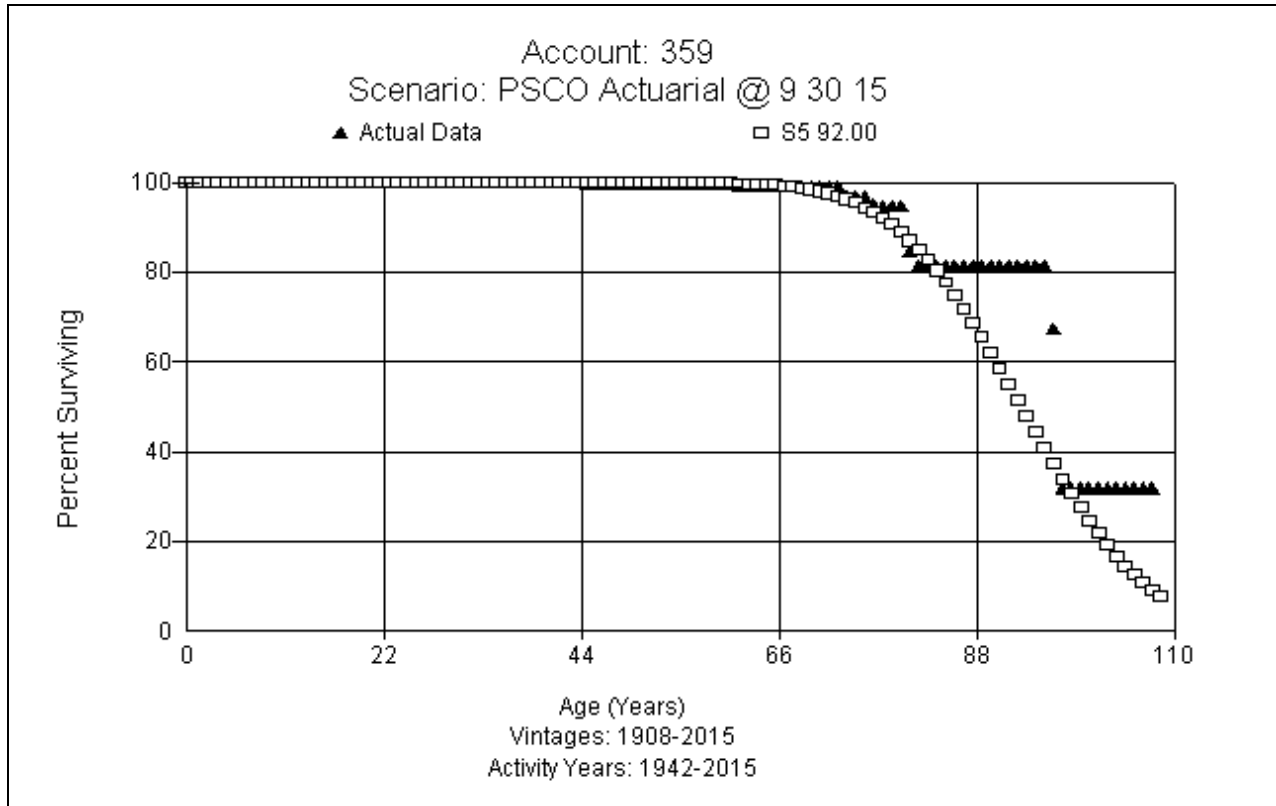
This account includes underground conduit for transmission plant. At September 30, 2015, there is approximately \$31.0 million in this account, and \$35.6 million is projected to be in the account as of January 1, 2018. The current approved life for this account is 50 years with an R3 dispersion. The retirement activity in this account has been limited. Discussions with Company personnel indicate underground conductor had been in oil filled pipe, but newer conductor is in conduit. Oil filled conduit has at least a 50-year life expectancy and there is some expectation that newer (non-oil filled) conduit will have a longer life. The actuarial analysis has limited data for analysis. Based on Company input, analysis indications, judgment, and the type of assets in this account, this Study recommends moving to a 60-year life and retaining the R3 dispersion. No graph of the observed life table versus the proposed curve is shown, since there is little transactional data to compare the proposed curve and life to.

### **FERC Account 358.0 UG Conductors & Devices 50 R3**

This account includes underground conductors and devices for transmission plant. At September 30, 2015, there was approximately \$56.2 million in this account, and \$64.8 million is projected to be in the account as of January 1, 2018. The current approved life for this account is 50 years with an R3 dispersion. There is limited data on which to perform life analysis. Currently, the Company installs conductor in conduit, which has not been through a full life-cycle but is expected to have a lower expected life. All new conductors are going in conduit, which is not oil-filled. Company has used XLP (cross-linked polyethylene) conductor for the last 20 or more years. Based on the judgment and the type of assets in this account, this Study recommends retaining the 50-year life and R3 dispersion. No graph of the observed life table versus the proposed curve is shown, since there is little transactional data to compare the proposed curve and life to.

### **FERC Account 359.0 Roads & Trails 92 S5**

This account includes bridges, roads and yard improvements for transmission plant. At September 30, 2015, there was approximately \$3.8 million in this account and \$4.3 million is projected to be in the account as of January 1, 2018. The current approved life for this account is 85 years with the S6 dispersion. Based on actuarial analysis, this Study recommends moving to a 92-year life and the S5 dispersion. A graph of the observed life table versus the proposed curve is shown below.

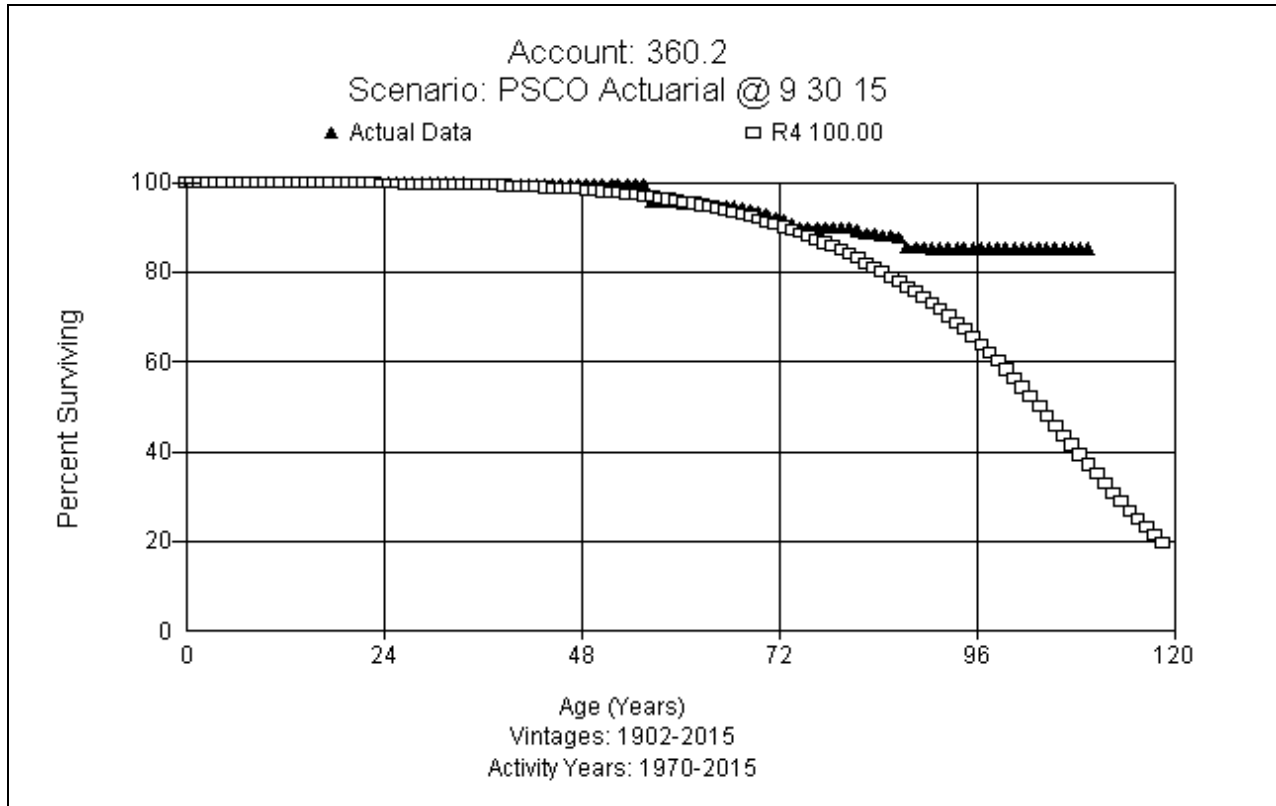


### C. Distribution Plant

#### Distribution Accounts, FERC Accounts 360.2–373.0

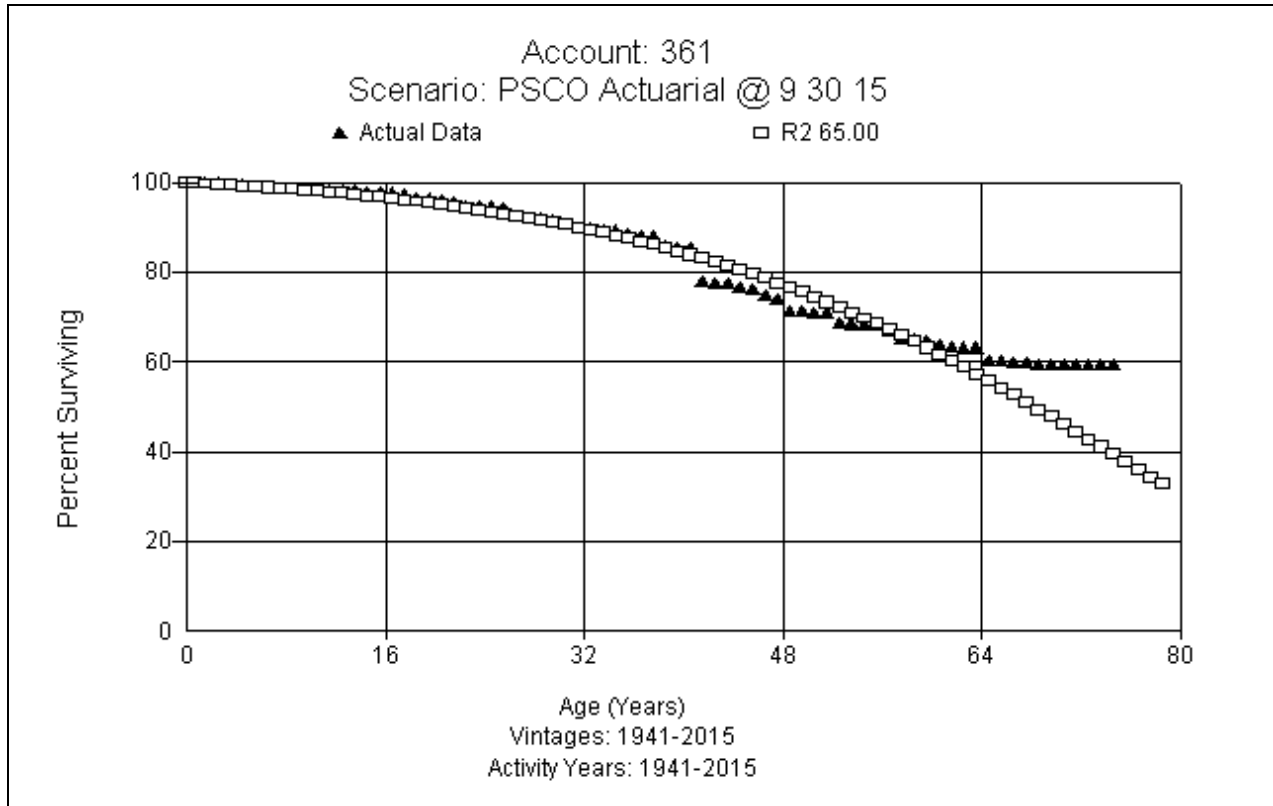
##### FERC Account 360.2 Land Rights 100 R4

This account contains right of way for distribution plant. At September 30, 2015, there was approximately \$33.1 million in this account and \$38.8 million is projected to be in the account as of January 1, 2018. The current approved life for this account is 90 years with an R4 dispersion. Based on the limited actuarial analysis, the type of assets in this account, and judgment, this Study recommends increasing the life to 100 years, while retaining the R4 dispersion. A graph of the observed life table versus the proposed curve is shown below.



### FERC Account 361.0 Structures & Improvements 65 R2

This grouping contains facilities, such as building station control, fencing, yard improvements and other structures for distribution plant. At September 30, 2015, there was approximately \$65.0 million in this account and \$77.2 million is projected to be in the account as of January 1, 2018. The approved life and curve is 50 R1.5. Based on the actuarial analysis, the type of assets in this account, and judgment, this Study recommends increasing the life to 65 years and moving to an R2 dispersion. A graph of the observed life table versus the proposed curve is shown below.

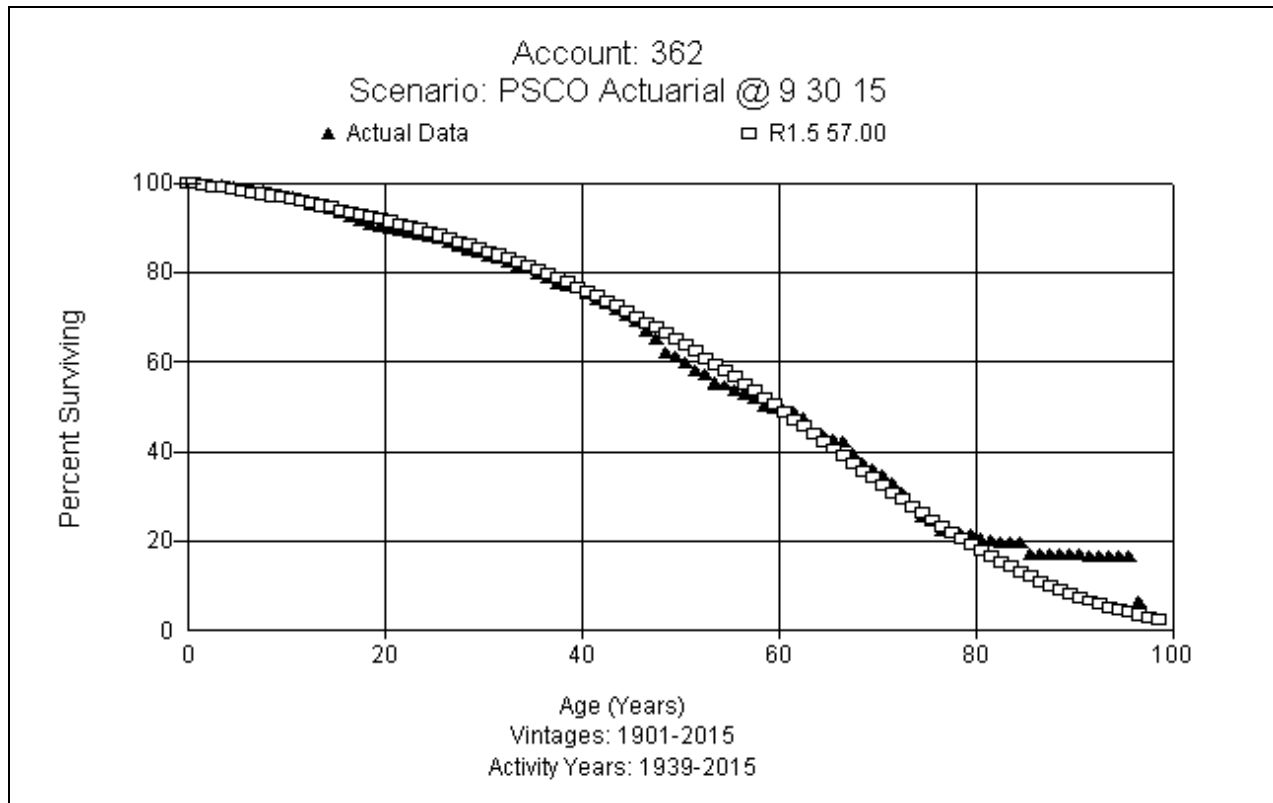


### FERC Account 362.0 Station Equipment 57 R1.5

This grouping contains switchboards, station wiring, transformers and a wide variety of other equipment, from circuit breakers to switchgear for distribution plant. At September 30, 2015, there was approximately \$560.6 million in this account and \$660.4 million is projected to be in the account as of January 1, 2018. The existing approved life is 50 years with an R1.5 dispersion curve. Discussions with Company personnel indicate there are approximately 1700 circuit breakers and 450 power transformers. Less than 44 KV would be considered distribution substations from an operational standpoint. Load growth over the last 50 years that has required successive upgrades in transmission has not impacted distribution substations, resulting in fewer upgrades to the distribution facilities. The fuller to mid-range bands indicate a life of 55-65 years and an excellent fit with the 57 Average Service Life and R1.5 dispersion. Based on the analysis, type of assets and Company input, this Study recommends moving to a life of 57 years and retaining the R1.5



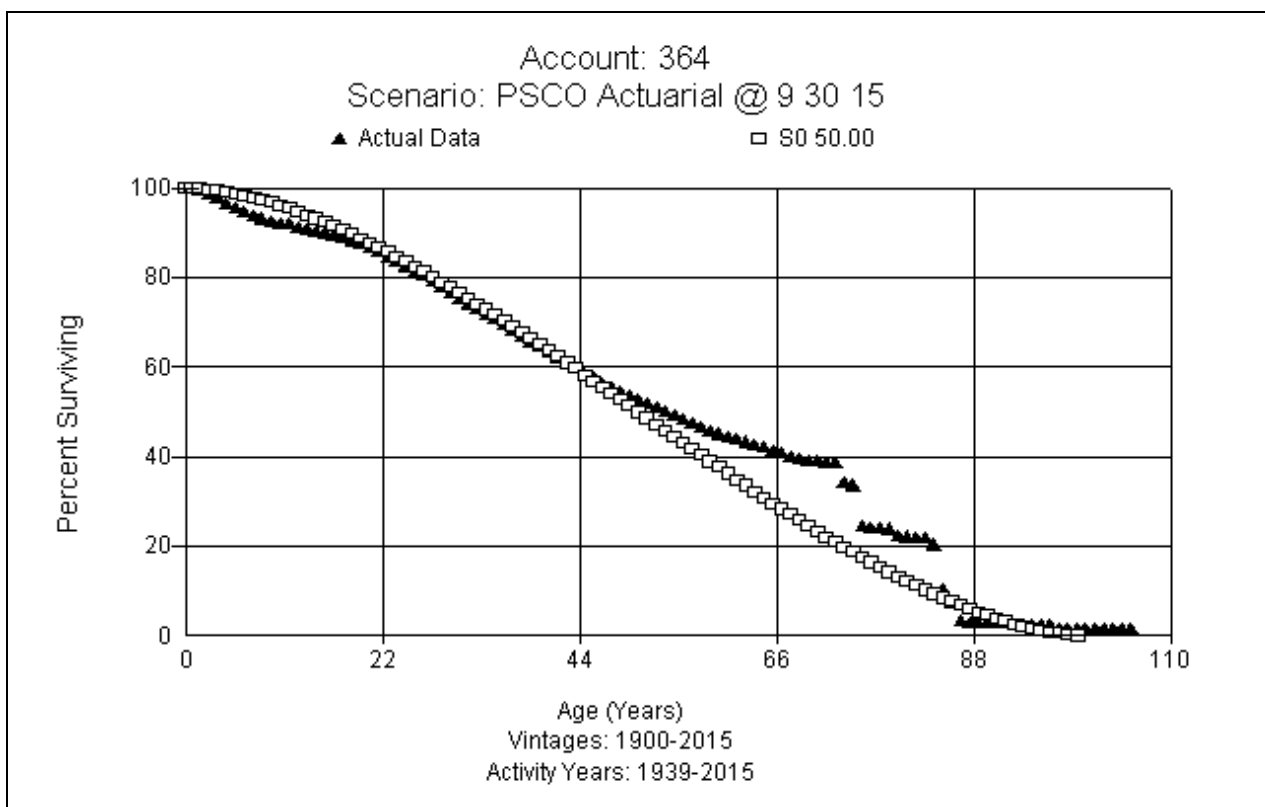
dispersion curve. A graph of the observed life table versus the proposed curve is shown below.



### FERC Account 364.0 Poles, Towers & Fixtures 50 S0

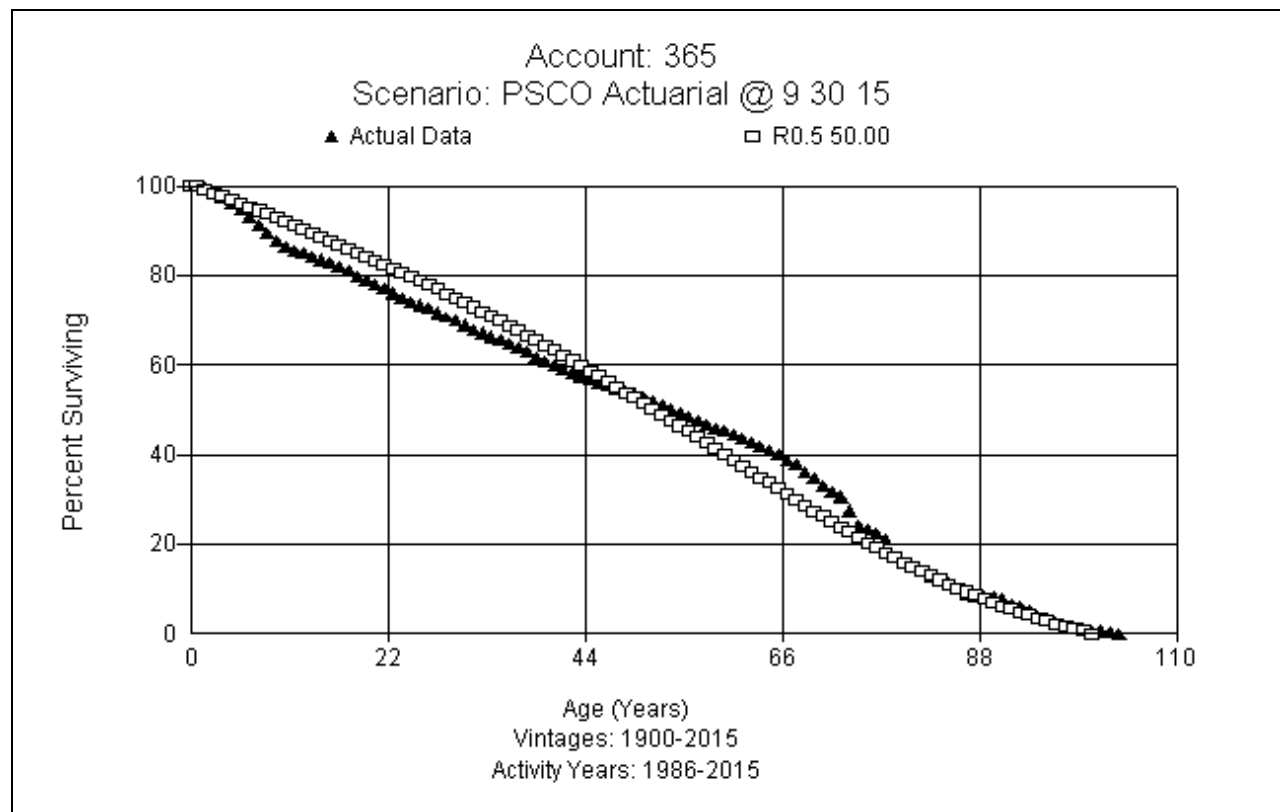
This account contains poles, towers and fixtures for distribution plant which are predominantly made of wood. At September 30, 2015, there was approximately \$255.4 million in this account and \$291.1 million is projected to be in the account as of January 1, 2018. The currently approved average service life is 45 years with an L2 dispersion pattern. Discussion with Company personnel indicate that a 45-year life for poles is reasonable. There are very few steel or concrete poles. In approximately 2012 -2013, the Company changed the method used to treat wood poles it purchases from creosote to penta treatment and is uncertain of the long-term effect of this change on the life of poles as more of this type of pole is added to the system. The Company has an inspection process in place. There are more than 10,000 poles and a very low failure rate. The main causes for retirements are public

damage, relocation, and some physical issues. Often the poles being replaced are approximately 50 years old. Based on the actuarial analysis, Company input, the type of assets in this account, and judgment, this Study recommends moving to a 50-year life with the S0 dispersion. A graph of the observed life table versus the proposed curve is shown below.



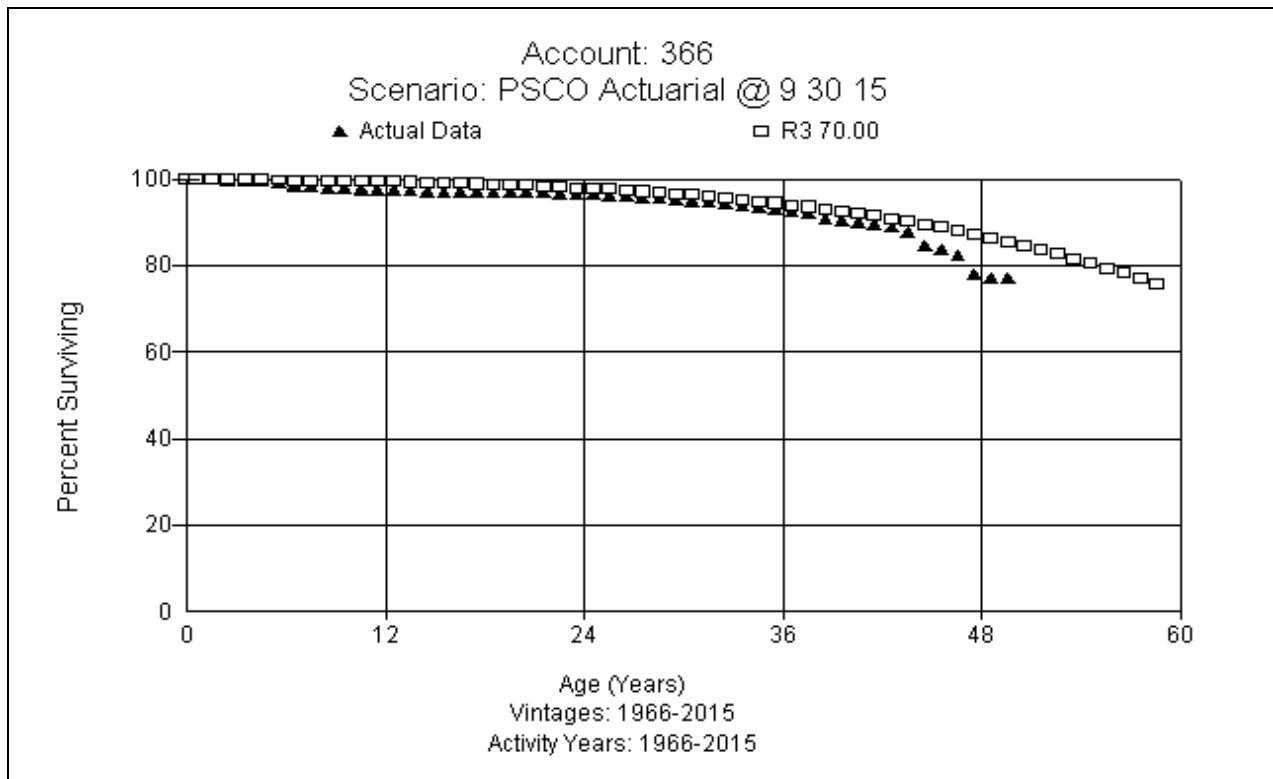
## FERC Account 365.0 OH Conductor & Devices 50 R0.5

This account consists of overhead (OH) conductor of various thickness, as well as various switches and reclosers. At September 30, 2015, there was approximately \$303.8 million in this account and \$345.6 million is projected to be in the account as of January 1, 2018. The approved rate assumes an average service life of 45 years with the R1 dispersion curve. Discussions with Company personnel indicate conductor should last as long as the poles. Major causes for replacement are load driven and OH/UG conversion. The actuarial analysis indicates a life as long as 57 years, but most bands and fits were between 45-55 years. Based on the actuarial analysis, Company input, the type of assets in this account, and judgment, this Study recommends moving to the R0.5 dispersion curve and increasing the life to 50 years. A graph of the observed life table versus the proposed curve is shown below.



### **FERC Account 366.0 Underground Conduit 70 R3**

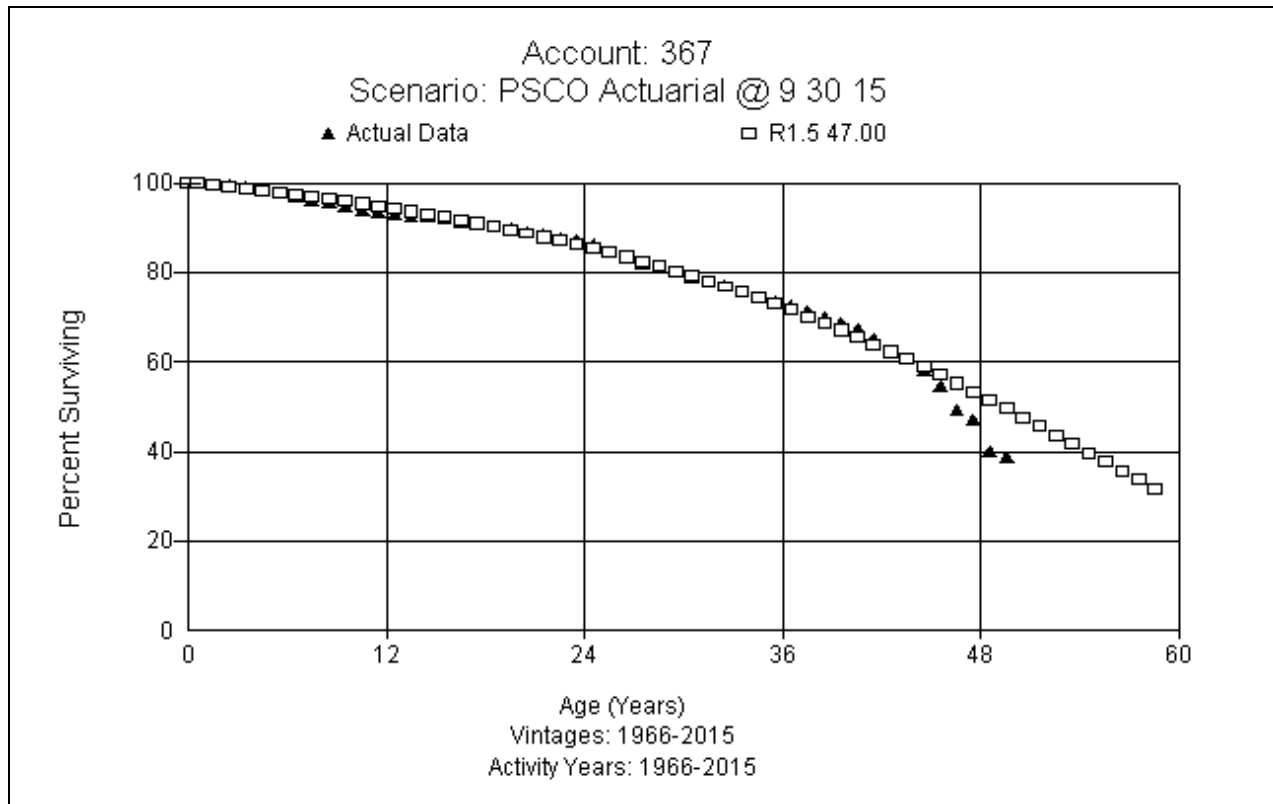
This account consists of underground conduit, duct banks, vaults, and ventilating system equipment. At September 30, 2015, there was approximately \$334.0 million in this account and \$380.8 million is projected to be in the account as of January 1, 2018. The approved life is 79 years with an R2 dispersion pattern. Discussions with Company personnel indicate there is not much conduit but primarily PVC or PE pipe, and occasionally transite pipe in the downtown area, which is always encased in concrete. Many of the assets in this account are located in downtown areas. Company expects conduit to last longer than conductor. Damage and relocation are the primary causes of retirement. In the last 7-8 years, a few new feeders have been installed in the existing conduit. The limited actuarial analysis indicates a much shorter life than existing and a steeper dispersion pattern. The majority of fits across the bands analyzed indicate a life between 55-60 years. Company personnel recommend moving to a shorter life than the current 79 years. However, Company experts do not believe a 60 year life is reasonable for the conduit currently in the system and recommended not moving all the way to 60 years as shown in the longest bands. Based on indications from the actuarial analysis, the type of assets in this account, and judgment, this Study recommends decreasing to a 70-year life and moving to the R3 dispersion. A graph of the observed life table versus the proposed curve is shown below.



### FERC Account 367.0 Underground Conductors & Devices 47 R1.5

This account consists of underground conductor, switches, and switchgear for distribution plant. At September 30, 2015, there was approximately \$1.6 billion in this account and \$1.8 billion is projected to be in the account as of January 1, 2018. The currently approved life estimate is 50 years with the R2.5 dispersion curve. Generally underground conduit is installed in PVC or PE pipe. Some transite pipe is found in the downtown area and is always encased in concrete. Damage and relocation are the primary causes of retirement. Conductor is not removed and is retired in place. In the last 7-8 years, a few new feeders were installed in the existing conduit. With more pipe, the Company may see more relocations than in the past. In some locations, UG conductors cannot be removed, but when possible, the Company typically pulls new cables in the old conduit. The 47 R1.5 is a good fit across majority of the bands. A sharp drop in percent surviving at age 44-52 can be seen. Based on actuarial analysis, the types of assets in this account, and judgment, this Study recommends a slight decrease in life to 47 years

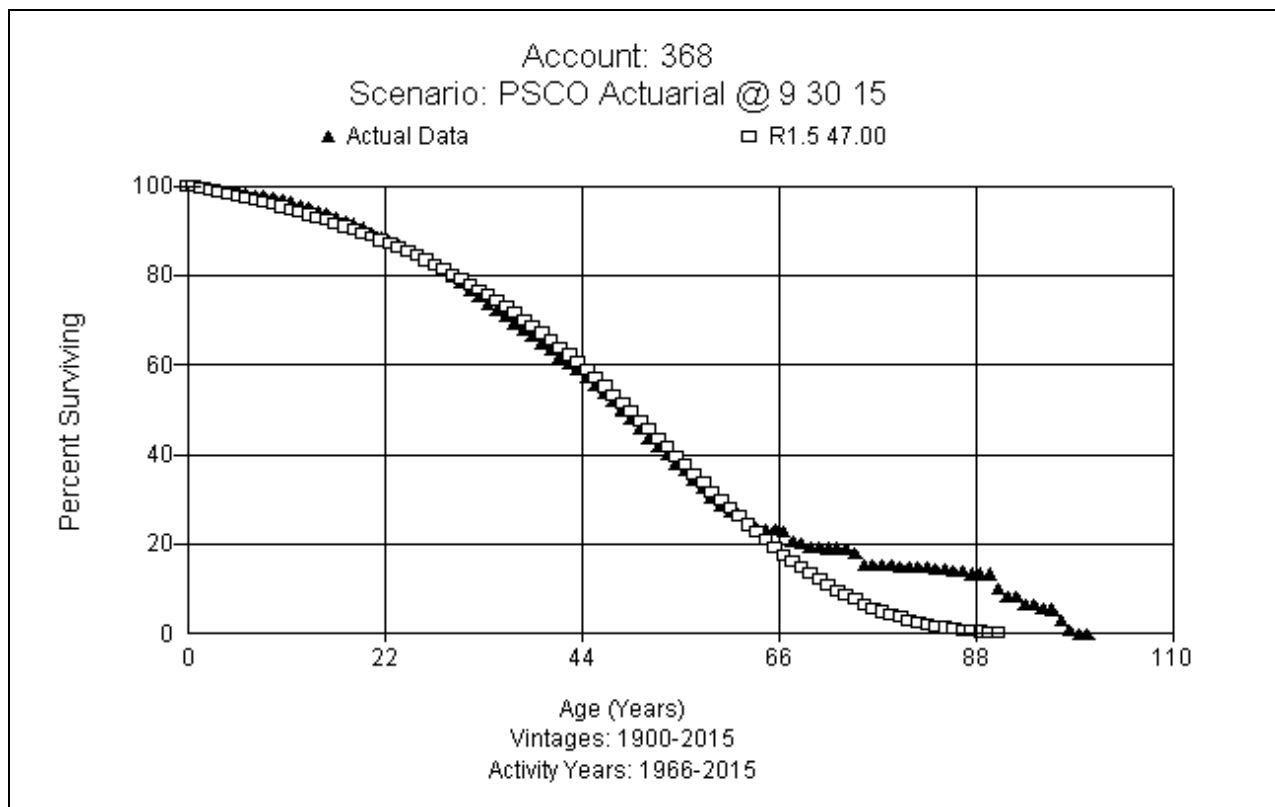
and an R1.5 dispersion shift. A graph of the observed life table versus the proposed curve is shown below.



### FERC Account 368.0 Line Transformers 47 R1.5

This account consists of line transformers, regulators, and capacitors. At September 30, 2015, there was approximately \$481.9 million in this account and \$508.4 million is projected to be in the account as of January 1, 2018. The current approved life for this account is 35 years with an R0.5 dispersion pattern. Discussions with Company personnel indicate they started buying more efficient transformers in recent years. In approximately 2010, the Company started purchasing soy oil filled transformers, which may last a little longer than previous generations of transformers. Soy oil holds water better without losing insulating strength and handles overloads better. Company personnel do not believe Department of Energy efficiency requirements adhered to in last year will have an impact in transformer life. The Company was already purchasing line transformers

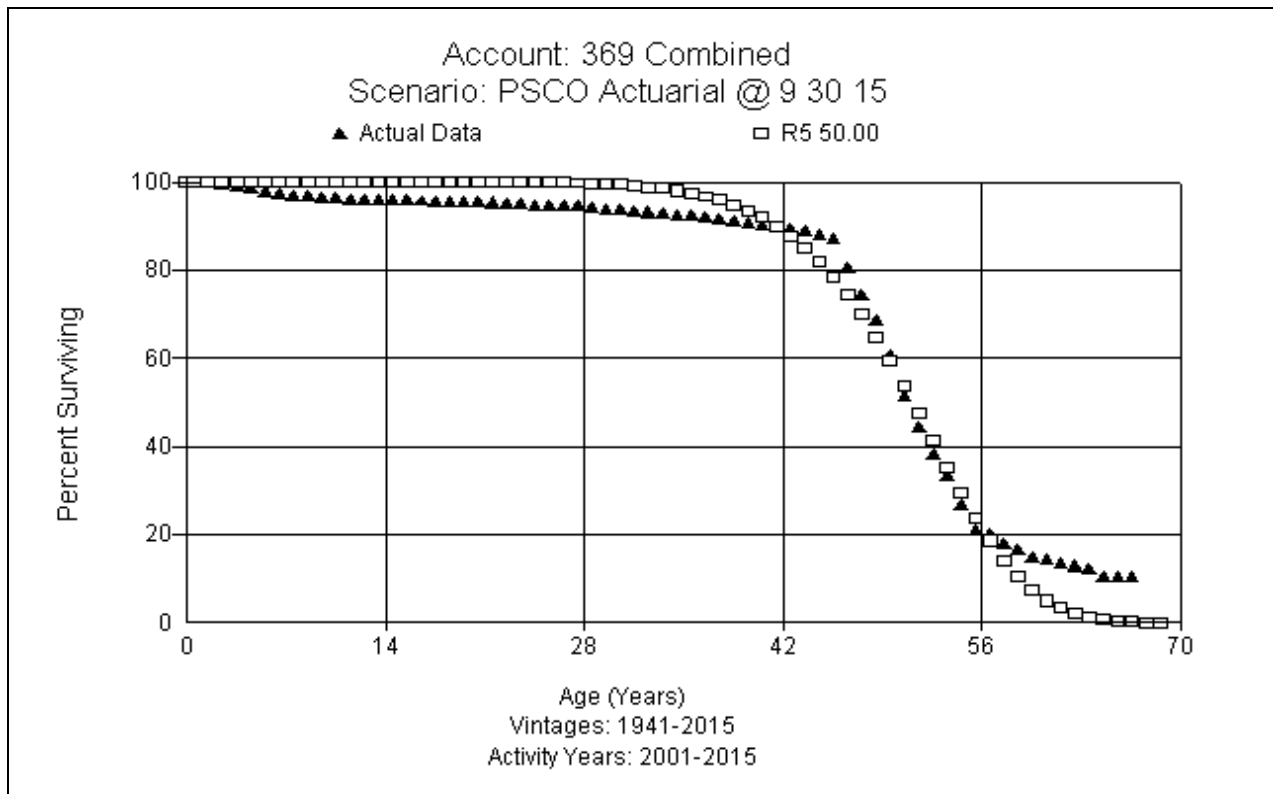
that were nearly as efficient as before, so they do not anticipate that newer equipment will have a significantly different life than slightly earlier purchases. The actuarial analysis indicates the majority of fits between 44-50 years old, which is longer when compared to the existing life of 35 years. The actuarial analysis shows an excellent fit in the fuller bands of 47 R1.5. Based on the actuarial analysis, Company input, judgment, and the type of assets in this account, the Study recommends an increase to a 47-year life and R1.5 dispersion. A graph of the observed life table versus the proposed curve is shown below.



### **FERC Account 369.0, 369.1 and 369.2 Services 50 R5**

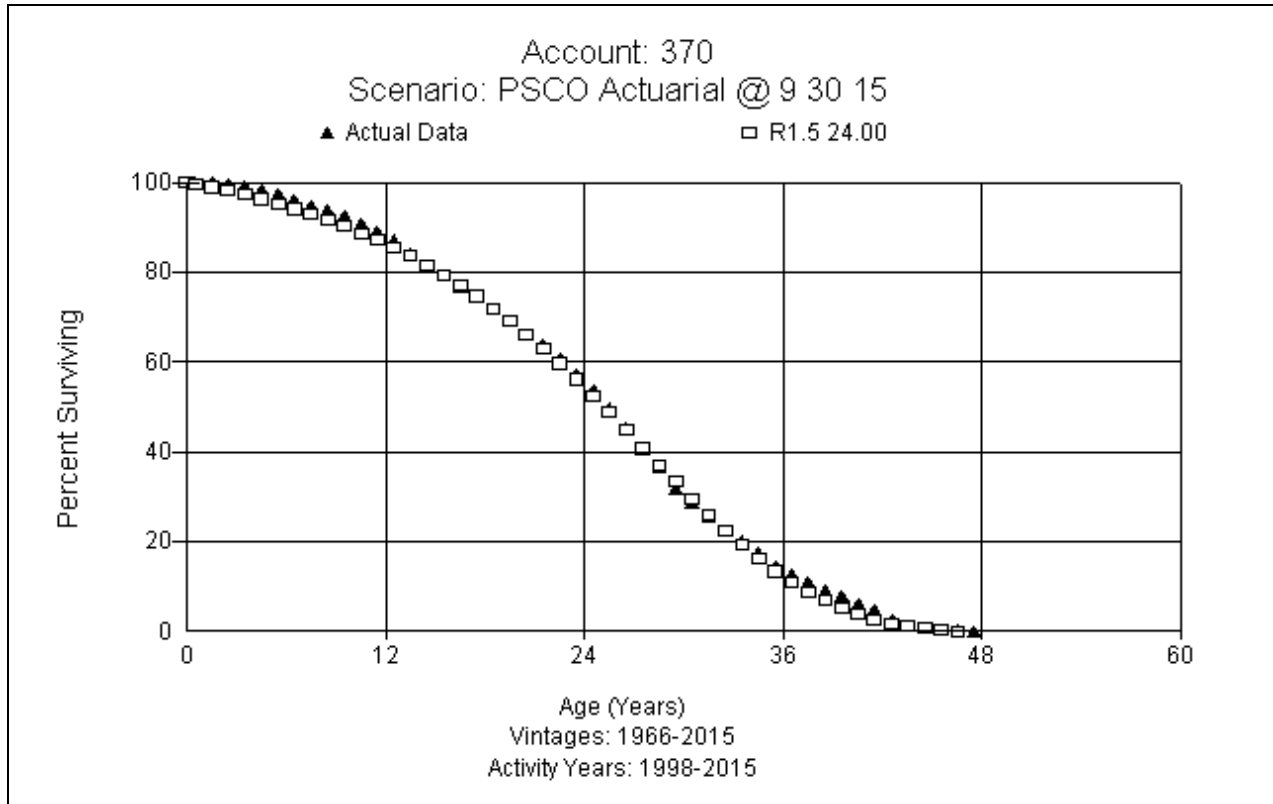
These accounts include electric services in buildings, both overhead and underground. At September 30, 2015, the combined balance in these accounts was approximately \$277.7 million and \$292.7 million is projected to be in these accounts as of January 1, 2018. The current approved life for these accounts is 45 years with the R3 dispersion curve. There is insufficient data to perform life analysis for accounts 369.0, 369.1 and 369.2, separately. Discussions with Company personnel indicate underground services are probably 60-70% of the total services currently. The Company expects an average life around 45 years to be reasonable for the combined account. Installation defects, load, relocations, and damage from third parties are drivers of replacement for underground services. Load and relocations are the primary drivers of retirement for overhead services. Analysis shows an increase in life with a sharp decline in survivors around ages 45-56, as shown in the graph below. After combining data from the three accounts, a slightly longer life with the R5 dispersion is a good fit. Based on actuarial analysis, the type of assets in the account, and judgment, the Study recommendation is to move to a 50 life and a R5 dispersion curve. A graph of the observed life table versus the proposed curve is shown below.





### FERC Account 370.0 Meters 24 R1.5

This account includes all distribution meters, excluding Automatic Meter Reading (“AMR”) Meters. At September 30, 2015, there was approximately \$139.9 million in this account and \$148.1 million is projected to be in the account as of January 1, 2018. The current approved life is 25 years with an R0.5 dispersion curve. Discussions with Company personnel indicate the only types of meters currently being purchased are electronic or solid state meters. There are around 700,000 electro-mechanical meters (some over 30 years old) out of 1.33 million meters. Based on experience, the Company expects a 20-year life for solid state meters. The Company expects 25 years for electro-mechanical meters. Actuarial analysis across multiple bands shows a slight decrease in the life. Based on actuarial analysis, the mix of assets, Company input, and judgment, the Study recommendation is to slightly decrease the approved life to 24 years and change the dispersion curve to a steeper R1.5. A graph of the observed life table versus the proposed curve is shown below.



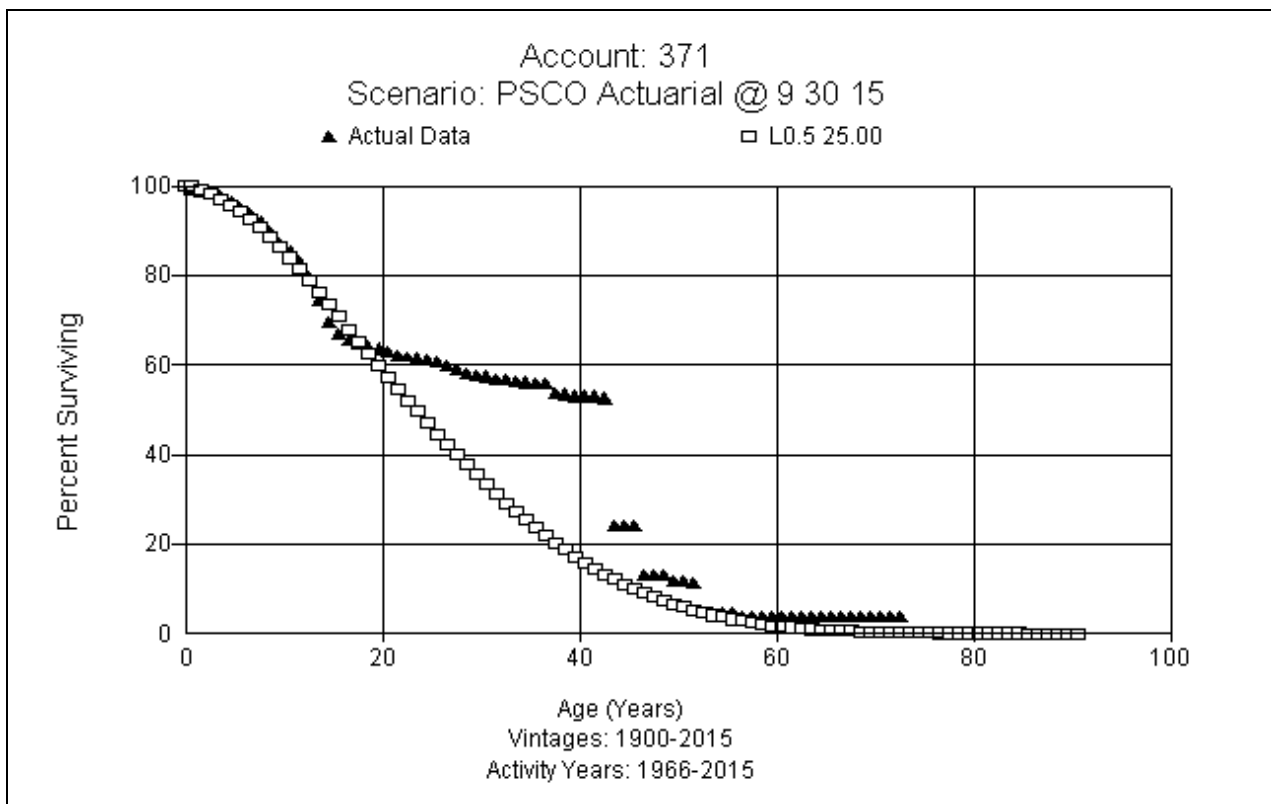
### FERC Account 370.2 AMR Equipment 10 S6

This account includes AMR equipment. At September 30, 2015, there was approximately \$68.6 million in this account and \$68.8 million is projected to be in the account as of January 1, 2018. The current approved life is 10 years with the S6 dispersion curve. The Company began installing AMR in 1995-1996, as an attachment to existing electro-mechanical electric meters. If an electric meter was over 10 years old at time of retrofit, it was replaced with a new electric meter. Beginning in approximately 2002, the Company began installing solid state/electronic electric meters. The standard practice since 2002 has been that if an electro-mechanical electric meter goes to the meter shop (even if only 11 years old), those meters are replaced with an electronic electric meter. The Company is proposing a plan to deploy Advanced Grid Intelligence and Security (“AGIS”) across the PSCo service territory. With the proposed technology change for the equipment in this account, the Company instructed that the life of this account should remain at

10 years given that these assets are expected to soon be replaced with AMI meters.  
 No graph is shown.

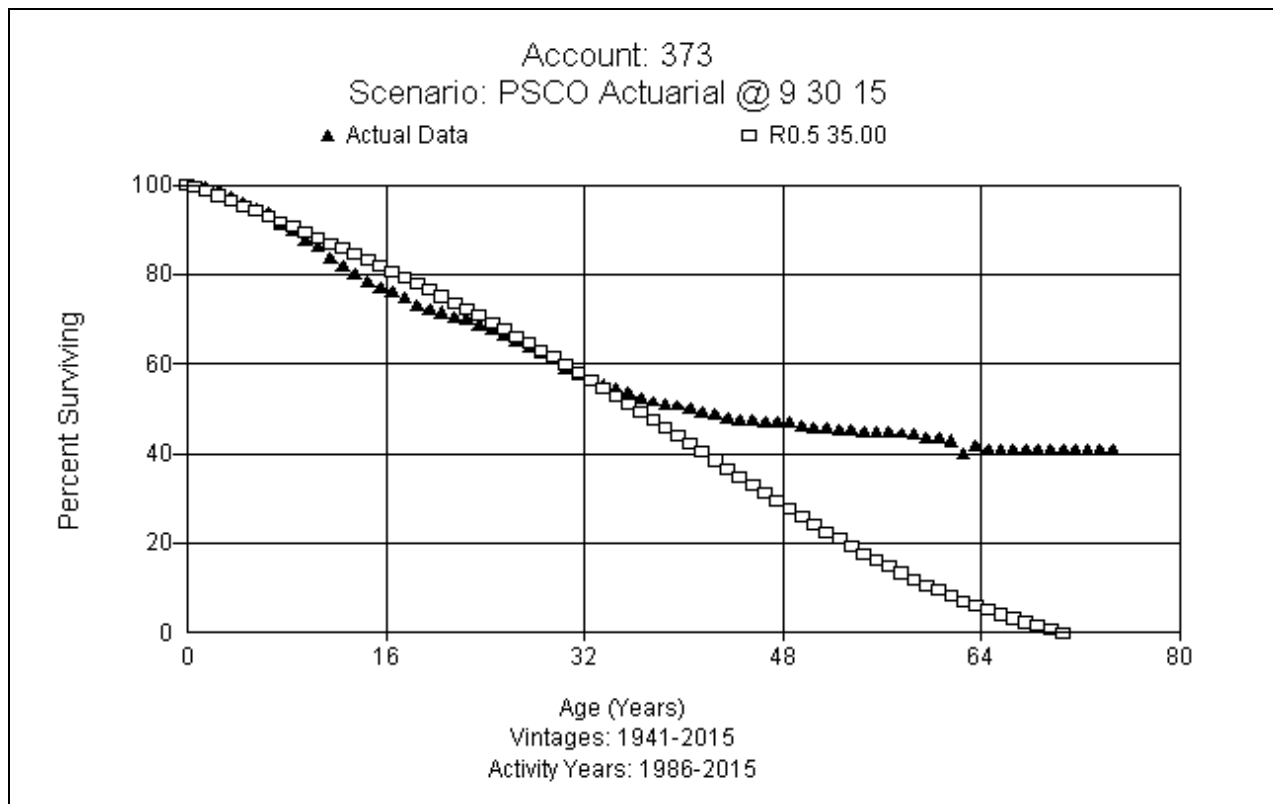
### FERC Account 371.0 Installation on Customer Premises 25 L0.5

This account consists of luminaire, pedestals and wood poles. At September 30, 2015, there was approximately \$6.8 million in this account and \$7.2 million is projected to be in the account as of January 1, 2018. The current approved life for this account is 20 years with the L0 dispersion pattern. Actuarial analysis and interviews with Company personnel support a longer life for this account. Based on actuarial analysis, the type of assets in this account, and judgment, the current Study recommendation is to increase the approved life to 25 years and move to the L0.5 dispersion pattern. A graph of the observed life table versus the proposed curve is shown below.



## FERC Account 373.0 Street Lighting & Signal Systems 35 R0.5

This account includes all distribution streetlights, conductor, conduit, luminaire, and standards. At September 30, 2015, there was approximately \$157.2 million in this account and \$166.7 million is projected to be in the account as of January 1, 2018. The current approved life for this account is 35 years with the R0.5 dispersion curve. The Company has recently initiated a 5-year program where it will replace existing high-pressure sodium cobra head fixtures with LED fixtures. Fuller band indication is 30-35 years. More recent bands suggest life is decreasing to around 20 years. Based on fuller bands, the type of assets in this account, and judgment, the current Study recommendation is to retain the 35-year life and R0.5 dispersion curve. A graph of the observed life table versus the proposed curve is shown below.



## **D. Electric Intangible and General Plant**

### **General Intangible Plant**

#### **General Intangible Plant Accounts, FERC Accounts 303.00–303.14**

##### **General FERC Account 303.04 Miscellaneous Computer Software – 3 SQ**

This account consists of miscellaneous computer software. There is currently no investment. The current approved life of 3 SQ should be retained.

##### **General FERC Account 303.04 Miscellaneous Computer Software – 5 SQ**

This account consists of miscellaneous computer software. The projected investment as of January 1, 2018 is \$53.1 million. The current approved life of 5 SQ should be retained.

##### **General FERC Account 303.04 Miscellaneous Computer Software – 10 SQ**

This account consists of miscellaneous computer software. The projected investment as of January 1, 2018 is \$0. The current approved life of 10 SQ should be retained.

##### **General FERC Account 303.04 Miscellaneous Computer Software – 15 SQ**

This account consists of miscellaneous computer software. The projected investment as of January 1, 2018 is \$0. If assets are added to this account, this Study recommends a 15 SQ for this account.

#### **Electric General Accounts, FERC Accounts 389.0–398.0**

##### **FERC Account 389.20 Land Rights 60 R4**

This account consists of land rights associated with office buildings, garages, warehouses, service centers and other buildings used for general utility service. At September 30, 2015, there was no plant in this account, and no plant is projected to

be in the account as of January 1, 2018. If assets are added into this account, this Study recommends a life of 60 years with an R4 dispersion. Land rights last as long or longer than the assets that rest on that land, so comparison with the longest lived assets in this function is necessary. The estimated life is 20 years longer than account 390. Since 390 is the longest lived account in this function, 60 years and an R4 dispersion are the selected curve and life for this account.

#### **FERC Account 390.0, 390.2 Structures & Improvements & Partitions 40 L2**

These accounts include the cost of buildings, yard improvements and partitions used for utility service. At September 30, 2015, there was approximately \$5.4 million in this account and \$6.8 million is projected to be in the account as of January 1, 2018. The current approved life and curves for the various sub accounts recorded to Account 390-Structures and Improvements include: 390B General Buildings (50-year average life and dispersion of R2); Account 390-Structures and Improvements (20-year average life and dispersion of L1.5); and Account 390-Partitions (25-year average life and R4 dispersion). Life analysis shows a different average life than the current approved 20, 25, and 50 years noted above. PSCo Electric Account 390 is much smaller than PSCo Common Account 390.0, Structures and Improvements. Based on experience with PSCo Common, as well as giving consideration to the type and mix of assets and judgment, this Study recommends moving to a 40-year life with the L2 dispersion. No graph is provided.

#### **Electric General FERC Accounts 391–398**

PSCo adopted Vintage Group Amortization consistent with FERC Accounting Release No. 15 a number of years ago in Proceeding No. 06S-234EG. This process provides for the amortization of General plant in two parts: 1) amortize plant over the life as recommended in this Study, and 2) amortize an additional component to the accrual that includes an amount to allocate deficit or excess reserve (as necessary) as compared to the amount of reserve needed in the account at this point in its amortization. At the end of the amortized life, property will be retired from the books. Implementation of this approach provides for the timely

retirement of assets and the simplification of accounting for general property. Both the FERC and the Commission have approved this approach. The decreased expense in General plant is due to the difference between the allocated book reserve and the theoretical reserve.

This Study recommends the continued use of the existing lives previously approved, except for plant accounts 392, Transportation, and 396, Power-Operated Equipment. The approved life for 392, Transportation, is 10 years. In this Study, Account 392, Transportation, has been broken down by type of equipment: automobiles, light trucks, trailers and heavy trucks. This Study recommends automobiles move to a 12-year life, light trucks move to a 12-year life, trailers move to a 25-year life, and heavy trucks move to a 14-year life. For Account 396, Power-Operated Equipment, this Study recommends increasing to a 14-year life. This Study also recommends the retirement of assets greater than the service life. A table of the accounts, plant balance, and life for General plant is shown below. For details regarding the computations, please see Appendix A-5.

**Table 1 – Electric General Plant**

<b>Acct</b>	<b>Description</b>	<b>Projected Plant at 1/1/2018 After Retirements</b>	<b>Approved Life Parameters</b>	<b>Proposed Life Parameters</b>
391	Office Furniture & Equipment	\$4,201,607	20	20
391.2	Computer Hardware	\$21,582,874	5	5
392.1	Transportation Equipment - Auto	\$579,942	10	12
392.2	Transportation Equipment - Light Trucks	\$13,610,915	10	12
392.3	Transportation Equipment - Trailers	\$5,575,044	10	25
392.4	Transportation Equipment - Heavy Trucks	\$50,520,332	10	14
393	Stores Equipment	\$244,023	30	30
394	Tools, Shop & Garage Equipment	\$37,773,323	25	25
395	Laboratory Equipment	\$3,620,211	10	10
396	Power Operated Equipment	\$11,036,290	10	14
397	Communication Equipment	\$106,376,473	15	15
398	Miscellaneous Equipment	\$1,588,039	20	20

## **E. Common Utility Plant**

### **Common Intangible Plant**

#### **Common Intangible Plant Accounts, FERC Accounts 303.00 – 303.14**

For accounts in this function that are recommended for amortization, the SQ dispersion pattern is recommended and no curve is presented.

#### **FERC Account 303.00 Miscellaneous Computer Software – 3 SQ**

This account consists of miscellaneous computer software. There is currently no investment. The current approved life of 3 SQ should be retained.

#### **FERC Account 303.04 Miscellaneous Computer Software – 5 SQ**

This account consists of miscellaneous computer software. The projected investment as of January 1, 2018 is \$117.7 million. The current approved life of 5 SQ should be retained.

#### **FERC Account 303.04 Miscellaneous Computer Software – 10 SQ**

This account consists of miscellaneous computer software. The projected investment as of January 1, 2018 is \$5.8 million. The current approved life of 10 SQ should be retained.

#### **FERC Account 303.04 Miscellaneous Computer Software – 15 SQ**

This account consists of miscellaneous computer software. The projected investment as of January 1, 2018 is \$156.9 million. Currently these assets are being depreciated at a 10-year life. The new general ledger system and other upgrades are estimated to have a longer life, and thus, this Study recommends an increase to a 15-year average service life and SQ for this account.



## **Common General Plant**

### **Common General Plant Accounts, FERC Accounts 389.0–398.0**

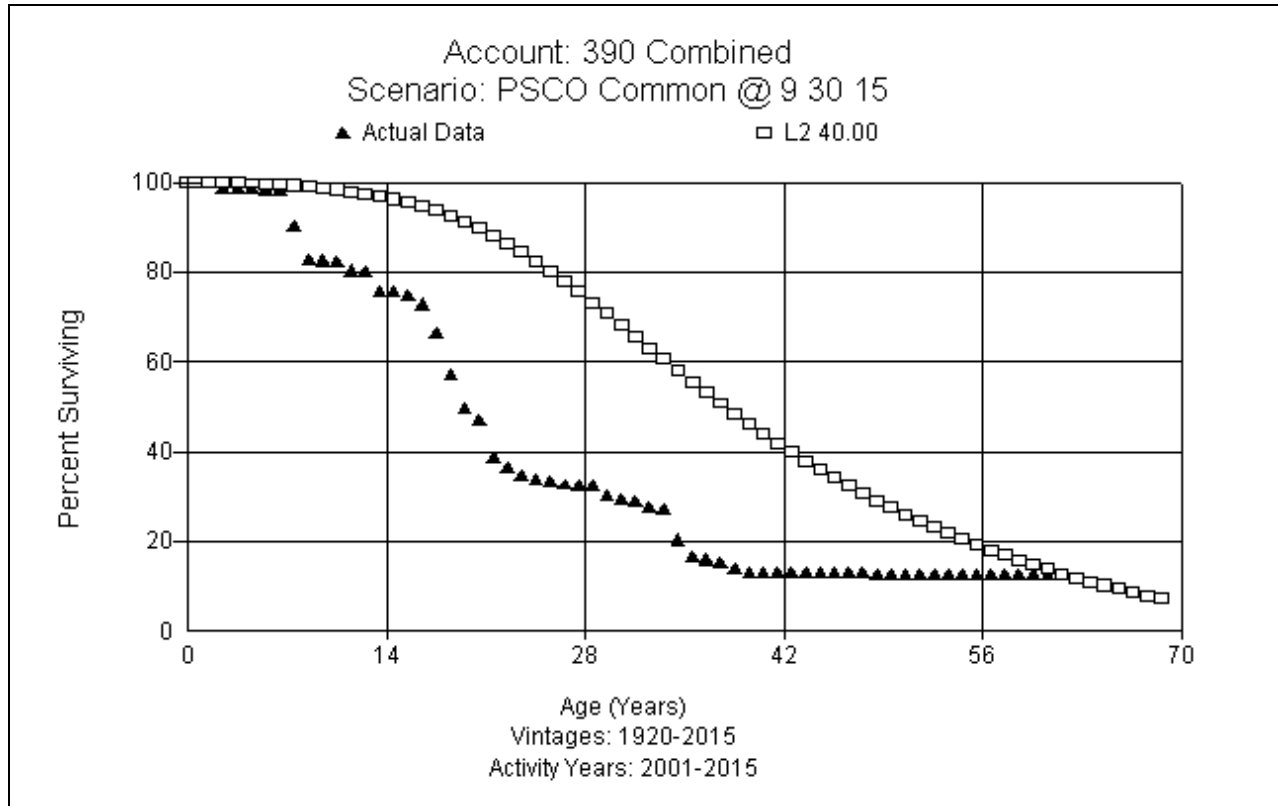
For accounts (391–398) in this function that are recommended for general plant amortization, the SQ dispersion pattern is recommended and no curve is presented.

#### **FERC Account 389.20 Land Rights 60 R4**

This account consists of land rights associated with office buildings, garages, warehouses, service centers and other buildings used for general utility service. As of September 30, 2015, there was no plant in this account, and no plant is projected to be in the account as of January 1, 2018. If assets are added into this account, this Study recommends a life of 60 years with a R4 dispersion. Land rights last as long or longer than the assets that are located on them, such as buildings. The estimated life is 20 years longer than Account 390.

#### **FERC Account 390.00 General Structures & Improvements 40 L2**

This account consists of office buildings, garages, warehouses, service centers and other buildings used for general utility service. This account now includes assets: Account 390.06, General Improvements Owned Buildings (390B) (approved life of 50 years and a L1 dispersion); Account 390.00, General Structures and Improvements (approved life of 35 years with a R1.5 dispersion); and Account 390.08, Structures and Improvements – Partitions (390P) (approved life of 25 years and R4 dispersion). At September 30, 2015, there was approximately \$138.8 million in this account, and \$166.1 million is projected to be in the account as of January 1, 2018. The combined analysis results in the fuller bands showing a life different than the currently approved 50, 35 and 25 years. Based on the combined analysis, type and mix of assets, this Study recommends moving to a 40-year life and the L2 curve. A graph is shown below.



### Common General FERC Accounts 391–398

PSCo adopted Vintage Group Amortization consistent with FERC Accounting Release No. 15 a number of years ago in Proceeding No. 02S-315EG. This process provides for the amortization of general plant in two parts: 1) Amortize plant over the life as recommended in this Study; and 2) an additional component to the accrual that includes an amount to allocate deficit or excess reserve (as necessary) as compared to the amount of reserve needed in the account at this point in its amortization. At the end of the amortized life, property will be retired from the books. Implementation of this approach provides for the timely retirement of assets and the simplification of accounting for general property. Both the FERC and the Commission have approved this approach. The increased expense in Common General plant is due to the over-accrual of the reserve compared to the proposed life and net salvage parameters.

This Study recommends continued use of the existing lives previously approved, except for Plant accounts 392, Transportation, and 396, Power-Operated Equipment. The approved life for Account 392, Transportation, is 10 years. In this Study, Account 392, Transportation, has been broken down by type of equipment: automobiles, light trucks, trailers and heavy trucks. The Study recommends automobiles move to a 12-year life, light trucks move to a 12-year life, trailers move to a 25-year life and heavy trucks move to a 14-year life. For Account 396, this Study recommends moving to a 14-year life. This Study also recommends the retirement of assets with an age greater than the service life. A table of the accounts, plant balance, and life for general plant is shown below. For details regarding the computations, please see Appendix A-6.

**Table 2 – Common General Plant**

<b>Acct</b>	<b>Description</b>	<b>Projected Plant at 1/1/2018 After Retirements</b>	<b>Approved Life Parameters</b>	<b>Proposed Life Parameters</b>
391	Office Furniture & Equipment	\$27,532,039	20	20
391.04	Computer Hardware	\$109,594,203	5	5
391.05	Computer Hardware - 3 Year Life	\$610,356	3	3
392.1	Transportation Equipment - Auto	\$1,225,016	10	12
392.2	Transportation Equipment – Light Trucks	\$6,518,325	10	12
392.3	Transportation Equipment - Trailers	\$959,396	10	25
392.4	Transportation Equipment – Heavy Trucks	\$3,477,330	10	14
393	Stores Equipment	\$511,651	30	30
394	Tools & Shop Equipment	\$6,272,608	25	25
395	Laboratory Equipment	\$34,168	10	10
396	Power Operated Equipment	\$3,796,576	10	14
397	Communication Equipment	\$16,682,543	15	15
398	Miscellaneous Equipment	\$1,036,207	20	20

## **V. DETERMINATION OF NET SALVAGE**

When a capital asset is retired, physically removed from service, and finally disposed of, terminal retirement is said to have occurred. The residual value of a terminal retirement is called gross salvage. Net salvage is the difference between the gross salvage (what the asset was sold for) and the removal cost (cost to remove and dispose of the asset).

Gross salvage and cost of removal related to retirements are recorded to the general ledger in the accumulated provision for depreciation at the time retirements occur within the system.

Removal cost percentages are calculated by dividing the current cost of removal by the original installed cost of the asset. Some plant assets can experience significant negative removal cost percentages due to the timing of the addition versus the retirement. For example, a distribution asset in FERC Account 365 with a current installed cost of \$500 (2015) would have had an installed cost of \$36.64 in 1958<sup>4</sup> (which is the proposed average life of the account). A removal cost of \$50 for the asset calculated (incorrectly) on current installed cost would only have a negative 10 percent removal cost ( $\$50/\$500$ ). However, a correct removal cost calculation would show a negative 136 percent removal cost for that asset ( $\$50/\$36.64$ ). Inflation from the time of installation of the asset until the time of its removal must be taken into account in the calculation of the removal cost percentage because the depreciation rate, which includes the removal cost percentage, will be applied to the original installed cost of assets.

### **A. Net Salvage – Production Property**

In reviewing production plant facilities, the Company contracted with Burns & McDonnell to perform a detailed decommissioning cost study of PSCo generating facilities, called the 2016 Decommissioning Cost Study.

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<sup>4</sup> Using the Handy-Whitman Bulletin No. 178, E-5, line 45,  $\$36.64 = \$500 \times 48 / 655$ .

The removal rates established in the Company's 2002 rate case, Proceeding No. 02S-315EG, were based on the results of the depreciation study completed in conjunction with that rate case. The removal costs are included in the depreciation rate for each unit and account. These rate calculations were based on direct observation of the removal experience of units within the Company. The belief at that time was that the required percentages needed to recover net salvage costs were decreasing, and the rates proposed during the 2002 proceeding reflected that belief.

In the 2006 rate case, Proceeding No. 06S-234EG, no current dismantling cost studies were available to support removal cost percentages. Therefore, a historical industry average of removal cost per MW was used as a proxy for actual removal cost studies. The numbers used were lower than the 2002 removal cost percentages.

The Burns & McDonnell 2016 Decommissioning Cost Study provides for a Company-specific set of cost estimates for the dismantling of Public Services' generation fleet. These dismantling estimates are higher than the historical industry average used in the 2006 rate case, Proceeding No. 06S-234EG, where comprehensive Commission approval of the Company's electric production depreciation rates was last granted.

Table 1-2 and Table 1-3 of the Burns & McDonnell 2016 Decommissioning Cost Study shows a high-level summary of each generating station's decommissioning cost estimate in 2015 dollars. The 2016 Decommissioning Cost Study also contains a comprehensive list of the plant decommissioning tasks required at each facility where a site-specific cost estimate was developed. Generic cost estimates presented in the 2016 Decommissioning Cost Study were developed based on units of the same technology from the site-specific evaluations with a comparable power output rating. These generic cost estimates take into account facility-specific attributes, such as pond areas, coal storage yard size, number of stacks, and asbestos quantities, as could be determined from aerial images, drawings reviews, or information provided by PSCo. Project indirects and

contingency included in the 2016 Decommissioning Cost Study were then applied in order to arrive at the estimate of total decommissioning costs. The value of the scrap metals estimated in the 2016 Decommissioning Cost Study was then subtracted from the total decommissioning costs to arrive at an actual removal value to PSCo. A more detailed description can be found in the Burns & McDonnell 2016 PSCo Decommissioning Cost Study.

The Burns & McDonnell 2016 Decommissioning Cost Study was utilized in this Study to arrive at the terminal net salvage amounts. See Appendix G for a detailed computation reconciling the Burns & McDonnell 2016 Decommissioning Study to the PSCo Dismantling Costs or Terminal Net Salvage amounts by unit by FERC plant account. This Study utilizes a terminal net salvage amount rather than a terminal net salvage percent. In this way, there is no impact of interim retirements or interim net salvage on the Burns & McDonnell decommissioning cost estimates. In developing the depreciation rates approved in Proceeding No. 06S-234EG, the Company used a terminal net salvage percentage to compute terminal decommissioning costs.

## **B. Net Salvage – Transmission, Distribution, General and Common Plant**

### **1. Discussion**

For most accounts, the data for retirements, gross salvage, and cost of removal for each account ranges from 1974-2015. Other accounts with more limited data had net salvage history from 1999-2015. Moving averages, which remove timing differences between retirement and salvage and removal cost, were analyzed over periods varying from one to 10 years. These calculations are found in Appendix E-1 and E-2. A brief discussion of the existing net salvage and current Study recommendations for each account in these functions follow below. In some cases, net salvage percentages produced by the most recent one- to 10-year moving averages were higher than might be expected for existing or future additions to Transmission, Distribution or General and Common General plant accounts. In such cases, judgment was used to select a net salvage percentage that reflected a wider band of years than the 10-year bands shown in Appendix E-1 and E-2. To conservatively model the future, those selections are discussed further below.

### **2. Transmission Plant**

#### **Transmission Accounts, FERC Accounts 350.2–359.0**

The cost of demolition and removal of transmission assets has increased over time. Company personnel have provided the following to help explain some of the pressures that are increasing the cost to remove transmission assets from service. After meeting with accountants, engineers, and field personnel, it was determined that removal cost was being understated. Since that time, the Company has monitored the processes behind removal cost allocation closely. Many general factors have occurred, creating changes that increase removal cost including:

- Removal Work in Progress Audit. In 2007, the Company performed an audit to review removal cost. Although this audit was conducted across all accounts, the Company's transmission equipment subject matter experts have cited this audit as one of the factors for increased removal costs.

- Time Value of Money. The assets being retired are 40 or more years old in many cases. The original cost of those assets installed that long ago were much lower than the same assets being installed today.
- Environmental Regulations and Restrictions. The cost to remove assets from service and/or demolition has increased due to increased regulation and restrictions related to environmental impact, mitigation and restoration measures. Equipment, labor and other expenses will increase with hard-to-access locations. Many construction or demolition permits require increased focus on restoration of vegetation to a natural state that spans several growing seasons to restore. All these requirements increase the cost of construction/demolition of transmission assets.
- Change in NERC and FERC requirements. Increased regulation and requirements on operating and planning standards increase the frequency of removal. NERC may issue a ruling that requires assets be removed before they are at the end of their lives. An example is the clearance of transmission lines. The Company had to remove existing transmission lines and replace those lines with taller structures due to a LiDar study regarding clearance standards issued by NERC.
- Labor Costs. Such costs have increased for the following reasons: (1) more NERC and FERC operating requirements and standards; (2) increased regulation related to operating standards that can require construction to occur in the evening or on weekends, resulting in the need to pay for overtime of crews; (3) higher labor costs since the time that the assets were installed, given that wages have increased for journeyman and apprentices over the years; an (4) an increased demand for resources due to a shortage of licensed workers, causing upwards price pressure on labor costs. The increased demand for resources is the result of a limited number of qualified persons available to perform the work in the face of increased construction and investment in transmission facilities across the country in the last decade. The increases in capital expenditures are such that utilities now



have to augment their internal workforces with external contract construction providers, who often come at a higher cost.

- Safety Requirements. The industry has become intolerant of unsafe working practices. The equipment and provisions required today have increased substantially from decades ago. This has increased the cost of doing business.
- Increased Financial Controls. Over time, financial regulations have increased. The Company has adopted best practices and incorporated cost and quality controls measures into the close out of construction work orders. This provides greater details of costs associated with demolition work compared to several years prior. As can be seen with the query of accounts, Removal Work In Progress ("RWIP") varies year-by-year, but the information collected has improved since 2007 after the 2007 RWIP Audit.
- Salvage Value. Many of the assets that are removed do not carry a high salvage value. Some of the assets may be sold as scrap but it would not amount to the cost of installation or offset the removal costs. Assets that can be reused are placed into inventory instead of being sold. In several cases, the assets being removed are made of wood, which has no salvage value.
- Asset Renewal. Utilities across the nation are now dealing with an antiquated, aging transmission infrastructure. Forty years ago, the transmission system was much younger. It is now a necessity for utilities to have proactive asset renewal programs to proactively replace transmission assets before they fail. The frequency of projects requiring removal of existing assets has increased substantially over the last decade, and will continue to increase into the future.

### **FERC Account 350.2 Land Rights (0%)**

This account includes any salvage and removal cost of rights of way in connection with transmission plant. The current authorized net salvage for this account is 0 percent. In examining the Company's net salvage history for this account, the most recent six-year net salvage percentage is negative 7.74 percent and the 10-year net salvage percentage is negative 1.70 percent. Generally, no salvage or cost of removal is expected. Based on history and judgment, this Study recommends retaining 0 percent net salvage for this account.

### **FERC Account 352.0 Structures and Improvements (-13%)**

This account includes any salvage and removal cost of structures and improvements in connection with transmission plant. The current authorized net salvage for this account is negative 5 percent. In examining the Company's net salvage history for this account, the most recent five-year and 10-year net salvage percentages are negative 19.89 and negative 26.01 percent, respectively. There are limited levels of retirement. This trend toward more negative net salvage may continue in the future, but at this point, this Study recommends only moving in the direction of the indications by recommending a negative 13 percent net salvage. The Company's next depreciation study will examine future trends in this account.

### **FERC Account 353.0 Station Equipment (-15%)**

This account includes any salvage and removal cost of transformers, capacitor banks, circuit breakers, cubicle switchgear, equipment foundation, station controls and station wiring for transmission plant. The current authorized net salvage for this account is negative 5 percent. In examining the Company's net salvage history for this account, the most recent five-year and 10-year net salvage percentages are negative 22.15 and negative 24.71 percent, respectively. Using the information for the widest 10-year band and judgment, this Study recommends an increase in negative net salvage to negative 15 percent net salvage. The Company's next depreciation study will further examine future trends in this account.

#### **FERC Account 354.0 Towers & Fixtures (-40%)**

This account includes any salvage and removal cost for towers, non-wood poles, and equipment foundation for transmission plant. The current authorized net salvage for this account is 0 percent. In examining the Company's net salvage history for this account, the most recent five-year and 10-year net salvage percentages are negative 86.66 and negative 105.04 percent, respectively. Negative net salvage has steadily increased since 2007. As a conservative approach, the Study recommends a change to negative 40 percent net salvage, but the Company's next depreciation study will further examine future trends in this account.

#### **FERC Account 355.0 Poles & Fixtures (-40%)**

This account includes any salvage and removal cost of equipment foundation and poles for transmission plant. The current authorized net salvage for this account is 5 percent (positive). In examining the Company's net salvage history for this account, the most recent five-year and 10-year net salvage percentages are negative 179.30 and negative 110.78 percent, respectively. In moving from the current positive salvage, this Study recommends a negative 40 percent net salvage. The Company's next depreciation study will examine future trends in this account.

#### **FERC Account 356.0 OH Conductors & Devices (-25%)**

This account includes any salvage and removal cost of overhead conductors and devices for transmission plant. The current authorized net salvage for this account is 0 percent. In examining the Company's net salvage history for this account, the most recent five-year and 10-year net salvage percentages are negative 89.94 and negative 48.28 percent, respectively. As discussed at the opening of this section, given the changes that are occurring in transmission removal cost, this Study recommends moving from the current 0 percent to a

negative 25 percent net salvage. The Company's next study will examine future trends in this account.

#### **FERC Account 357.0 UG Conduit (0%)**

This account includes any salvage and removal cost of underground conduit for transmission plant. The current authorized net salvage for this account is 0 percent. There is little retirement experience in this account over the period that history is available. Only one year, 2013, shows retirements and net salvage information for this account, resulting in net salvage of positive 39.78 percent. Based on judgment, this Study recommends retaining a 0 percent net salvage. PSCo's next depreciation study will examine future trends for this account.

#### **FERC Account 358.0 UG Conductors & Devices (-5%)**

This account includes any salvage and removal cost of underground conductors and devices for transmission plant. The current authorized net salvage for this account is 0 percent. In examining the Company's net salvage history for this account, the most recent 10-year net salvage percentage is negative 24.23 percent. Since retirement history is limited, this Study recommends a gradual change to a negative 5 percent net salvage for this account. PSCo's next depreciation study will examine future trends in this account.

#### **FERC Account 359.0 Roads & Trails (0%)**

This account includes any salvage and removal cost of bridges, roads and yard improvements for transmission plant. The current authorized net salvage for this account is 0 percent. There is very limited retirement history for this account. Using the limited history and judgment, this Study recommends retaining the current 0 percent net salvage. The Company's next depreciation study will examine future trends in this account.

### **3. Distribution Plant**

#### **Distribution Accounts, FERC Accounts 360.2–373.0**

As discussed in the Transmission Section above, there are many general factors that are changing which have the effect of driving removal cost higher. These same forces are reflected in the movement of Distribution net salvage to be more negative.

#### **FERC Account 360.2 Land Rights (0%)**

This account contains any gross salvage and cost of removal for right of way for distribution plant. The current authorized net salvage for this account is 0 percent. In the most recent bands, the five- and 10-year averages are both 0 percent net salvage. Based on history and judgment, this Study recommends retaining 0 percent salvage. The Company's next depreciation study will examine future trends in this account.

#### **FERC Account 361.0 Structures & Improvements (-5%)**

This grouping contains any salvage and removal cost of facilities, including building station control, fencing, yard improvements and other structures. The current authorized net salvage for this account is 0 percent. The most recent experience with five- and 10-year bands are negative 57.97 and negative 37.04 percent net salvage, respectively. Based on trends in the widest band, this Study recommends moving to negative 5 percent net salvage. The Company's next depreciation study will examine future trends in this account.

### **FERC Account 362.0 Station Equipment (-10%)**

This grouping contains any salvage and removal cost related to switchboards, station wiring, transformers and a wide variety of other equipment, including circuit breakers and switchgear. The current authorized net salvage for this account is negative 5 percent. The most recent experience with five- and 10-year bands are negative 43.01 and negative 31.74 percent net salvage, respectively. Based on trends in the widest band, this Study recommends moving to negative 10 percent net salvage. The Company's next depreciation study will examine future trends in this account.

### **FERC Account 364.0 Poles, Towers & Fixtures (-50%)**

This account contains any salvage and removal cost related to poles, towers and fixtures generally made of steel. The current authorized net salvage for this account is negative 25 percent. In the most recent bands, the five- and 10 year averages are negative 268.81 and negative 117.71 percent net salvage, respectively. Based on trends in the widest band and judgment, this Study recommends moving to negative 50 percent net salvage. The Company's next depreciation study will examine future trends in this account.

### **FERC Account 365.0 OH Conductor & Devices (-40%)**

This account consists of any salvage and removal cost related to overhead conductors as well as various switches and reclosers. The current authorized net salvage for this account is negative 25 percent. In the most recent bands, the five- and 10-year averages are negative 128.40 and negative 76.49 percent net salvage, respectively. Based on trends in the widest band and judgment, this Study proposes moving toward those indications of higher negative salvage, with negative 40 percent net salvage for this account as the recommendation. The Company's next depreciation study will examine future trends in this account.

#### **FERC Account 366.0 Underground Conduit (-25%)**

This account consists of any salvage and removal cost related to underground conduit, duct banks, vaults, and ventilating system equipment. The current authorized net salvage for this account is negative 4 percent. In the most recent bands, the five- and 10-year averages are negative 127.42 and negative 75.92 percent net salvage, respectively. Based on trends in the widest band, this Study proposes moving toward the indications of higher negative salvage, with a negative 25 percent net salvage for this account as the recommendation.

#### **FERC Account 367.0 Underground Conductors & Devices (-5%)**

This account consists of any salvage and removal cost related to underground conductor, switches, and switchgear. The current authorized net salvage for this account is 0 percent. In the most recent bands, the five- and 10-year averages are negative 17.33 and negative 14.91 percent net salvage, respectively. Based on trends in the widest band, this Study proposes moving toward the indications of higher negative salvage, with negative 5 percent net salvage for this account as the recommendation. The Company's next depreciation study will examine future trends in this account.

#### **FERC Account 368.0 Line Transformers (-10%)**

This account consists of any salvage and removal cost related to line transformers, regulators, and capacitors. The current authorized net salvage for this account is 5 percent (positive). In the most recent bands, the five- and 10-year averages are negative 37.77 and negative 22.33 percent net salvage, respectively. Net salvage percentages for prior periods show a consistent negative trend. This Study recommends moving to negative 10 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

#### **FERC Account 369.0, 369.1, and 369.2 Services (-30%)**

These accounts consist of any salvage and removal cost for overhead and underground electric services in buildings. The current authorized net salvage for these accounts is negative 9 percent. Company history does not distinguish between the subaccounts in 369 over most of its history. Therefore, all subaccounts of 369 are combined for net salvage analysis. In the most recent bands, the five- and 10-year averages are negative 158.72 and negative 68.52 percent net salvage, respectively. Net salvage percentages for prior periods show a consistent negative trend. This Study proposes moving toward the indications of higher negative salvage, with a negative 30 percent net salvage for these accounts as the recommendation. The Company's next depreciation study will examine future trends in this account.

#### **FERC Account 370.0 Meters (0%)**

This account consists of any salvage and removal cost for all distribution meters. The current authorized net salvage for this account is 0 percent. In the most recent bands, the five- and 10-year averages are negative 23.34 and negative 13.42 percent net salvage, respectively. This Study recommends retaining 0 percent net salvage for this account. Trends in net salvage for this account will be monitored in the Company's next depreciation study.

#### **FERC Account 370.2 AMR Equipment (0%)**

This account consists of any salvage and removal cost for all AMR equipment. The current authorized net salvage for this account is 5 percent (positive). No gross salvage or cost of removal has been recorded since the Company began installing AMR Meters. This Study recommends moving to 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.



#### **FERC Account 371.0 Installation on Customer Premises (-20%)**

This account consists of any salvage and removal cost associated with luminaire, pedestrian and wood poles. The current authorized net salvage for this account is negative 20 percent. In the most recent bands, the five- and 10-year averages are negative 53.88 and negative 140.32 percent net salvage, respectively. Based on Company history, this Study recommends retaining the negative 20 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

#### **FERC Account 373.0 Street Lighting & Signal Systems (-25%)**

This account consists of any salvage and removal cost associated with distribution streetlights, conductor, conduit, luminaire, and standards. The current authorized net salvage for this account is negative 20 percent. In the most recent bands, the five- and 10-year averages are negative 40.17 and negative 27.24 percent net salvage, respectively. Based on the Company history from the most recent 10 years, this Study recommends moving to negative 25 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

### **4. Electric General Plant**

#### **General Accounts, FERC Accounts 389.0–398.0**

##### **FERC Account 389.00 Land Rights (0%)**

This account consists of gross salvage and the cost of removal for land rights associated with office buildings, garages, warehouses, service center and other buildings used for general utility service. Based on experience with other land rights' accounts, this Study recommends 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

#### **FERC Account 390.0 Structures & Improvements (-5%)**

This account consists of any salvage and removal cost associated with buildings, yard improvements and partitions used for utility service. These accounts are combined for this Study. The current authorized net salvage for the 390 subaccounts is 0 percent. In the most recent bands, the five- and 10-year averages show negative 26.59 and negative 12.88 percent net salvage, respectively for Account 390.0, Structures and Improvements, with limited net salvage data for subaccounts 390.6 and 390.8. Based on history and judgment, this Study recommends moving to negative 5 percent net salvage for this combined account. The Company's next depreciation study will examine future trends in this account.

#### **FERC Account 391.0 Office Furniture & Equipment (0%)**

This account consists of any salvage and removal cost associated with office furniture and equipment used for general utility service. The current authorized net salvage for this account is positive 5 percent. In the most recent bands, the five- and 10-year averages show negative 0.08 and negative 0.02 percent net salvage for both periods. Based on history and judgment, this Study recommends moving to 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

#### **FERC Account 391.2 Computer Hardware (0%)**

This account consists of any salvage and removal cost associated with computer equipment used for general utility service. The current authorized net salvage for this account is 0 percent. Computer equipment typically has no salvage or removal cost. Based on judgment, this Study recommends retaining 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

### **FERC Account 392.1 Transportation Equipment – Automobiles (6%)**

This account consists of any salvage and removal cost associated with automobile type transportation equipment used for general utility service. The current authorized net salvage for this account is positive 10 percent. Between 2006 and 2014, the Company recorded net salvage proceeds with the cost of new assets, as part of a like-kind exchange program. Since mid-2014, the like-kind exchange program has been discontinued. Data has been collected over about an 18-month period on gross salvage by category. Based on history and judgment, this Study recommends moving to 6 percent (positive) net salvage for this account. The Company's next depreciation study will examine future trends in this account.

### **FERC Account 392.2 Transportation Equipment – Light Trucks (6%)**

This account consists of any salvage and removal cost associated with light truck type transportation equipment used for general utility service. The current authorized net salvage for this account is positive 10 percent. Between 2006 and 2014, the Company recorded net salvage proceeds with the cost of new assets, as part of a like-kind exchange program. Since mid-2014, the like-kind exchange program has been discontinued. Data has been collected over about an 18-month period on gross salvage by category. Based on history and judgment, this Study recommends moving to 6 percent (positive) net salvage for this account. The Company's next depreciation study will examine future trends in this account.

### **FERC Account 392.3 Transportation Equipment – Trailers (10%)**

This account consists of any salvage and removal cost associated with trailers used for general utility service. The current authorized net salvage for this account is positive 10 percent. Between 2006 and 2014, the Company recorded net salvage proceeds with the cost of new assets, as part of a like-kind exchange program. Since mid-2014, the like-kind exchange program has been discontinued. Data has been collected over about an 18-month period on gross salvage by category. Based on history and judgment, this Study recommends retaining the 10

percent (positive) net salvage for this account. The Company's next depreciation study will examine future trends in this account.

#### **FERC Account 392.4 Transportation Equipment – Heavy Trucks (6%)**

This account consists of any salvage and removal cost associated with heavy truck type transportation equipment used for general utility service. The current authorized net salvage for this account is positive 10 percent. Between 2006 and 2014, the Company recorded net salvage proceeds with the cost of the new assets, as part of a like-kind exchange program. Since mid-2014, the like-kind exchange program has been discontinued. Data has been collected over about an 18-month period on gross salvage by category. Based on history and judgment, this Study recommends moving to 6 percent (positive) net salvage for this account. The Company's next depreciation study will examine future trends in this account.

#### **FERC Account 393.0 Stores Equipment (0%)**

This account consists of any salvage and removal cost associated with stores equipment used for general utility service. The current authorized net salvage for this account is positive 5 percent. In the most recent bands, the five- and 10-year average shows 0 percent net salvage for each period. Based on history and judgment, this Study recommends moving to 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

#### **FERC Account 394.0 Tools, Shop, and Garage Equipment (0%)**

This account consists of any salvage and removal cost associated with various items or tools used in electrical functions, as well as shop and garage equipment, including air compressors, grinders, mixers, hoists, and cranes. The current authorized net salvage for this account is positive 5 percent. In the most recent bands, the 10-year average shows negative 2.88 percent net salvage. Based on history and judgment, this Study recommends moving to 0 percent net

salvage for this account. The Company's next depreciation study will examine future trends in this account.

#### **FERC Account 395.0 Laboratory Equipment (0%)**

This account consists of any salvage and removal cost associated with laboratory equipment used in general utility service. The current authorized net salvage for this account is positive 5 percent. In the most recent band, the 10-year average shows a 0.35 percent net salvage. Based on history and judgment, this Study recommends moving to 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

#### **FERC Account 396.0 Power Operated Equipment (15%)**

This account consists of any salvage and removal cost associated with bulldozers, forklifts, trenchers, and other power operated equipment that cannot be licensed on roadways. The current authorized net salvage for this account is positive 10 percent. Between 2006 and 2014, the Company recorded net salvage proceeds with the cost of new assets, as part of a like-kind exchange program. Since mid-2014, the like-kind exchange program has been discontinued. Data has been collected over about an 18-month period on gross salvage. Based on history and judgment, this Study recommends moving to 15 percent (positive) net salvage for this account. The Company's next depreciation study will examine future trends in this account.

#### **FERC Account 397.0 Communication Equipment (0%)**

This account consists of any salvage and removal cost associated with miscellaneous communication equipment used in general utility service. The current authorized net salvage for this account is 0 percent. In the most recent bands, the five- and 10-year averages show negative 0.89 and negative 0.87 percent net salvage, respectively. Based on Company history and judgment, this

Study recommends retaining 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

#### **FERC Account 398.0 Miscellaneous Equipment (0%)**

This account consists of any salvage and removal cost associated with miscellaneous equipment used in general utility service. The current authorized net salvage for this account is 0 percent. In the most recent bands, the five- and 10-year averages show 0 percent net salvage for both periods. Based on Company history and judgment, this Study recommends retaining 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

### **5. Common General Plant**

#### **Common Intangible Plant**

##### **Common Intangible Plant Accounts, FERC Accounts 303.00–303.14**

For accounts in this function that are recommended for intangible plant amortization, generally no salvage or cost of removal is incurred at retirement.

#### **FERC Account 303.00 Miscellaneous Computer Software – 3 year (0%)**

This account consists of any salvage and removal cost associated with miscellaneous computer software having a 3-year life. The current authorized net salvage for this account is 0 percent; this Study recommends retaining 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

#### **FERC Account 303.04 Miscellaneous Computer Software – 5 year (0%)**

This account consists of any salvage and removal cost associated with miscellaneous computer software with a 5-year life. The current authorized net salvage for this account is 0 percent; this Study recommends retaining 0 percent

net salvage for this account. The Company's next depreciation study will examine future trends in this account.

**FERC Account 303.04 Miscellaneous Computer Software – 10 year (0%)**

This account consists of any salvage and removal cost associated with miscellaneous computer software with a 10-year life. The current authorized net salvage for this account is 0 percent; this Study recommends retaining 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

**FERC Account 303.04 Miscellaneous Computer Software – 15 year (0%)**

This account consists of any salvage and removal cost associated with miscellaneous computer software with a 15-year life. The current authorized net salvage for this account is 0 percent; the recommendation in this Study is to retain the 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

**Common General Plant Accounts, FERC Accounts 389.0–398.0**

**FERC Account 389.00 Land Rights (0%)**

This account consists of gross salvage and cost of removal for land rights associated with office buildings, garages, warehouses, service center and other buildings used for general utility service. Based on experience with other land rights accounts, this Study recommends 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

**FERC Account 390.00 General Structures & Improvements (-10%)**

This account consists of any salvage and removal cost associated with office buildings, garages, warehouses, service centers and other buildings used for common general utility service. The current approved net salvage is negative 10 percent for subaccounts 390.00, Structures and Improvements, and 390.06,

General Buildings (390B), while 390.08, Partitions, has an approved net salvage of a positive 5 percent. Excluding sales, any salvage is being exceeded by cost of removal. In the most recent bands, the five- and 10-year averages are negative 21.04 and negative 19.13 percent net salvage, respectively. Based upon the analysis, excluding sales, this Study recommends remaining at a negative 10 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

**FERC Account 390.07 GS&I – Leasehold Improvements and 390.85 GS&I – 1800 Larimer Leasehold Improvements (0%)**

These accounts include any salvage and removal cost related to leasehold improvements used for utility service. There is no data for net salvage for this account. Based on history and judgment, this Study recommends a 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

**FERC Account 391.00 General Office Furniture & Equipment (0%)**

This account consists of consists of any salvage and removal cost associated with office furniture and equipment used for general utility service. The current approved net salvage is positive 5 percent. Some salvage is recorded with offsetting cost of removal. The Company expects no salvage at end of life and this is confirmed in the analysis. This Study recommends moving to 0 percent net salvage for this account.

**FERC Account 391.04 Computer Hardware (0%)**

This account includes any salvage and removal cost related to computer hardware. The current approved net salvage is 0 percent. Computer equipment typically has no salvage or removal cost. Based on expectations for no salvage at end of life, this Study recommends retaining a 0 percent net salvage for this



account. The Company's next depreciation study will examine future trends in this account.

**FERC Account 391.05 Computer Hardware – 3 year Life (0%)**

This account includes any salvage and removal cost related to computer hardware equipment with a 3-year life. The current approved net salvage is 0 percent. Based on the overall analysis, indications and expectations for no salvage at end of life, this Study recommends retaining a 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

**FERC Account 392.10 Transportation Equipment – Automobiles (6%)**

This account includes any salvage and removal cost related to automobile type transportation equipment. The current approved net salvage is positive 10 percent. Between 2006 and 2014, the Company recorded net salvage proceeds with the cost of new assets, as part of a like-kind exchange program. Since mid-2014, the like-kind exchange program has been discontinued. Data has been collected over about an 18-month period on gross salvage by category. Based on history and judgment, this Study recommends moving to a 6 percent (positive) net salvage for this account. The Company's next depreciation study will examine future trends in this account.

**FERC Account 392.20 Transportation Equipment – Light Trucks (6%)**

This account includes any salvage and removal cost related to light truck type transportation equipment. The current approved net salvage is positive 10 percent. Between 2006 and 2014, the Company recorded net salvage proceeds with the cost of new assets, as part of a like-kind exchange program. Since mid-2014, the like-kind exchange program has been discontinued. Data has been collected over about an 18-month period on gross salvage by category. Based on history and judgment, this Study recommends moving to a 6 percent (positive) net salvage for

this account. The Company's next depreciation study will examine future trends in this account.

**FERC Account 392.30 Transportation Equipment – Trailers (10%)**

This account includes any salvage and removal cost related to transportation equipment like trailers. The current approved net salvage is positive 10 percent. Between 2006 and 2014, the Company recorded net salvage proceeds with the cost of new assets, as part of a like-kind exchange program. Since mid-2014, the like-kind exchange program has been discontinued. Data has been collected over about an 18-month period on gross salvage by category. Based on history and judgment, this Study recommends retaining a 10 percent (positive) net salvage for this account. The Company's next depreciation study will examine future trends in this account.

**FERC Account 392.40 Transportation Equipment – Heavy Trucks (6%)**

This account includes any salvage and removal cost related to transportation equipment such as heavy trucks. The current approved net salvage is positive 10 percent. Between 2006 and 2014, the Company recorded net salvage proceeds with the cost of new assets, as part of a like-kind exchange program. Since mid-2014, the like-kind exchange program has been discontinued. Data has been collected over about an 18-month period on gross salvage by category. Based on history and judgment, this Study recommends moving to a 6 percent (positive) net salvage for this account. The Company's next depreciation study will examine future trends in this account.

**FERC Account 393.00 Stores Equipment (0%)**

This account includes any salvage and removal cost related to general stores equipment. The current approved net salvage is positive 5 percent. No salvage or cost of removal has been recorded and none is expected. This Study recommends

moving to a 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

**FERC Account 394.00 Tools & Shop Equipment (0%)**

This account consists of any salvage and removal cost associated with various items or tools used in shop and garages, such as air compressors, grinders, mixers, hoists, and cranes. The current authorized net salvage for this account is positive 5 percent. Some salvage has been recorded in transactions years 2004-2008, and removal cost has been recorded in transaction years 2011-2012 due to clean-up efforts by the Company. Future expectations are that no salvage or cost of removal will occur at end of life for these types of assets. This Study recommends a 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

**FERC Account 395.00 Laboratory Equipment (0%)**

This account includes any salvage and removal cost related to general laboratory equipment. The current approved net salvage is positive 5 percent. Based on the history and expectations, this Study recommends a 0 percent for this account. The Company's next depreciation study will examine future trends in this account.

**FERC Account 396.00 Power Operated Equipment (15%)**

This account includes any salvage and removal cost related to general power operated equipment. The current approved net salvage is positive 10 percent. Between 2006 and 2014, the Company recorded net salvage proceeds with the cost of new assets, as part of a like-kind exchange program. Since mid-2014, the like-kind exchange program has been discontinued. Data has been collected over about an 18-month period on gross salvage by category. Data from the most recent 18 months shows a trend to higher positive net salvage. Based on recent history and judgment, this Study recommends moving to a positive 15 percent net salvage

for this account. The Company's next depreciation study will examine future trends in this account.

**FERC Account 397.00 Communication Equipment (0%)**

This account includes any salvage and removal cost related to general communication equipment. The current approved net salvage is 0 percent. No salvage is expected and negligible, if any, cost of removal is anticipated. This Study recommends retention of 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

**FERC Account 398.00 Miscellaneous Equipment (0%)**

This account includes any salvage and removal cost related to general miscellaneous equipment. The current approved net salvage is 0 percent. No salvage is expected and negligible, if any, cost of removal is anticipated. This Study recommends retention of 0 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

**APPENDIX A-4 – Depreciation Rate Calculations Trans, Dist, Gen and Common  
Depreciable Plant**

**Public Service Company of Colorado**  
**Computation of Proposed Depreciation Accrual Rates**  
**For Transmission, Distribution, General, and Common Property**  
**For the Forecast Year January 1, 2018**

Appendix A-4, Rev. 1

Account Number	Description	Plant Balance 1/1/2018	Allocated Reserve Balance	Net Salvage %	Net Salvage Amount	Unaccrued Balance	Remaining Life	Annual Accrual	Annual Accrual %
<b><u>TRANSMISSION PLANT</u></b>									
350.20	Land Rights	77,137,901	13,662,343	0%	0	63,475,558	81.37	780,101	1.0113%
352.00	Structures and Improvements	79,240,594	11,345,255	-13%	(10,301,277)	78,196,616	73.67	1,061,433	1.3395%
353.00	Station Equipment	1,050,103,042	202,010,651	-15%	(157,515,456)	1,005,607,848	46.15	21,792,003	2.0752%
354.00	Towers and Fixtures	189,264,961	91,847,517	-40%	(75,705,984)	173,123,428	48.29	3,585,259	1.8943%
355.00	Poles and Fixtures	421,418,577	80,349,580	-40%	(168,567,431)	509,636,429	53.12	9,594,475	2.2767%
356.00	OH Conductors and Devices	299,581,242	72,841,209	-25%	(74,895,310)	301,635,343	55.68	5,417,621	1.8084%
357.00	UG Conduit	35,592,625	7,212,242	0%	0	28,380,383	47.21	601,146	1.6890%
358.00	UG Conductors and Devices	64,752,789	15,403,969	-5%	(3,237,639)	52,586,459	38.08	1,380,818	2.1324%
359.00	Roads and Trails	4,318,793	1,296,558	0%	0	3,022,235	62.95	48,013	1.1117%
	Total Transmission	2,221,410,524	495,969,324		(490,223,099)	2,215,664,299		44,260,869	
<b><u>DISTRIBUTION PLANT</u></b>									
360.20	Land Rights	38,790,186	4,395,036	0%	0	34,395,150	89.45	384,527	0.9913%
361.00	Structures and Improvements	77,174,622	16,235,939	-5%	(3,858,731)	64,797,414	52.87	1,225,573	1.5881%
362.00	Station Equipment	660,394,109	144,663,120	-10%	(66,039,411)	581,770,400	46.43	12,530,416	1.8974%
364.00	Poles, Towers and Fixtures	291,089,376	119,705,502	-50%	(145,544,688)	316,928,563	37.23	8,511,839	2.9241%
365.00	OH Conductors and Devices	345,551,518	103,258,117	-40%	(138,220,607)	380,514,008	40.06	9,498,387	2.7488%
366.00	UG Conduit	380,777,422	96,741,190	-25%	(95,194,356)	379,230,588	56.75	6,682,498	1.7550%
367.00	UG Conductors and Devices	1,824,579,253	440,213,765	-5%	(91,228,963)	1,475,594,450	36.94	39,943,325	2.1892%
368.00	Line Transformers	508,368,612	170,944,982	-10%	(50,836,861)	388,260,491	33.62	11,548,710	2.2717%
369.00	Services	24,404,882	22,694,611	-30%	(7,321,465)	9,031,735	16.67	541,836	2.2202%
369.10	Services-Overhead	46,739,929	27,804,718	-30%	(14,021,979)	32,957,189	28.69	1,148,839	2.4579%
369.20	Services-Underground	221,507,889	132,749,320	-30%	(66,452,367)	155,210,936	28.53	5,439,622	2.4557%
370.00	Meters	148,065,110	78,885,838	0%	0	69,179,272	12.09	5,721,235	3.8640%
370.20	AMR Equipment	68,769,058	65,029,944	0%	0	3,739,114	0.70	5,304,452	7.7134%
371.00	Installation on Customer Premises	7,154,178	4,435,701	-20%	(1,430,836)	4,149,313	12.97	319,909	4.4716%
373.00	Street Lighting and Signal Systems	166,707,410	70,998,061	-25%	(41,676,852)	137,386,201	23.89	5,749,730	3.4490%
	Total Distribution	4,810,073,555	1,498,755,843		(721,827,115)	4,033,144,827		114,550,898	
<b><u>ELECTRIC GENERAL PLANT</u></b>									
390.00	Structures and Improvements	6,784,142	2,119,215	-5%	(339,207)	5,004,134	28.92	173,010	2.5502%
<b><u>COMMON GENERAL PLANT</u></b>									
390.00	Structures and Improvements	166,089,841	47,738,338	-10%	(16,608,984)	134,960,487	28.69	4,704,549	2.8325%

## **APPENDIX A-5 – Depreciation Rate Calculations Electric Amortized**

**Public Service Company of Colorado**  
**Computation of Proposed Amortization Accrual Rates**  
**Electric General Property**  
**For the Forecast at January 1, 2018**

Appendix A-5, Rev. 1

Account Number	Description	Plant Balance 1/1/2018	Allocated Reserve 1/1/2018	Theoretical Reserve 1/1/2018	Reserve Difference	Remaining Life	Amortize Reserve Difference	Assets to Retire
<b>ELECTRIC GENERAL PLANT</b>								
391.00	Office Furniture and Equipment	5,639,525	3,524,369	3,382,020	142,348	10.75	(13,247)	1,437,918
391.20	Computer Hardware	22,643,181	6,300,169	5,937,326	362,843	3.87	(93,754)	1,060,307
392.10	Transportation Equipment - Automobiles	620,535	200,112	188,897	11,215	8.68	(1,292)	40,593
392.20	Transportation Equipment - Light Trucks	16,140,689	7,657,799	7,300,185	357,614	7.38	(48,435)	2,529,774
392.30	Transportation Equipment - Trailers	5,575,044	1,021,008	954,784	66,223	20.24	(3,271)	0
392.40	Transportation Equipment - Heavy Trucks	54,012,176	26,203,906	24,678,852	1,525,054	7.69	(198,260)	3,491,843
393.00	Stores Equipment	410,989	251,197	245,364	5,833	20.36	(286)	166,966
394.00	Tools, Shop, and Garage Equipment	40,956,498	14,455,087	13,708,136	746,950	18.03	(41,419)	3,183,175
395.00	Laboratory Equipment	8,444,002	6,185,493	6,185,493	0	6.24	0	4,823,791
396.00	Power Operated Equipment	11,359,725	4,426,634	4,148,535	278,098	8.22	(33,836)	323,435
397.00	Communication Equipment	108,345,858	40,697,839	38,020,458	2,677,381	9.92	(269,993)	1,969,385
398.00	Miscellaneous Equipment	1,607,864	769,619	718,739	50,879	11.20	(4,544)	19,825
	Total Electric General	275,756,086	111,693,229	105,468,790	6,224,439		(708,336)	19,047,012

After Retirement of Fully Accrued Assets

	Plant Balance 1/1/2018	Allocated Reserve 1/1/2018	Amortization Life	Amortization Net Salv %	Annual Amortization	Accrual For Reserve Difference	Total Amortization	Amortization Rate
<b>ELECTRIC GENERAL PLANT</b>								
391.00	Office Furniture and Equipment	4,201,607	2,086,451	20	0.00%	210,080	196,834	4.6847%
391.20	Computer Hardware	21,582,874	5,239,862	5	0.00%	4,316,575	4,222,821	19.5656%
392.10	Transportation Equipment - Automobiles	579,942	161,954	12	6.00%	45,429	44,137	7.6106%
392.20	Transportation Equipment - Light Trucks	13,610,915	5,279,812	12	6.00%	1,066,188	1,017,753	7.4775%
392.30	Transportation Equipment - Trailers	5,575,044	1,021,008	25	10.00%	200,702	197,430	3.5413%
392.40	Transportation Equipment - Heavy Trucks	50,520,332	22,921,573	14	6.00%	3,392,079	3,193,820	6.3219%
393.00	Stores Equipment	244,023	84,231	30	0.00%	8,134	7,848	3.2159%
394.00	Tools, Shop, and Garage Equipment	37,773,323	11,271,912	25	0.00%	1,510,933	1,469,514	3.8903%
395.00	Laboratory Equipment	3,620,211	1,361,702	10	0.00%	362,021	362,021	10.0000%
396.00	Power Operated Equipment	11,036,290	4,151,714	14	15.00%	670,060	636,224	5.7648%
397.00	Communication Equipment	106,376,473	38,728,454	15	0.00%	7,091,765	6,821,772	6.4129%
398.00	Miscellaneous Equipment	1,588,039	749,794	20	0.00%	79,402	74,858	4.7139%
	Total Electric General	256,709,074	93,058,465			18,953,369	(708,336)	18,245,033



## **APPENDIX A-6 – Depreciation Rate Calculations Common Amortized**

Public Service of Colorado  
**Computation of Amortization Rates**  
 for Common General Plant For the Forecast January 1, 2018

Appendix A-6, Rev. 1

Account Number	Description	Plant Balance 1/1/2018	Allocated Reserve 1/1/2018	Theoretical Reserve 1/1/2018	Reserve Difference	Remaining Life	Amortize Reserve Difference	Assets to Retire
<b>COMMON GENERAL PLANT</b>								
391.00	Office Furniture and Equipment	45,812,474	29,653,979	30,668,826	(1,014,847)	11.00	92,253	18,280,435
391.04	Computer Hardware	150,563,663	88,487,696	92,727,687	(4,239,992)	2.64	1,606,884	40,969,460
391.05	Computer Hardware - 3 Year Life	1,505,288	1,161,489	1,185,273	(23,785)	1.57	15,121	894,932
392.10	Transportation Equipment - Automobiles	2,277,049	1,304,998	1,333,202	(28,204)	8.41	3,353	1,052,033
392.20	Transportation Equipment - Light Trucks	12,017,199	7,582,818	7,798,205	(215,387)	6.63	32,498	5,498,874
392.30	Transportation Equipment - Trailers	959,396	234,815	255,767	(20,952)	17.59	1,191	0
392.40	Transportation Equipment - Heavy Trucks	4,089,552	2,451,071	2,618,426	(167,356)	5.25	31,877	612,222
393.00	Stores Equipment	869,668	685,457	714,674	(29,217)	9.09	3,215	358,017
394.00	Tools, Shop, and Garage Equipment	10,768,341	7,149,374	7,386,155	(236,781)	13.48	17,565	4,495,733
395.00	Laboratory Equipment	435,435	406,016	406,440	(424)	8.49	50	401,267
396.00	Power Operated Equipment	4,873,837	2,525,491	2,669,133	(143,642)	6.39	22,469	1,077,260
397.00	Communication Equipment	29,705,789	26,566,274	27,774,701	(1,208,427)	1.74	695,968	13,023,246
398.00	Miscellaneous Equipment	1,153,011	830,723	894,425	(63,702)	4.99	12,763	116,804
<b>Total Common General</b>		<b>265,030,702</b>	<b>169,040,201</b>	<b>176,432,917</b>	<b>(7,392,716)</b>		<b>2,535,207</b>	<b>86,780,283</b>

After Retirement of Fully Accrued Assets

	Plant Balance 1/1/2018	Allocated Reserve 1/1/2018	Amortization Life	Amortization Net Salv %	Annual Amortization	Accrual For Reserve Difference	Total Amortization	Amortization Rate
<b>COMMON GENERAL PLANT</b>								
391.00	Office Furniture and Equipment	27,532,039	11,373,544	20	0.00%	1,376,602	92,253	5.3351%
391.04	Computer Hardware	109,594,203	47,518,236	5	0.00%	21,918,841	1,606,884	21.4662%
391.05	Computer Hardware - 3 Year Life	610,356	266,557	3	0.00%	203,452	15,121	35.8108%
392.10	Transportation Equipment - Automobiles	1,225,016	316,088	12	6.00%	95,960	3,353	8.1070%
392.20	Transportation Equipment - Light Trucks	6,518,325	2,413,877	12	6.00%	510,602	32,498	8.3319%
392.30	Transportation Equipment - Trailers	959,396	234,815	25	10.00%	34,538	1,191	3.7241%
392.40	Transportation Equipment - Heavy Trucks	3,477,330	1,875,582	14	6.00%	233,478	31,877	7.6310%
393.00	Stores Equipment	511,651	327,440	30	0.00%	17,055	3,215	3.9617%
394.00	Tools, Shop, and Garage Equipment	6,272,608	2,653,641	25	0.00%	250,904	17,565	4.2800%
395.00	Laboratory Equipment	34,168	4,749	10	0.00%	3,417	50	10.1462%
396.00	Power Operated Equipment	3,796,576	1,609,820	14	15.00%	230,506	22,469	6.6632%
397.00	Communication Equipment	16,682,543	13,543,028	15	0.00%	1,112,170	695,968	10.8385%
398.00	Miscellaneous Equipment	1,036,207	713,919	20	0.00%	51,810	12,763	6.2317%
<b>Total Common General</b>		<b>178,250,419</b>	<b>82,851,295</b>			<b>26,039,335</b>	<b>2,535,207</b>	<b>28,574,542</b>

## **APPENDIX B - Depreciation Expense Comparison**

Public Service of Colorado  
Comparison of Depreciation Rates and Annual Amounts  
January 1, 2018

		Approved ( 1 )				Proposed				Approved				Proposed				Difference			
Unit or Account Number	Account Number and / or Description	Estimated Plant Balance 1/1/2018	Notes	Life Depr Rate	COR Depr Rate	Tot Depr Rate	Life Depr Rate	COR Depr Rate	Tot Depr Rate	Notes	Life Depr	COR	Total	Life Depr	COR	Total	Life Depr	COR	Total		
											Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp		
ELECTRIC INTANGIBLE PLANT																					
301.00	Organization Costs	-									-	-	-	-	-	-	-	-	-		
302.00	Franchises and Consents	17,102,114	( 9 )	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%		-	-	-	-	-	-	-	-	-		
303.00	Miscellaneous Intangible Plant	8,762,060	( 9 )	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%		-	-	-	-	-	-	-	-	-		
303.40	Misc Computer Software - 3 Year	-		33.3333%	0.0000%	33.3333%	33.3333%	0.0000%	33.3333%		-	-	-	-	-	-	-	-	-		
303.40	Misc Computer Software - 5 Year	53,141,490		20.0000%	0.0000%	20.0000%	20.0000%	0.0000%	20.0000%		10,628,298	-	10,628,298	10,628,298	-	10,628,298	-	-	-		
303.40	Misc Computer Software - 10 Year	-		10.0000%	0.0000%	10.0000%	10.0000%	0.0000%	10.0000%		-	-	-	-	-	-	-	-	-		
303.40	Misc Computer Software - 15 Year	-		10.0000%	0.0000%	10.0000%	6.6667%	0.0000%	6.6667%		-	-	-	-	-	-	-	-	-		
Total Electric Intangible Plant		79,005,664									10,628,298	-	10,628,298	10,628,298	-	10,628,298	-	-	-		
STEAM PRODUCTION PLANT																					
Cameo Common	310.2 Land Rights	1,392		2.0000%	0.0000%	2.0000%	0.0000%	0.0000%	0.0000%		28	-	28	-	-	-	(28)	-	(28)		
Cherokee Unit 2 SC	314 Turbogenerator Units	10,862,755		2.1116%	0.1964%	2.3080%	6.8860%	0.1272%	7.0132%		229,378	21,334	250,712	748,009	13,817	761,827	518,631	(7,517)	511,114		
Cherokee Unit 2 SC	315 Accessory Electric Equipment	2,040,021		3.0393%	0.2827%	3.3220%	5.1345%	0.0794%	5.2139%		62,002	5,767	67,769	104,745	1,620	106,365	42,743	(4,147)	38,595		
Cherokee Unit 2 SC	Total	12,902,775		2.2583%	0.2100%	2.4683%	6.6091%	0.1196%	6.7287%		291,380	27,102	318,482	852,754	15,437	868,191	561,374	(11,664)	549,709		
Cherokee Unit 4	311 Structures and Improvements	9,139,690		1.8240%	0.2330%	2.0570%	5.7296%	0.9121%	6.6417%		166,708	21,295	188,003	523,668	83,363	607,031	356,960	62,068	419,027		
Cherokee Unit 4	312 Boiler Plant Equipment	59,493,607		1.6920%	0.2220%	1.9140%	5.9134%	0.9513%	6.8647%		1,006,632	132,076	1,138,708	3,518,095	565,963	4,084,058	2,511,463	433,887	2,945,350		
Cherokee Unit 4	312 Boiler Plant Equipment AQIR	14,894,894		6.6667%	0.0000%	6.6667%	6.6667%	0.0000%	6.6667%		992,998	-	992,998	992,998	-	992,998	-	-	-		
Cherokee Unit 4	314 Turbogenerator Units	20,913,647		1.7190%	0.2240%	1.9430%	5.5913%	0.9007%	6.4920%		359,506	46,847	406,352	1,169,345	188,369	1,357,714	809,839	141,523	951,362		
Cherokee Unit 4	315 Accessory Electric Equipment	7,307,248		1.5800%	0.2000%	1.7800%	5.4394%	0.8599%	6.2993%		115,455	14,614	130,069	397,470	62,835	460,305	282,016	48,221	330,236		
Cherokee Unit 4	315.2 Computers and Peripherals	3,233,582		4.3147%	0.4013%	4.7160%	6.2360%	0.9805%	7.2165%		139,519	12,976	152,496	201,646	31,705	233,351	62,127	18,729	80,856		
Cherokee Unit 4	316 Miscellaneous Power Plant Equipment	401,316		1.4290%	0.1700%	1.5990%	7.7560%	1.2379%	8.9939%		5,735	682	6,417	31,126	4,968	36,094	25,391	4,286	29,677		
Cherokee Unit 4	Total	115,383,984		2.4150%	0.1980%	2.6131%	5.9231%	0.8122%	6.7354%		2,786,552	228,491	3,015,043	6,834,348	937,203	7,771,551	4,047,796	708,712	4,756,508		
Cherokee Common	310.2 Land Rights	12,865,962		2.0000%	0.0000%	2.0000%	5.4903%	0.0000%	5.4903%		257,319	-	257,319	706,380	-	706,380	449,061	-	449,061		
Cherokee Common	310.3 Water Rights	112,245		2.0000%	0.0000%	2.0000%	6.3925%	0.0000%	6.3925%		2,245	-	2,245	7,175	-	7,175	4,930	-	4,930		
Cherokee Common	311 Structures and Improvements	32,477,475		2.3050%	0.2480%	2.5530%	6.6120%	0.6626%	7.2746%		748,606	80,544	829,150	2,147,411	215,196	2,362,606	1,398,805	134,652	1,533,456		
Cherokee Common	312 Boiler Plant Equipment	18,490,653		2.7650%	0.2910%	3.0560%	6.7218%	0.6849%	7.4067%		511,267	53,808	565,074	1,242,905	126,642	1,369,547	731,638	72,835	804,473		
Cherokee Common	312 Boiler Plant Equipment AQIR	17,251,728		6.6667%	0.0000%	6.6667%	6.6667%	0.0000%	6.6667%		1,150,121	-	1,150,121	1,150,121	-	1,150,121	-	-	-		
Cherokee Common	314 Turbogenerator Units	193,363		4.6390%	0.4350%	5.0740%	5.7204%	0.5840%	6.3044%		8,970	841	9,811	11,061	1,129	12,190	2,091	288	2,379		
Cherokee Common	315 Accessory Electric Equipment	8,446,055		1.9540%	0.2050%	2.1590%	5.6405%	0.5589%	6.1994%		165,036	17,314	182,350	476,400	47,205	523,605	311,364	29,891	341,254		
Cherokee Common	315.2 Computers and Peripherals	192,016		3.1757%	0.2953%	3.4710%	5.9596%	0.5856%	6.5452%		6,098	567	6,665	11,443	1,124	12,568	5,346	557	5,903		
Cherokee Common	316 Miscellaneous Power Plant Equipment	2,294,961		2.1380%	0.2040%	2.3420%	7.3165%	0.7362%	8.0527%		49,066	4,682	53,748	167,911	16,896	184,806	118,645	12,214	131,058		
Cherokee Common	Total	92,324,458		3.1397%	0.1709%	3.3106%	6.4130%	0.4421%	6.8552%		2,898,728	157,756	3,056,484	5,920,807	408,192	6,328,999	3,022,079	250,436	3,272,515		
Coal Cars	312 Boiler Plant Equipment	23,102,076		3.1667%	0.0000%	3.1667%	5.0514%	0.0000%	5.0514%		731,573	-	731,573	1,166,978	-	1,166,978	435,405	-	435,405		
Comanche Unit 1	311 Structures and Improvements	17,989,658		1.6380%	0.1970%	1.8330%	3.4379%	0.1286%	3.5665%		294,311	35,440	329,750	618,466	23,135	641,601	324,156	(12,305)	311,851		
Comanche Unit 1	312 Boiler Plant Equipment	228,009,023		1.9460%	0.2270%	2.1730%	4.2048%	0.1703%	4.3751%		4,437,036	517,578	4,954,614	9,587,281	388,298	9,975,579	5,150,245	(129,281)	5,020,965		
Comanche Unit 1	314 Turbogenerator Units	37,687,510		1.6980%	0.2040%	1.9020%	3.8472%	0.1572%	4.0044%		639,834	76,883	716,716	1,449,914	59,245	1,509,159	809,980	(17,638)	792,342		
Comanche Unit 1	315 Accessory Electric Equipment	21,114,222		1.5310%	0.1760%	1.7070%	3.5219%	0.1245%	3.6464%		323,259	37,161	360,420	743,622	26,287	769,909	420,363	(10,874)	409,489		
Comanche Unit 1	315.2 Computers and Peripherals	1,407,501		3.6712%	0.3488%	4.0200%	3.8551%	0.1425%	3.9976%		51,672	4,909	56,582	54,261	2,006	56,266	2,588	(2,904)	(315)		
Comanche Unit 1	316 Miscellaneous Power Plant Equipment	570,557		1.3680%	0.1450%	1.5130%	3.2836%	0.1252%	3.4088%		7,805	827	8,633	18,735	714	19,449	10,930	(113)	10,817		
Comanche Unit 1	Total	306,777,470		1.8756%	0.2193%	2.0949%	4.0656%	0.1629%	4.2285%		5,754,017	672,798	6,426,815	12,472,279	499,684	12,971,963	6,718,262	(173,114)	6,545,148		
Comanche Unit 2	311 Structures and Improvements	8,931,575		1.3710%	0.1650%	1.5360%	2.9923%	0.1360%	3.1283%		122,452	14,737	137,189	267,260	12,147	279,406	144,808	(2,590)	142,217		
Comanche Unit 2	312 Boiler Plant Equipment	184,356,650		1.8040%	0.2080%	2.0120%	3.7796%	0.1851%	3.9637%		3,325,794	383,462	3,709,256	6,966,100	341,244	7,307,345	3,640,306	(42,218)	3,598,089		
Comanche Unit 2	314 Turbogenerator Units	37,394,504		1.6350%	0.1920%	1.8270%	3.3513%	0.1658%	3.5169%		611,400	71,797	683,198	1,253,202	61,925	1,315,127	641,802	(9,872)	631,930		
Comanche Unit 2	315 Accessory Electric Equipment	20,279,179		1.6290%	0.1790%	1.8080%	3.2196%	0.1387%	3.3583%		330,348	36,300	366,648	652,908	28,127	681,036	322,561	(8,173)	314,388		
Comanche Unit 2	315.2 Computers and Peripherals	-		3.6400%	0.1766%	3.8166%	( 3 )				-	-	-	-	-	-	-	-	-		
Comanche Unit 2	316 Miscellaneous Power Plant Equipment	726,289		1.3560%	0.1370%	1.4930%	3.0170%	0.1395%	3.1565%		9,848	995	10,843	21,912	1,013	22,925	12,064	18	12,082		
Comanche Unit 2	Total	251,688,196		1.7481%	0.2016%	1.9497%	3.6400%	0.1766%	3.8166%		4,399,842	507,291	4,907,133	9,161,382	444,457	9,605,839	4,761,540	(62,834)	4,698,706		
Comanche Unit 3	310.2 Land Rights	8,159		2.0000%	0.0000%	2.0000%	1.7349%	0.0000%	1.7349%		163	-	163	142	-	142	(22)	-	(22)		
Comanche Unit 3	311 Structures and Improvements	128,543,794	( 6 )	1.8850%	0.1210%	2.0060%	1.7974%	0.0452%	1.8426%		2,423,051	155,538	2,578,589	2,310,446	58,102	2,368,548	(112,604)	(97,436)	(210,041)		
Comanche Unit 3	312 Boiler Plant Equipment	544,912,450	( 6 )	1.8850%	0.1210%	2.0060%	1.8888%	0.0675%	1.9563%		10,271,600	659,344	10,930,944	10,292,306	367,816	10,660,122	20,707	(291,528)	(270,821)		
Comanche Unit 3	314 Turbogenerator Units	170,691,771	( 6 )	1.8850%	0.1210%	2.0060%	1.8975%	0.0702%	1.9677%		3,217,540	206,537	3,424,077	3,238,876	119,826	3,358,702	21,336	(86,711)	(66,375)		
Comanche Unit 3	315 Accessory Electric Equipment	91,002,381	( 6 )	1.8850%	0.1210%	2.0060%	1.7883%	0.0312%	1.8195%		1,715,395	110,113	1,825,508	1,627,396	28,393	1,655,788	(87,999)	(81,720)	(169,719)		
Comanche Unit 3	315.2 Computers and Peripherals	-	( 6 )	1.8850%	0.1210%	2.0060%	1.8716%	0.0612%	1.9328%	( 3 )	-	-									

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January 1, 2018

		Approved ( 1 )			Proposed			Approved			Proposed			Difference		
		Life Depr	COR Depr	Tot Depr	Life Depr	COR Depr	Tot Depr	Life	COR	Total	Life	COR	Total	Life	COR	Total
Unit or Account	Account Number and / or Description	Estimated Plant Balance 1/1/2018	Notes	Rate	Rate	Rate	Rate	Notes	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp
Craig Unit 1	314 Turbogenerator Units	2,216,766		2.6570%	0.1590%	2.8160%	10.6924%	0.3870%	11.0794%	58,899	3,525	62,424	237,025	8,579	245,604	178,126
Craig Unit 1	315 Accessory Electric Equipment	3,260,823		1.5290%	0.0860%	1.6150%	6.0102%	0.0424%	6.0526%	49,858	2,804	52,662	195,982	1,383	197,365	146,124
Craig Unit 1	315.2 Computers and Peripherals	-		-	-	-	5.5921%	0.0329%	5.6250%	( 3 )	-	-	-	-	-	-
Craig Unit 1	316 Miscellaneous Power Plant Equipment	139,397		1.5120%	0.0690%	1.5810%	4.8690%	-0.0272%	4.8418%	2,108	96	2,204	6,787	(38)	6,749	4,680
Craig Unit 1	Total	33,568,126		1.6052%	0.1034%	1.7086%	5.5922%	0.0329%	5.6250%	538,833	34,711	573,544	1,877,189	11,032	1,888,221	1,338,356
Craig Unit 2	311 Structures and Improvements	7,212,413		1.4380%	0.0870%	1.5250%	2.6947%	0.0942%	2.7889%	103,714	6,275	109,989	194,353	6,794	201,147	90,638
Craig Unit 2	312 Boiler Plant Equipment	16,216,121		1.5470%	0.1060%	1.6530%	2.7999%	0.1103%	2.9102%	250,863	17,189	268,052	454,035	17,886	471,922	203,172
Craig Unit 2	314 Turbogenerator Units	7,372,248		1.5140%	0.1010%	1.6150%	3.2022%	0.1278%	3.3300%	111,616	7,446	119,062	236,074	9,422	245,496	124,458
Craig Unit 2	315 Accessory Electric Equipment	3,969,785		1.4990%	0.0850%	1.5840%	2.7418%	0.0876%	2.8294%	59,507	3,374	62,881	108,844	3,478	112,321	49,336
Craig Unit 2	315.2 Computers and Peripherals	-		-	-	-	2.8565%	0.1080%	2.9645%	( 3 )	-	-	-	-	-	-
Craig Unit 2	316 Miscellaneous Power Plant Equipment	136,910		1.4780%	0.0690%	1.5470%	2.7821%	0.0998%	2.8819%	2,024	94	2,118	3,809	137	3,946	1,785
Craig Unit 2	Total	34,907,477		1.5118%	0.0985%	1.6103%	2.8565%	0.1080%	2.9645%	527,724	34,379	562,103	997,115	37,716	1,034,831	469,390
Craig Common	311 Structures and Improvements	7,825,104		1.4870%	0.0890%	1.5760%	2.8403%	0.2493%	3.0896%	116,359	6,964	123,324	222,256	19,508	241,764	105,897
Craig Common	312 Boiler Plant Equipment	37,457,353		2.2670%	0.1440%	2.4110%	3.5451%	0.3268%	3.8719%	849,158	53,939	903,097	1,327,901	122,411	1,450,311	478,742
Craig Common	314 Turbogenerator Units	3,756,569		1.5560%	0.1030%	1.6590%	3.1932%	0.2961%	3.4893%	58,452	3,869	62,321	119,955	11,123	131,078	61,503
Craig Common	315 Accessory Electric Equipment	2,204,781		1.5410%	0.0870%	1.6280%	2.8323%	0.2402%	3.0725%	33,976	1,918	35,894	62,446	5,296	67,742	28,470
Craig Common	315.2 Computers and Peripherals	282,900		2.8817%	0.1383%	3.0200%	3.0418%	0.2510%	3.2928%	8,152	391	8,544	8,605	710	9,315	453
Craig Common	316 Miscellaneous Power Plant Equipment	1,928,593		1.6400%	0.0740%	1.7140%	3.4245%	0.3037%	3.7282%	31,629	1,427	33,056	66,045	5,857	71,902	34,416
Craig Common	Total	53,455,301		2.0535%	0.1282%	2.1817%	3.3808%	0.3085%	3.6893%	1,097,727	68,509	1,166,235	1,807,208	164,905	1,972,113	709,481
Hayden Unit 1	311 Structures and Improvements	7,181,544		1.6759%	0.1961%	1.8720%	3.4999%	0.2158%	3.7157%	120,356	14,083	134,439	251,347	15,498	266,845	130,991
Hayden Unit 1	312 Boiler Plant Equipment	133,144,049		2.9517%	0.3453%	3.2970%	5.1335%	0.3287%	5.4622%	3,930,013	459,746	4,389,759	6,834,950	437,644	7,272,594	2,904,937
Hayden Unit 1	314 Turbogenerator Units	17,681,172		2.0627%	0.2413%	2.3040%	4.0536%	0.2607%	4.3143%	408,714	47,074	455,787	717,074	46,095	762,819	352,014
Hayden Unit 1	315 Accessory Electric Equipment	4,708,510		1.9391%	0.2269%	2.1660%	3.6970%	0.2220%	3.9190%	91,303	10,682	101,985	174,074	10,453	184,526	82,771
Hayden Unit 1	315.2 Computers and Peripherals	1,097,995		3.6598%	0.4282%	4.0880%	6.4089%	0.3773%	6.7862%	40,184	4,702	44,886	70,369	4,143	74,512	30,185
Hayden Unit 1	316 Miscellaneous Power Plant Equipment	215,253		1.6902%	0.1978%	1.8880%	3.5512%	0.2209%	3.7721%	3,638	426	4,064	7,644	475	8,120	4,006
Hayden Unit 1	Total	164,028,523		2.7740%	0.3245%	3.0986%	4.9108%	0.3135%	5.2243%	4,550,203	532,305	5,082,508	8,055,108	514,308	8,569,416	3,504,904
Hayden Unit 2	311 Structures and Improvements	49,583,577		1.3310%	0.1950%	1.5260%	3.9713%	0.1441%	4.1154%	659,957	96,688	756,645	1,969,113	71,450	2,040,563	1,309,155
Hayden Unit 2	312 Boiler Plant Equipment	75,620,650		1.7300%	0.2370%	1.9670%	3.3135%	0.1327%	3.4462%	1,308,237	179,221	1,487,458	2,505,690	100,349	2,606,039	1,197,453
Hayden Unit 2	314 Turbogenerator Units	14,560,020		1.4760%	0.2090%	1.6850%	3.1505%	0.1276%	3.2781%	214,906	30,430	245,336	458,713	18,579	477,292	243,808
Hayden Unit 2	315 Accessory Electric Equipment	7,573,282		1.3750%	0.1870%	1.5620%	3.0058%	0.1015%	3.1073%	104,133	14,162	118,295	227,638	7,687	235,325	123,505
Hayden Unit 2	315.2 Computers and Peripherals	975,875		3.4324%	0.4016%	3.8340%	4.9888%	0.1589%	5.1477%	33,496	3,919	37,415	48,684	1,551	50,235	15,189
Hayden Unit 2	316 Miscellaneous Power Plant Equipment	546,677		1.3970%	0.1710%	1.5680%	2.9294%	0.1087%	3.0381%	7,637	935	8,572	16,014	594	16,609	8,377
Hayden Unit 2	Total	148,860,082		1.5641%	0.2186%	1.7827%	3.5106%	0.1345%	3.6451%	2,328,366	325,355	2,653,722	5,225,853	200,209	5,426,062	2,897,487
Hayden Common	311 Structures and Improvements	5,218,478		2.2160%	0.2900%	2.5060%	3.8652%	1.6373%	5.5025%	115,641	15,134	130,775	201,705	85,442	287,147	86,063
Hayden Common	312 Boiler Plant Equipment	29,711,991		2.5300%	0.3190%	2.8490%	3.6183%	1.5462%	5.1645%	751,713	94,781	846,495	1,075,069	459,407	1,534,476	323,356
Hayden Common	314 Turbogenerator Units	1,692,433		2.7010%	0.3350%	3.0360%	4.1264%	1.7653%	5.8917%	45,713	5,670	51,382	69,837	29,877	99,713	24,124
Hayden Common	315 Accessory Electric Equipment	200,108		2.4740%	0.2960%	2.7700%	3.6186%	1.5236%	5.1422%	4,951	592	5,543	7,241	3,049	10,290	2,290
Hayden Common	315.2 Computers and Peripherals	-		-	-	-	3.7240%	1.5887%	5.3127%	( 3 )	-	-	-	-	-	-
Hayden Common	316 Miscellaneous Power Plant Equipment	1,998,090		2.3100%	0.2540%	2.5640%	4.5972%	1.9511%	6.5483%	46,156	5,075	51,231	91,856	38,985	130,841	45,700
Hayden Common	Total	38,821,099		2.4836%	0.3123%	2.7960%	3.7240%	1.5887%	5.3127%	964,174	121,252	1,085,426	1,445,707	616,759	2,062,466	481,533
Pawnee Unit 1	311 Structures and Improvements	147,075,489		1.4840%	0.0900%	1.5740%	2.4976%	0.0488%	2.5464%	2,182,600	132,368	2,314,968	3,673,357	71,773	3,745,130	1,490,757
Pawnee Unit 1	312 Boiler Plant Equipment	583,582,463		1.6670%	0.1130%	1.7800%	3.1959%	0.0779%	3.2738%	9,728,320	659,448	10,387,768	18,650,712	454,611	19,105,323	8,922,392
Pawnee Unit 1	314 Turbogenerator Units	64,686,875		1.5970%	0.1060%	1.7030%	2.7159%	0.0678%	2.7837%	1,033,049	68,568	1,101,617	1,756,831	43,858	1,800,689	723,781
Pawnee Unit 1	315 Accessory Electric Equipment	61,165,532		1.5620%	0.0880%	1.6500%	2.5041%	0.0406%	2.5447%	955,406	53,826	1,009,231	1,531,646	24,833	1,556,479	576,240
Pawnee Unit 1	315.2 Computers and Peripherals	8,668,564		2.9428%	0.1442%	3.0870%	3.4061%	0.0468%	3.4529%	255,099	12,500	267,599	295,260	4,057	299,317	40,161
Pawnee Unit 1	316 Miscellaneous Power Plant Equipment	6,351,065		1.5700%	0.0710%	1.6410%	2.6427%	0.0542%	2.6969%	99,712	4,509	104,221	167,840	3,442	171,282	68,128
Pawnee Unit 1	Total	871,529,987		1.6355%	0.1068%	1.7424%	2.9919%	0.0691%	3.0611%	14,254,185	931,219	15,185,404	26,075,646	602,574	26,678,219	11,821,461
Pawnee Common	311 Structures and Improvements	6,161,361		2.7150%	0.1440%	2.8590%	3.3838%	4.0458%	7.4296%	167,281	8,872	176,153	208,488	249,276	457,764	41,207
Pawnee Common	312 Boiler Plant Equipment	28,197,319		2.8790%	0.1750%	3.0540%	3.4684%	4.1637%	7.6321%	811,801	49,345	861,146	977,996	1,174,052	2,152,048	166,195
Pawnee Common	314 Turbogenerator Units	304,100		2.2750%	0.1420%	2.4170%	3.3152%	3.9818%	7.2970%	6,918	432	7,350	10,082	12,109	22,190	3,163
Pawnee Common	315 Accessory Electric Equipment	983,649		2.1720%	0.1160%	2.2880%	3.0610%	3.6498%	6.7108%	21,365	1,141	22,506	30,109	35,901	66,011	8,745
Pawnee Common	315.2 Computers and Peripherals	-		2.6463%	0.1297%	2.7760%	3.4370%	4.1218%	7.5588%	( 3 )	-	-	-	-	-	-
Pawnee Common	316 Miscellaneous Power Plant Equipment	2,586,383		2.3210%	0.0980%	2.4190%	3.3784%	4.0427%	7.4211%	60,030	2,535	62,565	87,378	104,560	191,938	27,348
Pawnee Common	Total	38,232,812		2.7918%	0.1630%	2.9548%	3.4370%	4.1218%	7.5588%	1,067,395	62,325	1,129,720	1,314,053	1,575,898	2,889,951	246,658
Zuni Common	310.3 Water Rights	565,476		2.0000%	0.0000%	2.0000%	0.0000%	0.0000%	0.0000%	11,310	-	11,310	-	-	-	(11,310)
Total Steam Production		3,219,570,504								61,452,071	5,004,935	66,457,006	102,327,750	7,157,297	109,485,047	40,875,679

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		Approved ( 1 )				Proposed				Approved				Proposed				Difference			
		Life Depr	COR Depr	Tot Depr		Life Depr	COR Depr	Tot Depr		Life	COR	Total		Life	COR	Total		Life	COR	Total	
Unit or Account Number	Account Number and / or Description	Notes	Rate	Rate	Rate	Rate	Rate	Rate	Notes	Depr Exp	Depr Exp	Depr Exp		Depr Exp	Depr Exp	Depr Exp		Depr Exp	Depr Exp	Depr Exp	
HYDRAULIC PRODUCTION PLANT																					
Ames	331 Structures and Improvements		1.4679%	0.0191%	1.4870%	2.0585%	0.3893%	2.4478%		2,229	29	2,258		3,126	591	3,718		897	562	1,459	
Ames	332 Reservoirs, Dams and Waterways		1.5420%	0.0200%	1.5620%	2.6092%	0.4968%	3.1060%		154,364	2,002	156,366		261,197	49,733	310,930		106,833	47,731	154,564	
Ames	333 Waterwheels, Turbines and Generators		0.9299%	0.0121%	0.9420%	1.9865%	0.3940%	2.3805%		1,482	19	1,501		3,166	628	3,794		1,684	609	2,292	
Ames	334 Accessory Electric Equipment		2.4393%	0.0317%	2.4710%	2.5317%	0.5035%	3.0352%		42,954	558	43,512		44,581	8,866	53,447		1,627	8,308	9,935	
Ames	334.2 Computers and Peripherals		-	-	-	2.5780%	0.4941%	3.0721%	( 3 )	-	-	-		-	-	-		-	-	-	
Ames	335 Misc. Power Plant Equipment		1.8095%	0.0235%	1.8330%	2.3129%	0.4371%	2.7500%		1,847	24	1,871		2,361	446	2,807		514	422	936	
Ames	335.2 Recreational Facilities		2.3258%	0.0302%	2.3560%	2.4235%	0.4680%	2.8915%		3,908	51	3,959		4,072	786	4,858		164	736	900	
Ames	336 Roads, Railroads and Bridges		2.3722%	0.0308%	2.4030%	2.3802%	0.4445%	2.8247%		504	7	510		505	94	600		2	88	90	
Ames	Total		1.6752%	0.0217%	1.6969%	2.5780%	0.4941%	3.0722%		207,287	2,690	209,977		319,008	61,145	380,153		111,721	58,455	170,176	
Cabin Creek	331 Structures and Improvements		0.9324%	0.1296%	1.0620%	2.0039%	0.8366%	2.8405%		138,596	19,264	157,861		297,869	124,356	422,225		159,273	105,092	264,365	
Cabin Creek	332 Reservoirs, Dams and Waterways		0.9587%	0.1333%	1.0920%	1.8383%	0.7792%	2.6175%		202,904	28,212	231,117		389,068	164,914	553,982		186,163	136,702	322,865	
Cabin Creek	333 Waterwheels, Turbines and Generators		1.0773%	0.1497%	1.2270%	2.0880%	0.8933%	2.9813%		221,553	30,787	252,340		429,410	183,713	613,123		207,857	152,926	360,783	
Cabin Creek	334 Accessory Electric Equipment		1.2581%	0.1749%	1.4330%	2.1403%	0.9169%	3.0572%		62,473	8,685	71,158		106,280	45,530	151,810		43,807	36,845	80,652	
Cabin Creek	334.2 Computers and Peripherals		1.1563%	0.1607%	1.3170%	2.0670%	0.8573%	2.9243%		681	95	776		1,218	505	1,723		537	410	947	
Cabin Creek	335 Misc. Power Plant Equipment		1.4978%	0.2082%	1.7060%	1.9715%	0.8226%	2.7941%		8,722	1,212	9,935		11,481	4,790	16,271		2,759	3,578	6,336	
Cabin Creek	335.2 Recreational Facilities		1.3565%	0.1885%	1.5450%	2.1367%	0.9015%	3.0382%		56	8	64		88	37	125		32	29	61	
Cabin Creek	336 Roads, Railroads and Bridges		0.9359%	0.1301%	1.0660%	1.7767%	0.7369%	2.5136%		4,695	653	5,348		8,913	3,697	12,610		4,218	3,044	7,262	
Cabin Creek	Total		1.0201%	0.1418%	1.1619%	1.9843%	0.8413%	2.8256%		639,681	88,916	728,597		1,244,326	527,542	1,771,869		604,645	438,626	1,043,271	
Georgetown	331 Structures and Improvements		1.6952%	0.0068%	1.7020%	4.2551%	0.8061%	5.0612%		7,470	30	7,500		18,750	3,552	22,302		11,280	3,522	14,802	
Georgetown	332 Reservoirs, Dams and Waterways		2.3038%	0.0092%	2.3130%	4.4258%	0.8522%	5.2780%		334,575	1,336	335,912		642,748	123,763	766,511		308,173	122,427	430,600	
Georgetown	333 Waterwheels, Turbines and Generators		1.0269%	0.0041%	1.0310%	3.6346%	0.7071%	4.3417%		1,694	7	1,701		5,995	1,166	7,162		4,301	1,160	5,461	
Georgetown	334 Accessory Electric Equipment		1.6056%	0.0064%	1.6120%	4.4223%	0.8616%	5.2839%		25,039	100	25,138		68,964	13,436	82,400		43,925	13,336	57,262	
Georgetown	334.2 Computers and Peripherals		-	-	-	4.4129%	0.8502%	5.2631%	( 3 )	-	-	-		-	-	-		-	-	-	
Georgetown	335 Misc. Power Plant Equipment		3.932	0.0115%	2.8780%	3.9556%	0.7490%	4.7046%		113	0	113		156	29	185		43	29	72	
Georgetown	335.2 Recreational Facilities		2.2570%	0.0090%	2.2660%	4.4109%	0.8454%	5.2563%	( 3 )	16,193	65	16,258		31,647	6,066	37,713		15,454	6,001	21,455	
Georgetown	336 Roads, Railroads and Bridges		-	-	-	4.4129%	0.8502%	5.2631%		-	-	-		-	-	-		-	-	-	
Georgetown	Total		2.2120%	0.0088%	2.2208%	4.4129%	0.8502%	5.2631%		385,084	1,538	386,621		768,260	148,013	916,273		383,176	146,475	529,651	
Salida	331 Structures and Improvements		1.8055%	0.0325%	1.8380%	6.1968%	10.4734%	16.6702%		2,147	39	2,186		7,370	12,456	19,826		5,223	12,418	17,640	
Salida	332 Reservoirs, Dams and Waterways		1.5658%	0.0282%	1.5940%	7.0910%	11.9945%	19.0855%		54,678	985	55,663		247,620	418,851	666,471		192,941	417,866	610,808	
Salida	333 Waterwheels, Turbines and Generators		0.6965%	0.0125%	0.7090%	5.8819%	0.9548%	15.8367%		612	11	623		5,166	8,743	13,909		4,554	8,732	13,287	
Salida	334 Accessory Electric Equipment		2.0010%	0.0360%	2.0370%	6.1991%	10.4924%	16.6915%		7,776	140	7,916		24,091	40,776	64,867		16,315	40,636	56,951	
Salida	334.2 Computers and Peripherals		-	-	-	6.9348%	11.7306%	18.6582%	( 3 )	-	-	-		-	-	-		-	-	-	
Salida	335 Misc. Power Plant Equipment		3.597	0.0652%	3.6900%	5.6017%	9.4676%	15.0693%		130	2	133		201	341	542		71	338	409	
Salida	335.2 Recreational Facilities		3.2711%	0.0589%	3.3300%	6.6444%	11.2704%	17.9348%		6,156	111	6,267		12,541	21,209	33,751		6,386	21,098	27,484	
Salida	336 Roads, Railroads and Bridges		2.6189%	0.0471%	2.6660%	6.0132%	10.1598%	16.1730%		665	12	677		1,528	2,581	4,108		862	2,569	3,431	
Salida	Total		1.6765%	0.0302%	1.7067%	6.9348%	11.7306%	18.6655%		72,165	1,299	73,464		298,517	504,958	803,475		226,352	503,658	730,011	
Shoshone	331 Structures and Improvements		1.6234%	0.0536%	1.6770%	2.1626%	0.1257%	2.2883%		62,500	2,064	64,563		83,259	4,839	88,098		20,759	2,776	23,535	
Shoshone	332 Reservoirs, Dams and Waterways		0.8325%	0.0275%	0.8600%	1.9504%	0.1273%	2.0777%		134,660	4,448	139,108		315,484	20,591	336,076		180,824	16,143	196,967	
Shoshone	333 Waterwheels, Turbines and Generators		1.7212%	0.0568%	1.7780%	2.0218%	0.1407%	2.1625%		50,936	1,681	52,616		59,831	4,164	63,995		8,896	2,483	11,379	
Shoshone	334 Accessory Electric Equipment		2.2323%	0.0737%	2.3060%	2.2402%	0.1574%	2.3976%		79,530	2,626	82,155		79,811	5,608	85,419		281	2,982	3,263	
Shoshone	334.2 Computers and Peripherals		-	-	-	2.0297%	0.1322%	2.1619%	( 3 )	-	-	-		-	-	-		-	-	-	
Shoshone	335 Misc. Power Plant Equipment		2.7396%	0.0904%	2.8300%	2.0843%	0.1207%	2.2050%		25,068	827	25,896		19,072	1,104	20,177		(5,996)	277	(5,719)	
Shoshone	335.2 Recreational Facilities		-	-	-	2.0297%	0.1322%	2.1619%	( 3 )	-	-	-		-	-	-		-	-	-	
Shoshone	336 Roads, Railroads and Bridges		1.0852%	0.0358%	1.1210%	1.5727%	0.0867%	1.6594%		104	3	108		151	8	160		47	5	52	
Shoshone	Total		1.2842%	0.0424%	1.3266%	2.0297%	0.1322%	2.1619%		352,798	11,649	364,447		557,609	36,315	593,924		204,811	24,666	229,477	
Tacoma	331 Structures and Improvements		1.3804%	0.0276%	1.4080%	2.3249%	0.7913%	3.1162%		6,918	138	7,056		11,651	3,966	15,617		4,733	3,827	8,561	
Tacoma	332 Reservoirs, Dams and Waterways		1.3500%	0.0270%	1.3770%	2.9286%	1.0136%	3.9422%		190,964	3,819	194,783		414,264	143,378	557,642		223,300	139,559	362,859	
Tacoma	333 Waterwheels, Turbines and Generators		1.8147%	0.0363%	1.8510%	2.6457%	0.9249%	3.5706%		33,481	670	34,150		48,812	17,064	65,876		15,332	16,394	31,726	
Tacoma	334 Accessory Electric Equipment		1.7667%	0.0353%	1.8020%	7.7654%	1.5699	80,114		75,544	1,569	80,114		124,985	43,765	168,750		46,441	42,195	88,636	
Tacoma	334.2 Computers and Peripherals		-	-	-	2.8327%	0.9825%	3.8152%	( 3 )	-	-	-		-	-	-		-	-	-	
Tacoma	335 Misc. Power Plant Equipment		1.8912%	0.0378%	1.9290%	2.4407%	0.8304%	3.2711%		5,971	119	6,090		7,705	2,622	10,327		1,735	2,502	4,237	
Tacoma	335.2 Recreational Facilities		1.6294%	0.0326%	1.6620%	2.4379%	0.8395%	3.2774%		11,560	231	11,792		17,296	5,956	23,252		5,736	5,725	11,461	
Tacoma	336 Roads, Railroads and Bridges		1.3029%	0.0261%	1.3290%	2.1853%	0.7386%	2.9239%		5,215	104	5,319		8,746	2,956	11,703		3,532	2,852	6,383	
Tacoma	Total		1.4875%	0.0297%	1.5173%	2.8327%	0.9825%	3.8151%		332,652	6,652	339,304		633,460	219,706	853,167		300,809	213,055	513,863	
Total Hydraulic Production			146,629,970							1,989,667	112,744	2,102,41									

Public Service of Colorado  
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			Approved ( 1 )				Proposed				Approved				Proposed				Difference			
Unit or Account Number	Account Number and / or Description	Estimated Plant Balance 1/1/2018	Notes	Life Depr	COR Depr	Tot Depr	Life Depr	COR Depr	Tot Depr	Notes	Life	COR	Total	Life	COR	Total	Life	COR	Total			
				Rate	Rate	Rate	Rate	Rate	Rate		Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp			
Blue Spruce	341 Structures and Improvements	-	( 7 )	2.5000%	0.1887%	2.6887%	2.5433%	0.0715%	2.6148%	( 3 )	-	-	-	-	-	-	-	-	-			
Blue Spruce	342 Fuel Holders, Producers, and Accessories	-	( 7 )	2.5000%	0.1887%	2.6887%	2.5433%	0.0715%	2.6148%	( 3 )	-	-	-	-	-	-	-	-	-			
Blue Spruce	343 Prime Movers	-	( 7 )	2.5000%	0.1887%	2.6887%	2.5433%	0.0715%	2.6148%	( 3 )	-	-	-	-	-	-	-	-	-			
Blue Spruce	344 Generators	220,437,349	( 7 )	2.5000%	0.1887%	2.6887%	2.5427%	0.0715%	2.6142%		5,510,934	415,965	5,926,899	5,605,060	157,613	5,762,673	94,127	(258,353)	(164,226)			
Blue Spruce	344 Generators	-	( 7 )	2.5000%	0.1887%	2.6887%	2.5427%	0.0715%	2.6142%		(1,022,383)	(77,169)	(1,099,552)	-	-	-	1,022,383	77,169	1,099,552			
Blue Spruce	345 Accessory Electric Equipment	511,171	( 7 )	2.5000%	0.1887%	2.6887%	2.7942%	0.0770%	2.8712%		12,779	965	13,744	14,283	394	14,677	1,504	(571)	933			
Blue Spruce	345.2 Computers and Peripherals	-	( 7 )	2.5000%	0.1887%	2.6887%	2.5433%	0.0715%	2.6148%	( 3 )	-	-	-	-	-	-	-	-	-			
Blue Spruce	346 Miscellaneous Power Plant Equipment	-	( 7 )	2.5000%	0.1887%	2.6887%	2.5433%	0.0715%	2.6148%		-	-	-	-	-	-	-	-	-			
Blue Spruce	Total	220,948,520		2.0373%	0.1538%	2.1910%	2.5433%	0.0715%	2.6148%		4,501,330	339,760	4,841,091	5,619,344	158,006	5,777,350	1,118,013	(181,754)	936,259			
Cherokee 5-7	341 Structures and Improvements	130,501,920	( 12 )	2.5213%	0.0485%	2.5698%	2.4935%	0.0493%	2.5428%		3,290,345	63,293	3,353,638	3,254,065	64,337	3,318,403	(36,280)	1,044	(35,236)			
Cherokee 5-7	342 Fuel Holders, Producers, and Accessories	5,303,272	( 12 )	2.5213%	0.0485%	2.5698%	2.6891%	0.0709%	2.7600%		133,711	2,572	136,283	142,610	3,760	146,370	8,899	1,188	10,087			
Cherokee 5-7	343 Prime Movers	126,330,612	( 12 )	2.5213%	0.0485%	2.5698%	2.6672%	0.0857%	2.7529%		3,185,174	61,270	3,246,444	3,369,490	108,265	3,477,755	184,316	46,995	231,311			
Cherokee 5-7	344 Generators	236,015,776	( 12 )	2.5213%	0.0485%	2.5698%	2.5724%	0.0656%	2.6380%		5,950,666	114,468	6,065,133	6,071,270	154,826	6,226,096	120,604	40,359	160,963			
Cherokee 5-7	345 Accessory Electric Equipment	60,019,980	( 12 )	2.5213%	0.0485%	2.5698%	2.5636%	0.0637%	2.6273%		1,513,284	29,110	1,542,393	1,538,672	38,233	1,576,905	25,388	9,123	34,511			
Cherokee 5-7	345.2 Computers and Peripherals	-	( 12 )	2.5213%	0.0485%	2.5698%	2.6392%	0.0662%	2.6392%	( 3 )	-	-	-	-	-	-	-	-	-			
Cherokee 5-7	346 Miscellaneous Power Plant Equipment	26,049,450	( 12 )	2.5213%	0.0485%	2.5698%	2.5152%	0.0532%	2.5684%		656,785	12,634	669,419	655,196	13,858	669,054	(1,589)	1,224	(365)			
Cherokee 5-7	Total	584,221,010		2.5213%	0.0485%	2.5698%	2.5729%	0.0656%	2.6385%		14,729,964	283,347	15,013,312	15,031,304	383,280	15,414,584	301,339	99,933	401,272			
Fruita	340 Land Rights	452		2.0000%	0.0000%	2.0000%	1.1699%	0.0000%	1.1699%		9	-	9	5	-	5	(4)	-	(4)			
Fruita	341 Structures and Improvements	92,002		0.8302%	0.0548%	0.8850%	1.4385%	0.2166%	1.6551%		764	50	814	1,323	199	1,523	560	149	709			
Fruita	342 Fuel Holders, Producers, and Accessories	599,152		0.9756%	0.0644%	1.0400%	2.7323%	0.4147%	3.1470%		5,845	386	6,231	16,371	2,485	18,855	10,525	2,099	12,624			
Fruita	343 Prime Movers	-		-	-	0.0000%	2.1523%	0.3260%	2.4784%	( 3 )	-	-	-	-	-	-	-	-	-			
Fruita	344 Generators	2,512,252		0.9653%	0.0637%	1.0290%	1.6470%	0.2497%	1.8967%		24,251	1,600	25,851	41,377	6,273	47,650	17,126	4,673	21,799			
Fruita	345 Accessory Electric Equipment	74,773		3.9428%	0.2602%	4.2030%	3.7636%	0.5701%	4.3337%	( 3 )	2,948	195	3,143	2,814	426	3,240	(134)	232	98			
Fruita	345.2 Computers and Peripherals	-		-	-	-	2.1524%	0.3260%	2.4784%	( 3 )	-	-	-	-	-	-	-	-	-			
Fruita	346 Miscellaneous Power Plant Equipment	184,511		1.0610%	0.0700%	1.1310%	6.8548%	1.0339%	7.8887%		1,958	129	2,087	12,648	1,908	14,556	10,690	1,779	12,469			
Fruita	Total	3,463,143		1.0330%	0.0682%	1.1012%	2.1523%	0.3260%	2.4784%		35,775	2,360	38,135	74,538	11,291	85,829	38,763	8,931	47,694			
Ft Saint Vrain Unit 1	341 Structures and Improvements	24,174,374		1.3811%	0.0539%	1.4350%	1.6028%	0.0402%	1.6430%		333,872	13,030	346,902	387,467	9,718	397,185	53,595	(3,312)	50,283			
Ft Saint Vrain Unit 1	342 Fuel Holders, Producers, and Accessories	3,889,738		2.3879%	0.0931%	2.4810%	2.1170%	0.0617%	2.1787%		92,883	3,621	96,504	82,346	2,400	84,746	(10,537)	(1,221)	(11,759)			
Ft Saint Vrain Unit 1	343 Prime Movers	1,121,784		2.1280%	0.0830%	2.2110%	3.2644%	0.1068%	3.3712%		23,872	931	24,803	36,620	1,198	37,818	12,748	267	13,015			
Ft Saint Vrain Unit 1	344 Generators	81,854,830		1.3705%	0.0535%	1.4240%	2.1656%	0.0619%	2.2275%		1,121,820	43,792	1,165,613	1,772,648	50,668	1,823,316	650,828	6,876	657,704			
Ft Saint Vrain Unit 1	345 Accessory Electric Equipment	21,140,984		1.3831%	0.0539%	1.4370%	2.0634%	0.0581%	2.1215%		292,401	11,395	303,796	436,223	12,283	448,506	143,822	888	144,710			
Ft Saint Vrain Unit 1	345.2 Computers and Peripherals	102,108		1.6487%	0.0643%	1.7130%	1.8410%	0.0454%	1.8864%		1,683	66	1,749	1,880	46	1,926	196	(19)	177			
Ft Saint Vrain Unit 1	346 Miscellaneous Power Plant Equipment	4,031,347		1.4379%	0.0561%	1.4940%	1.6473%	0.0427%	1.6900%		57,967	2,262	60,228	66,408	1,721	68,130	8,442	(540)	7,901			
Ft Saint Vrain Unit 1	Total	136,315,165		1.4118%	0.0551%	1.4669%	2.0420%	0.0572%	2.0993%		1,924,498	75,097	1,999,595	2,783,592	78,035	2,861,627	859,093	2,938	862,031			
Ft Saint Vrain Unit 2	341 Structures and Improvements	15,446	( 4 )	2.1005%	0.2395%	2.3400%	3.6892%	0.0586%	3.7478%		324	37	361	570	9	579	245	(28)	217			
Ft Saint Vrain Unit 2	342 Fuel Holders, Producers, and Accessories	125,344		2.7469%	0.1071%	2.8540%	2.8271%	0.0565%	2.8836%		3,443	134	3,577	3,544	71	3,614	101	(63)	37			
Ft Saint Vrain Unit 2	343 Prime Movers	2,355,725		2.2281%	0.0869%	2.3150%	3.6836%	0.0867%	3.7703%		52,488	2,047	54,535	86,775	2,042	88,818	34,288	(5)	34,283			
Ft Saint Vrain Unit 2	344 Generators	90,401,430		2.3272%	0.0908%	2.4180%	2.4889%	0.0482%	2.5371%		2,103,822	82,084	2,185,907	2,250,001	43,573	2,293,575	146,179	(38,511)	107,668			
Ft Saint Vrain Unit 2	345 Accessory Electric Equipment	1,073,745	( 4 )	1.9838%	0.2262%	2.2100%	3.5292%	0.0670%	3.5962%		21,301	2,429	23,730	37,895	719	38,614	16,594	(1,709)	14,884			
Ft Saint Vrain Unit 2	345.2 Computers and Peripherals	-	( 4 )	1.9838%	0.2262%	2.2100%	2.5319%	0.0494%	2.5813%	( 3 )	-	-	-	-	-	-	-	-	-			
Ft Saint Vrain Unit 2	346 Miscellaneous Power Plant Equipment	61,699	( 4 )	1.6876%	0.1924%	1.8800%	3.3271%	0.0556%	3.3827%		1,041	119	1,160	2,053	34	2,087	1,012	(84)	927			
Ft Saint Vrain Unit 2	Total	94,033,390		2.3209%	0.0924%	2.4133%	2.5319%	0.0494%	2.5813%		2,182,420	86,850	2,269,270	2,380,838	46,449	2,427,287	198,418	(40,401)	158,017			
Ft Saint Vrain Unit 3	341 Structures and Improvements	-		0.0000%	0.0000%	0.0000%	3.2405%	0.2441%	3.4846%	( 3 )	-	-	-	-	-	-	-	-	-			
Ft Saint Vrain Unit 3	342 Fuel Holders, Producers, and Accessories	334,847		2.7825%	0.1085%	2.8910%	3.5283%	0.2640%	3.7923%		9,317	363	9,680	11,814	884	12,698	2,497	521	3,018			
Ft Saint Vrain Unit 3	343 Prime Movers	4,898,752	( 4 )	1.8582%	0.2118%	2.0700%	3.6929%	0.2895%	3.9824%		91,029	10,376	101,404	180,906	14,182	195,088	89,877	3,806	93,684			
Ft Saint Vrain Unit 3	344 Generators	14,579,156		2.6237%	0.1023%	2.7260%	3.0653%	0.2275%	3.2928%		382,513	14,914	397,428	446,895	33,168	480,062	64,382	18,253	82,635			
Ft Saint Vrain Unit 3	345 Accessory Electric Equipment	674,312	( 4 )	1.9838%	0.2262%	2.2100%	3.5403%	0.2614%	3.8017%		13,377	1,525	14,902	23,873	1,763	25,635	10,496	237	10,733			
Ft Saint Vrain Unit 3	345.2 Computers and Peripherals	-	( 4 )	1.9838%	0.2262%	2.2100%	3.2405%	0.2441%	3.4846%	( 3 )	-	-	-	-	-	-	-	-	-			
Ft Saint Vrain Unit 3	346 Miscellaneous Power Plant Equipment	116,912	( 4 )	1.6876%	0.1924%	1.8800%	3.5722%	0.2557%	3.8279%		1,973	225	2,198	4,176	299	4,475	2,203	74	2,277			
Ft Saint Vrain Unit 3	Total	20,603,979		2.4180%	0.1330%	2.5510%	3.2405%	0.2441%	3.4846%		498,209	27,404	525,613	667,664	50,295	717,959	169,455	22,891	192,347			
Ft Saint Vrain Unit 4	341 Structures and Improvements	3,072,750		2.3994%	0.0936%	2.4930%	1.6110%	0.0202%</														

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			Approved ( 1 )				Proposed				Approved				Proposed				Difference			
Unit or Account Number		Account Number and / or Description	Estimated Plant Balance 1/1/2018	Life Depr	COR Depr	Tot Depr	Life Depr	COR Depr	Tot Depr	Notes	Life	COR	Total	Life	COR	Total	Life	COR	Total			
			Notes	Rate	Rate	Rate	Rate	Rate	Rate	Notes	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp			
Ft Saint Vrain Unit 6	341 Structures and Improvements		( 6 )	2.3680%	0.1940%	2.5620%	2.4592%	0.0302%	2.4894%		174,489	14,295	188,784	181,209	2,225	183,435	6,720	(12,070)	(5,350)			
Ft Saint Vrain Unit 6	342 Fuel Holders, Producers, and Accessories		( 6 )	2.3680%	0.1940%	2.5620%	2.5906%	0.0462%	2.6368%		58,709	4,810	63,519	64,228	1,145	65,373	5,519	(3,664)	1,854			
Ft Saint Vrain Unit 6	343 Prime Movers		( 6 )	2.3680%	0.1940%	2.5620%	3.0979%	0.0702%	3.1681%		27,689	2,268	29,958	36,224	821	37,045	8,535	(1,448)	7,087			
Ft Saint Vrain Unit 6	344 Generators		( 6 )	2.3680%	0.1940%	2.5620%	2.5127%	0.0429%	2.5556%		1,418,876	116,242	1,535,119	1,505,579	25,705	1,531,284	86,702	(90,537)	(3,835)			
Ft Saint Vrain Unit 6	345 Accessory Electric Equipment		( 6 )	2.3680%	0.1940%	2.5620%	2.5077%	0.0414%	2.5491%		217,921	17,853	235,774	230,777	3,810	234,587	12,856	(14,043)	(1,187)			
Ft Saint Vrain Unit 6	345.2 Computers and Peripherals			2.3680%	0.1940%	2.5620%	2.5178%	0.0420%	2.5598%	( 3 )	-	-	-	-	-	-	-	-	-			
Ft Saint Vrain Unit 6	346 Miscellaneous Power Plant Equipment		( 6 )	2.3680%	0.1940%	2.5620%	2.4741%	0.0332%	2.5073%		14,967	1,226	16,193	15,638	210	15,848	671	(1,016)	(346)			
Ft Saint Vrain Unit 6	Total			2.3680%	0.1940%	2.5620%	2.5178%	0.0420%	2.5598%		1,912,652	156,695	2,069,347	2,033,655	33,917	2,067,571	121,003	(122,779)	(1,776)			
Ft Saint Vrain Common	341 Structures and Improvements			1.6554%	0.0646%	1.7200%	1.7422%	0.3890%	2.1312%		182,065	7,105	189,170	191,612	42,783	234,395	9,546	35,678	45,225			
Ft Saint Vrain Common	342 Fuel Holders, Producers, and Accessories			1.6391%	0.0339%	1.7030%	1.9328%	0.4422%	2.3750%		33,339	1,300	34,638	39,312	8,994	48,306	5,974	7,694	13,668			
Ft Saint Vrain Common	343 Prime Movers			2.6266%	0.1024%	2.7290%	2.6212%	0.6124%	3.2336%		23,980	935	24,915	23,931	5,591	29,522	(49)	4,656	4,607			
Ft Saint Vrain Common	344 Generators			2.5881%	0.1009%	2.6890%	1.9221%	0.4383%	2.3604%		1,185,079	46,202	1,231,281	880,121	200,696	1,080,816	(304,958)	154,494	(150,464)			
Ft Saint Vrain Common	345 Accessory Electric Equipment			2.5958%	0.1012%	2.6970%	1.9340%	0.4400%	2.3740%		380,020	14,815	394,835	283,134	64,415	347,549	(96,886)	49,600	(47,287)			
Ft Saint Vrain Common	345.2 Computers and Peripherals			2.1193%	0.0827%	2.2020%	2.7043%	0.6022%	3.3065%		25,762	1,005	26,768	32,874	7,320	40,194	7,111	6,315	13,426			
Ft Saint Vrain Common	346 Miscellaneous Power Plant Equipment			2.5303%	0.0987%	2.6290%	2.5749%	0.5778%	3.1527%		24,917	972	25,889	25,356	5,690	31,046	439	4,718	5,157			
Ft Saint Vrain Common	Total			2.4227%	0.0945%	2.5171%	1.9280%	0.4381%	2.3661%		1,855,162	72,334	1,927,495	1,476,338	335,489	1,811,828	(378,823)	263,155	(115,668)			
Ft. Lupton CT	341 Structures and Improvements			2.4128%	0.1472%	2.5600%	2.2413%	0.2089%	2.4502%		4,632	283	4,914	4,302	401	4,703	(329)	118	(211)			
Ft. Lupton CT	342 Fuel Holders, Producers, and Accessories			3.6664%	0.2236%	3.8900%	2.6466%	0.2499%	2.8965%		12,839	783	13,622	9,268	875	10,143	(3,571)	92	(3,479)			
Ft. Lupton CT	343 Prime Movers			-	-	0.0000%	3.0159%	0.2842%	3.3000%	( 3 )	-	-	-	-	-	-	-	-	-			
Ft. Lupton CT	344 Generators			3.7945%	0.2315%	4.0260%	2.9021%	0.2735%	3.1756%		475,823	29,030	504,853	363,918	34,296	398,214	(111,905)	5,267	(106,638)			
Ft. Lupton CT	345 Accessory Electric Equipment			1.2875%	0.0785%	1.3660%	5.6892%	0.5354%	6.2246%		8,245	503	8,748	36,434	3,429	39,862	28,188	2,926	31,114			
Ft. Lupton CT	345.2 Computers and Peripherals			-	-	-	3.0159%	0.2842%	3.3000%	( 3 )	-	-	-	-	-	-	-	-	-			
Ft. Lupton CT	346 Miscellaneous Power Plant Equipment			1.3713%	0.0837%	1.4550%	1.4308%	0.1337%	1.5645%		65	4	69	68	6	75	3	2	5			
Ft. Lupton CT	Total			3.6541%	0.2229%	3.8770%	3.0159%	0.2842%	3.3000%		501,605	30,602	532,206	413,990	39,008	452,998	(87,614)	8,406	(79,209)			
Rocky Mountain	341 Structures and Improvements		( 7 )	2.5000%	0.3491%	2.8491%	2.6121%	0.1083%	2.7204%		67,638	9,445	77,083	70,671	2,930	73,601	3,033	(6,515)	(3,482)			
Rocky Mountain	342 Fuel Holders, Producers, and Accessories		( 7 )	2.5000%	0.3491%	2.8491%	3.0120%	0.1421%	3.1541%		33,914	4,736	38,650	40,860	1,928	42,787	6,946	(2,808)	4,138			
Rocky Mountain	343 Prime Movers		( 7 )	2.5000%	0.3491%	2.8491%	2.9904%	0.1560%	3.1464%		81,503	11,381	92,884	97,490	5,086	102,576	15,988	(6,295)	9,692			
Rocky Mountain	344 Generators		( 7 )	2.5000%	0.3491%	2.8491%	2.5490%	0.1183%	2.6673%		9,871,946	1,378,519	11,250,465	10,065,436	467,140	10,532,577	193,490	(911,378)	(717,888)			
Rocky Mountain	344 Generators		( 7 )	2.5000%	0.3491%	2.8491%	2.5490%	0.1183%	2.6673%		(1,407,013)	(196,475)	(1,603,488)	-	-	-	1,407,013	196,475	1,603,488			
Rocky Mountain	345 Accessory Electric Equipment		( 7 )	2.5000%	0.3491%	2.8491%	2.6502%	0.1214%	2.7716%	( 3 )	58,677	8,194	66,870	62,202	2,849	65,051	3,525	(5,344)	(1,819)			
Rocky Mountain	345.2 Computers and Peripherals		( 7 )	2.5000%	0.3491%	2.8491%	2.5551%	0.1186%	2.6737%		-	-	-	-	-	-	-	-	-			
Rocky Mountain	346 Miscellaneous Power Plant Equipment		( 7 )	2.5000%	0.3491%	2.8491%	2.5581%	0.1091%	2.6672%		5,758	804	6,562	5,892	251	6,143	134	(553)	(419)			
Rocky Mountain	Total			2.1524%	0.3006%	2.4530%	2.5551%	0.1186%	2.6737%		8,712,423	1,216,603	9,929,026	10,342,551	480,185	10,822,736	1,630,128	(736,418)	893,710			
Valmont	341 Structures and Improvements			0.7780%	0.0420%	0.8200%	1.4548%	0.0188%	1.4736%		510	28	538	954	12	966	444	(15)	429			
Valmont	342 Fuel Holders, Producers, and Accessories			1.2837%	0.0693%	1.3530%	1.7920%	0.0253%	1.8173%		1,411	76	1,487	1,970	28	1,998	559	(48)	510			
Valmont	343 Prime Movers			-	-	-	2.3679%	0.0329%	2.4008%	( 3 )	-	-	-	-	-	-	-	-	-			
Valmont	344 Generators			1.8046%	0.0974%	1.9020%	2.3278%	0.0324%	2.3602%		168,266	9,082	177,348	217,050	3,021	220,071	48,785	(6,061)	42,724			
Valmont	345 Accessory Electric Equipment			4.3197%	0.2333%	4.5530%	3.1299%	0.0433%	3.1732%		27,378	1,479	28,857	19,837	274	20,112	(7,541)	(1,204)	(8,745)			
Valmont	345.2 Computers and Peripherals			-	-	-	2.3679%	0.0329%	2.4008%	( 3 )	-	-	-	-	-	-	-	-	-			
Valmont	346 Miscellaneous Power Plant Equipment			4.5873%	0.2477%	4.8350%	3.1187%	0.0411%	3.1598%		865	47	912	588	8	596	(277)	(39)	(316)			
Valmont	Total			1.9545%	0.1055%	2.0600%	2.3679%	0.0329%	2.4008%		198,431	10,711	209,142	240,400	3,343	243,744	41,969	(7,368)	34,602			
Wind to Hydrogen	344 Generators		( 5 )	6.6700%	0.0000%	6.6700%	5.2817%	0.0134%	5.2951%		67,866	-	67,866	53,740	136	53,877	(14,126)	136	(13,989)			
Total Other Production				1,860,571,692			42,334,296	2,590,750	44,925,046		46,519,787	1,720,713	48,240,500	4,185,491	(870,037)	3,315,454						
Total Production				5,226,772,167			105,776,034	7,708,429	113,484,463		152,668,718	10,375,689	163,044,407	46,892,684	2,667,261	49,559,945						



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Unit or Account Number	Account Number and / or Description	Estimated Plant Balance 1/1/2018	Approved ( 1 )				Proposed			Notes	Approved			Proposed			Difference		
			Life Depr	COR Depr	Tot Depr	Life Depr	COR Depr	Tot Depr	Life		COR	Total	Life	COR	Total	Life	COR	Total	
			Notes	Rate	Rate	Rate	Rate	Rate	Rate		Rate	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp
TRANSMISSION PLANT																			
350.20	Land Rights	77,137,901		1.0300%	0.0000%	1.0300%	1.0113%	0.0000%	1.0113%		794,520	-	794,520	780,101	-	780,101		-	(14,420)
352.00	Structures and Improvements	79,240,594		1.3091%	0.1309%	1.4400%	1.1854%	0.1541%	1.3395%		1,037,339	103,726	1,141,065	939,321	122,112	1,061,433	(98,017)	18,386	(79,632)
352.00	Structures and Improvements	-	( 7 )	1.3091%	0.1309%	1.4400%	1.1854%	0.1541%	1.3395%		(4,680)	(468)	(5,148)	-	-	-	( 2 )	4,680	468
353.00	Station Equipment	1,050,103,042		1.6481%	0.1319%	1.7800%	1.8045%	0.2707%	2.0752%		17,306,748	1,385,086	18,691,834	18,949,568	2,842,435	21,792,003	1,642,820	1,457,349	3,100,169
353.00	Station Equipment	-	( 7 )	1.6481%	0.1319%	1.7800%	1.8045%	0.2707%	2.0752%		(111,760)	(8,944)	(120,705)	-	-	-	( 2 )	111,760	8,944
354.00	Towers and Fixtures	189,264,961		1.1238%	0.0562%	1.1800%	1.3531%	0.5412%	1.8943%		2,126,960	106,367	2,233,327	2,560,900	1,024,360	3,585,259	433,940	917,993	1,351,933
355.00	Poles and Fixtures	421,418,577		1.5619%	0.0781%	1.6400%	1.6262%	0.6505%	2.2767%		6,582,137	329,128	6,911,265	6,853,197	2,741,279	9,594,475	271,060	2,412,151	2,683,211
356.00	Overhead Conductors and Devices	299,581,242		1.7048%	0.0852%	1.7900%	1.4467%	0.3617%	1.8084%		5,107,261	255,243	5,362,504	4,334,097	1,083,524	5,417,621	(773,164)	828,281	55,117
357.00	Underground Conduit	35,592,625		1.9400%	0.0000%	1.9400%	1.6890%	0.0000%	1.6890%		690,497	-	690,497	601,146	-	601,146	(89,351)	-	(89,351)
358.00	Underground Conductors and Devices	64,752,789		1.8800%	0.0000%	1.8800%	2.0309%	0.1015%	2.1324%		1,217,352	-	1,217,352	1,315,065	65,753	1,380,818	97,712	65,753	163,466
359.00	Roads and Trails	4,318,793		0.9700%	0.0000%	0.9700%	1.1117%	0.0000%	1.1117%		41,892	-	41,892	48,013	-	48,013	6,121	-	6,121
Total Transmission		2,221,410,524									34,788,266	2,170,137	36,958,404	36,381,406	7,879,463	44,260,869	1,593,140	5,709,325	7,302,465
DISTRIBUTION PLANT																			
360.20	Land Rights	38,790,186		1.0900%	0.0000%	1.0900%	0.9913%	0.0000%	0.9913%		422,813	-	422,813	384,527	-	384,527	(38,286)	-	(38,286)
361.00	Structures and Improvements	77,174,622		1.7100%	0.0000%	1.7100%	1.5124%	0.0756%	1.5891%		1,319,686	-	1,319,686	1,167,212	58,361	1,225,573	(152,474)	58,361	(94,113)
362.00	Station Equipment	660,394,109		1.7826%	0.2674%	2.0500%	1.7249%	0.1725%	1.8974%		11,772,185	1,765,894	13,538,079	11,391,288	1,139,129	12,530,416	(380,898)	(626,765)	(1,007,663)
364.00	Poles, Towers and Fixtures	231,089,376		2.8077%	0.8423%	3.6500%	1.9494%	0.9747%	2.9241%		8,172,916	2,451,846	10,624,762	5,674,560	2,837,280	8,511,839	(2,498,357)	385,434	(2,112,923)
365.00	Overhead Conductors and Devices	345,551,518		2.3643%	0.9457%	3.3100%	1.9634%	0.7854%	2.7488%		8,169,875	3,267,881	11,437,755	6,784,562	2,713,825	9,498,387	(1,385,312)	(554,056)	(1,939,368)
366.00	Underground Conduit	380,777,422		1.9135%	0.0765%	1.9900%	1.4040%	0.3510%	1.7550%		7,286,176	291,295	7,577,471	5,345,998	1,336,500	6,682,498	(1,940,178)	1,045,205	(894,973)
367.00	Underground Conductors and Devices	1,824,579,253		1.8636%	0.1864%	2.0500%	2.0849%	0.1042%	2.1892%		34,002,859	3,401,016	37,403,875	38,041,262	1,902,063	39,943,325	4,038,403	(1,498,953)	2,539,450
368.00	Line Transformers	508,368,612		2.2100%	0.0000%	2.2100%	2.0652%	0.2065%	2.2717%		11,234,946	-	11,234,946	10,498,827	1,049,883	11,548,710	(736,119)	1,049,883	313,764
369.00	Services	24,404,882		1.9580%	0.3720%	2.3300%	1.7078%	0.5124%	2.2202%		477,848	90,786	568,634	416,797	125,039	541,836	(61,051)	34,253	(26,798)
369.10	Services-Overhead	46,739,929		1.9580%	0.3720%	2.3300%	1.8907%	0.5672%	2.4579%		915,168	173,873	1,089,040	883,722	265,117	1,148,839	(31,445)	91,244	59,799
369.20	Services-Underground	221,507,889		1.9580%	0.3720%	2.3300%	1.8890%	0.5667%	2.4557%		4,337,124	824,009	5,161,134	4,184,324	1,255,297	5,439,622	(152,800)	431,288	278,488
370.00	Meters	148,065,110		3.9700%	0.0000%	3.9700%	3.8640%	0.0000%	3.8640%		5,878,185	-	5,878,185	5,721,235	-	5,721,235	(156,950)	-	(156,950)
370.20	Automated Meter Reading Equipment	68,769,058		8.8100%	0.0000%	8.8100%	7.7134%	0.0000%	7.7134%		6,058,554	-	6,058,554	5,304,452	-	5,304,452	(754,102)	-	(754,102)
371.00	Installation on Customer Premises	7,154,178		0.8333%	0.1667%	1.0000%	3.7264%	0.7453%	4.4716%		59,616	11,926	71,542	266,591	53,318	319,909	206,975	41,392	248,367
373.00	Street Lighting and Signal Systems	166,707,410		2.4583%	0.4917%	2.9500%	2.7592%	0.6898%	3.4490%		4,098,168	819,700	4,917,869	4,599,784	1,149,946	5,749,730	501,616	330,246	831,861

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		Approved ( 1 )				Proposed				Approved				Proposed				Difference			
		Life	COR	Tot	Life	COR	Tot	Life	COR	Tot	Life	COR	Tot	Life	COR	Tot	Life	COR	Tot		
Unit or Account Number	Account Number and / or Description	Estimated Plant Balance 1/1/2018	Notes	Rate	Rate	Rate	Rate	Rate	Rate	Notes	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp	Depr Exp		
Total Distribution		4,810,073,555									104,206,119	13,098,225	117,304,345	100,665,141	13,885,757	114,550,898	(3,540,978)	787,531	(2,753,447)		
<b>ELECTRIC GENERAL PLANT</b>																					
389.20	Land Rights	-		0.0000%	0.0000%	0.0000%	1.6667%	0.0000%	1.6667%		-	-	-	-	-	-	-	-	-		
390.00	Structures and Improvements	6,784,142	( 13 )	4.1833%	0.0000%	4.1833%	2.4288%	0.1214%	2.5502%		283,803	-	283,803	164,772	8,239	173,010	(119,032)	8,239	(110,793)		
391.00	Office Furniture and Equipment	4,201,607		4.7500%	0.0000%	4.7500%	4.6847%	0.0000%	4.6847%		199,576	-	199,576	196,834	-	196,834	(2,743)	-	(2,743)		
391.20	Computer Hardware	21,582,874		20.0000%	0.0000%	20.0000%	19.5656%	0.0000%	19.5656%		4,316,575	-	4,316,575	4,222,821	-	4,222,821	(93,754)	-	(93,754)		
392.10	Transportation Equipment-Autos	579,942		9.0000%	0.0000%	9.0000%	7.6106%	0.0000%	7.6106%		52,195	-	52,195	44,137	-	44,137	(8,058)	-	(8,058)		
392.20	Transportation Equipment-Light Trucks	13,610,915		9.0000%	0.0000%	9.0000%	7.4775%	0.0000%	7.4775%		1,224,982	-	1,224,982	1,017,753	-	1,017,753	(207,229)	-	(207,229)		
392.30	Transportation Equipment-Trailers	5,575,044		9.0000%	0.0000%	9.0000%	3.5413%	0.0000%	3.5413%		501,754	-	501,754	197,430	-	197,430	(304,324)	-	(304,324)		
392.40	Transportation Equipment-Heavy Trucks	50,520,332		9.0000%	0.0000%	9.0000%	6.3219%	0.0000%	6.3219%		4,546,830	-	4,546,830	3,193,820	-	3,193,820	(1,353,010)	-	(1,353,010)		
393.00	Stores Equipment	244,023		3.1700%	0.0000%	3.1700%	3.2159%	0.0000%	3.2159%		7,736	-	7,736	7,848	-	7,848	112	-	112		
394.00	Tools, Shop and Garage Equipment	37,773,323		3.8000%	0.0000%	3.8000%	3.8903%	0.0000%	3.8903%		1,435,386	-	1,435,386	1,469,514	-	1,469,514	34,128	-	34,128		
395.00	Laboratory Equipment	3,620,211		9.5000%	0.0000%	9.5000%	10.0000%	0.0000%	10.0000%		343,920	-	343,920	362,021	-	362,021	18,101	-	18,101		
396.00	Power Operated Equipment	11,036,290		9.0000%	0.0000%	9.0000%	5.7648%	0.0000%	5.7648%		993,266	-	993,266	636,224	-	636,224	(357,042)	-	(357,042)		
397.00	Communication Equipment	106,376,473		6.6700%	0.0000%	6.6700%	6.4129%	0.0000%	6.4129%		7,095,311	-	7,095,311	6,821,772	-	6,821,772	(273,539)	-	(273,539)		
398.00	Miscellaneous Equipment	1,588,039		5.0000%	0.0000%	5.0000%	4.7139%	0.0000%	4.7139%		79,402	-	79,402	74,858	-	74,858	(4,544)	-	(4,544)		
Total Electric General		263,493,216									21,080,736	-	21,080,736	18,409,804	8,239	18,418,043	(2,670,932)	8,239	(2,662,693)		
Total Electric Plant		12,600,755,126									276,479,454	22,976,791	299,456,245	318,753,367	32,149,147	350,902,514	42,273,913	9,172,356	51,446,269		
<b>COMMON INTANGIBLE PLANT</b>																					
301.00	Organization Costs	-									-	-	-	-	-	-	-	-	-		
302.00	Franchises and Consents	3,383,421	( 9 )	Various	0.0000%	Various					-	-	-	-	-	-	-	-	-		
303.00	Misc Computer Software-3 Year	-		33.3333%	0.0000%	33.3333%	33.3333%	0.0000%	33.3333%		-	-	-	-	-	-	-	-	-		
303.04	Misc Computer Software-5 Year	117,738,242		20.0000%	0.0000%	20.0000%	20.0000%	0.0000%	20.0000%		23,547,648	-	23,547,648	23,547,648	-	23,547,648	-	-	-		
303.04	Misc Computer Software-10 Year	5,785,234		10.0000%	0.0000%	10.0000%	10.0000%	0.0000%	10.0000%		578,523	-	578,523	578,523	-	578,523	-	-	-		
303.04	Misc Computer Software-15 Year	156,941,548		10.0000%	0.0000%	10.0000%	6.6667%	0.0000%	6.6667%		15,694,155	-	15,694,155	10,462,822	-	10,462,822	(5,231,333)	-	(5,231,333)		
Total Common Intangible		283,848,445									39,820,327	-	39,820,327	34,588,994	-	34,588,994	(5,231,333)	-	(5,231,333)		
<b>COMMON GENERAL PLANT</b>																					
389.20	Land Rights	-		0.0000%	0.0000%	0.0000%	1.6667%	0.0000%	1.6667%		-	-	-	-	-	-	-	-	-		
390.00	Structures and Improvements	166,089,841	( 13 )	2.0774%	0.3082%	2.3855%	2.5750%	0.2575%	2.8325%		3,450,286	511,832	3,962,118	4,276,862	427,686	4,704,549	826,577	(84,146)	742,431		
390.07	Structures and Improvements - Leasehold Improvem	2,109,398	( 10 )	Various	0.0000%	Various					-	-	-	-	-	-	-	-	-		
390.85	Structures and Improvements - 1800 Larimer	15,388,552	( 8 )	Various	0.0000%	Various					-	-	-	-	-	-	-	-	-		
391.00	Office Furniture and Equipment	27,532,039		4.7500%	0.0000%	4.7500%	5.3351%	0.0000%	5.3351%		1,307,772	-	1,307,772	1,468,854	-	1,468,854	161,083	-	161,083		
391.04	Computer Hardware	109,594,203		20.0000%	0.0000%	20.0000%	21.4662%	0.0000%	21.4662%		21,918,841	-	21,918,841	23,525,725	-	23,525,725	1,606,884	-	1,606,884		
391.05	Computer Hardware - 3 Year Life	610,356		33.3300%	0.0000%	33.3300%	35.8108%	0.0000%	35.8108%		203,432	-	203,432	218,573	-	218,573	15,142	-	15,142		
392.10	Transportation Equipment - Automobiles	1,225,016		9.0000%	0.0000%	9.0000%	8.1070%	0.0000%	8.1070%		110,251	-	110,251	99,312	-	99,312	(10,939)	-	(10,939)		
392.20	Transportation Equipment - Light Trucks	6,518,325		9.0000%	0.0000%	9.0000%	8.3319%	0.0000%	8.3319%		586,649	-	586,649	543,100	-	543,100	(43,549)	-	(43,549)		
392.30	Transportation Equipment - Trailers	959,396		9.0000%	0.0000%	9.0000%	3.7241%	0.0000%	3.7241%		86,346	-	86,346	35,729	-	35,729	(50,617)	-	(50,617)		
392.40	Transportation Equipment - Heavy Trucks	3,477,330		9.0000%	0.0000%	9.0000%	7.6310%	0.0000%	7.6310%		312,960	-	312,960	265,355	-	265,355	(47,604)	-	(47,604)		
393.00	Stores Equipment	511,651		3.1700%	0.0000%	3.1700%	3.9617%	0.0000%	3.9617%		16,219	-	16,219	20,270	-	20,270	4,051	-	4,051		
394.00	Tools and Shop Equipment	6,272,608		3.8000%	0.0000%	3.8000%	4.2800%	0.0000%	4.2800%		238,359	-	238,359	268,470	-	268,470	30,111	-	30,111		
395.00	Laboratory Equipment	34,168		9.5000%	0.0000%	9.5000%	10.1462%	0.0000%	10.1462%		3,246	-	3,246	3,467	-	3,467	221	-	221		
396.00	Power Operated Equipment	3,796,576		9.0000%	0.0000%	9.0000%	6.6632%	0.0000%	6.6632%		341,692	-	341,692	252,975	-	252,975	(88,717)	-	(88,717)		
397.00	Communication Equipment	16,682,543		6.6700%	0.0000%	6.6700%	10.8385%	0.0000%	10.8385%		1,112,726	-	1,112,726	1,808,138	-	1,808,138	695,412	-	695,412		
398.00	Miscellaneous Equipment	1,036,207		5.0000%	0.0000%	5.0000%	6.2317%	0.0000%	6.2317%		51,810	-	51,810	64,574	-	64,574	12,763	-	12,763		
Total Common General Plant		361,838,210									29,740,588	511,832	30,252,420	32,851,405	427,686	33,279,091	3,110,817	(84,146)	3,026,671		
Total Common Plant		645,686,655									69,560,915	511,832	70,072,747	67,440,399	427,686	67,868,085	(2,120,516)	(84,146)	(2,204,662)		
Total Electric and Common		13,246,441,781									346,040,369	23,488,623	369,528,992	386,193,766	32,576,833	418,770,599	40,153,397	9,088,210	49,241,608		

Notes:

- (1) Approved Rates for Electric utility are from Docket No. 06S-234EG and Common utility are from Docket No. 02S-315EG, unless specified in the Notes column.
- (2) Intentionally left blank
- (3) There is currently no balance in these accounts. In the event plant is added to these accounts, PSCo requests authorization to use the depreciation rate listed, which represents the composite depreciation rate for each unit.
- (4) Depreciation rates from Docket 02S-315EG. These units were not addressed in 06S-234EG Rate Case.
- (5) Depreciation rates were utilized from Non-utility Wind prior to transfer to Electric Utility.
- (6) Depreciation rates for Comanche 3, FSV GT 5 and FSV GT 6 were approved in Docket 08S-520E.
- (7) Depreciation rates for Blue Spruce and Rocky Mountain were approved in CPUC Docket 11AL-947E. FERC subsequently required the Company to record an acquisition adjustment, resulting in depreciation calculated at net plant, plus amortization of the acquisition adjustment, per FERC Docket ER11-2853-000.
- (8) Amortized to the end of the lease term 6/2025.
- (9) Amortized over the terms of the franchise agreements or license.
- (10) Amortized over the lease term.
- (11) Individual amounts may not total to balance due to rounding.
- (12) Depreciation rates for Cherokee Other Production Unit 5, 6, 7, and Common were approved in Docket No. 15A-0916E.
- (13) Composite depreciation accrual rate for General Account 390 Structures and Improvements.

## **APPENDIX C - Depreciation Parameter Comparison**

Public Service of Colorado  
Comparison of Depreciation Parameters  
January 1, 2018

Appendix C

Account	Description	Notes	Approved (1)			Proposed			Difference	
			Curve	ASL	Net Salvage Percent	Curve	ASL	Net Salvage Percent	Life	Net Salvage Percent
<b><u>ELECTRIC INTANGIBLE PLANT</u></b>										
301.00	Organization Costs									
302.00	Franchises and Consents	(2)								
303.00	Miscellaneous Intangible Plant	(2)	Various			Various				
303.40	Misc Computer Software - 3 Year		SQ	3	0%	SQ	3	0%	0	0%
303.40	Misc Computer Software - 5 Year		SQ	5	0%	SQ	5	0%	0	0%
303.40	Misc Computer Software - 10 Year		SQ	10	0%	SQ	10	0%	0	0%
303.40	Misc Computer Software - 15 Year		SQ	10	0%	SQ	15	0%	5	0%
<b><u>COMMON INTANGIBLE PLANT</u></b>										
301.00	Organization Costs									
302.00	Franchises and Consents	(2)								
303.00	Miscellaneous Computer Software - 3 Year		SQ	3	0%	SQ	3	0%	0	0%
303.04	Miscellaneous Computer Software - 5 Year		SQ	5	0%	SQ	5	0%	0	0%
303.04	Miscellaneous Computer Software - 10 Year		SQ	10	0%	SQ	10	0%	0	0%
303.04	Miscellaneous Computer Software - 15 Year		SQ	10	0%	SQ	15	0%	5	0%
<b><u>PRODUCTION PLANT</u></b>										
312.20	Coal Cars			20	0%		24	0%		
<b><u>TRANSMISSION PLANT</u></b>										
350.20	Land Rights		R5	100	0%	R5	100	0%	0	0%
352.00	Structures and Improvements		S6	70	-5%	S2	85	-13%	15	-8%
353.00	Station Equipment		R2.5	60	-5%	R2	56	-15%	-4	-10%
354.00	Towers and Fixtures		R4	70	0%	R4	76	-40%	6	-40%
355.00	Poles and Fixtures		R3	50	5%	R2.5	62	-40%	12	-45%
356.00	OH Conductors and Devices		R1.5	50	0%	R2	70	-25%	20	-25%
357.00	UG Conduit		R3	50	0%	R3	60	0%	10	0%
358.00	UG Conductors and Devices		R3	50	0%	R3	50	-5%	0	-5%
359.00	Roads and Trails		S6	85	0%	S5	92	0%	7	0%
<b><u>DISTRIBUTION PLANT</u></b>										
360.20	Land Rights		R4	90	0%	R4	100	0%	10	0%
361.00	Structures and Improvements		R1.5	50	0%	R2	65	-5%	15	-5%
362.00	Station Equipment		R1.5	50	-5%	R1.5	57	-10%	7	-5%
364.00	Poles, Towers and Fixtures		L2	45	-25%	S0	50	-50%	5	-25%
365.00	OH Conductors and Devices		R1	45	-25%	R0.5	50	-40%	5	-15%
366.00	UG Conduit		R2	79	-4%	R3	70	-25%	-9	-21%
367.00	UG Conductors and Devices		R2.5	50	0%	R1.5	47	-5%	-3	-5%
368.00	Line Transformers		R0.5	35	5%	R1.5	47	-10%	12	-15%
369.00	Services		R3	45	-9%	R5	50	-30%	5	-21%
369.10	Services-Overhead		R3	45	-9%	R5	50	-30%	5	-21%
369.20	Services-Underground		R3	45	-9%	R5	50	-30%	5	-21%
370.00	Meters		R0.5	25	0%	R1.5	24	0%	-1	0%
370.20	Automated Meter Reading Equipment		S6	10	5%	S6	10	0%	0	-5%
371.00	Installation on Customer Premises		L0	20	-20%	L0.5	25	-20%	5	0%
373.00	Street Lighting and Signal Systems		R0.5	35	-20%	R0.5	35	-25%	0	-5%
<b><u>ELECTRIC GENERAL PLANT</u></b>										
389.20	Land Rights					R4	60	0%	60	0%
390.06	Structures and Improvements (390B General Buildings)	(3)	R2	50	0%	L2	40	-5%	-10	-5%
390.00	Structures and Improvements	(3)	L1.5	20	0%	L2	40	-5%	20	-5%
390.08	Partitions	(3) (4)	R4	25	0%	L2	40	-5%	15	-5%
391.00	Office Furniture and Equipment		SQ	20	5%	SQ	20	0%	0	-5%
391.20	Computer Hardware		SQ	5	0%	SQ	5	0%	0	0%
392.10	Transportation Equipment - Automobiles		SQ	10	10%	SQ	12	6%	2	-4%
392.20	Transportation Equipment - Light Trucks		SQ	10	10%	SQ	12	6%	2	-4%
392.30	Transportation Equipment - Trailers		SQ	10	10%	SQ	25	10%	15	0%
392.40	Transportation Equipment - Heavy Trucks		SQ	10	10%	SQ	14	6%	4	-4%
393.00	Stores Equipment		SQ	30	5%	SQ	30	0%	0	-5%
394.00	Tools, Shop and Garage Equipment		SQ	25	5%	SQ	25	0%	0	-5%
395.00	Laboratory Equipment		SQ	10	5%	SQ	10	0%	0	-5%
396.00	Power Operated Equipment		SQ	10	10%	SQ	14	15%	4	5%
397.00	Communication Equipment		SQ	15	0%	SQ	15	0%	0	0%
398.00	Miscellaneous Equipment		SQ	20	0%	SQ	20	0%	0	0%

Public Service of Colorado  
 Comparison of Depreciation Parameters  
 January 1, 2018

Appendix C

			Approved (1)			Proposed			Difference	
Account			Net Salvage			Net Salvage			Net Salvage	
Number	Description	Notes	Curve	ASL	Percent	Curve	ASL	Percent	Life	Percent
COMMON GENERAL PLANT										
389.20	Land Rights					R4	60	0%	60	0%
390.06	Structures and Improvements (390B General Buildings)	(3)	L1	50	-10%	L2	40	-10%	-10	0%
390.00	Structures and Improvements	(3)	R1.5	35	-10%	L2	40	-10%	5	0%
390.08	Structures and Improvements - Partitions	(3) (5)	R4	25	5%	L2	40	-10%	15	-15%
390.07	Structures and Improvements - Leasehold Improvements	(6)								
390.85	Structures and Improvements - 1800 Larimer	(7)								
391.00	Office Furniture and Equipment		SQ	20	5%	SQ	20	0%	0	-5%
391.04	Computer Hardware		SQ	5	0%	SQ	5	0%	0	0%
391.05	Computer Hardware - 3 Year Life		SQ	3	0%	SQ	3	0%	0	0%
391.09	Office Equipment - Partition Lease Facilities	(8)	SQ	20	0%	SQ	20	0%	0	0%
392.10	Transportation Equipment - Automobiles		SQ	10	10%	SQ	12	6%	2	-4%
392.20	Transportation Equipment - Light Trucks		SQ	10	10%	SQ	12	6%	2	-4%
392.30	Transportation Equipment - Trailers		SQ	10	10%	SQ	25	10%	15	0%
392.40	Transportation Equipment - Heavy Trucks		SQ	10	10%	SQ	14	6%	4	-4%
393.00	Stores Equipment		SQ	30	5%	SQ	30	0%	0	-5%
394.00	Tools and Shop Equipment		SQ	25	5%	SQ	25	0%	0	-5%
395.00	Laboratory Equipment		SQ	10	5%	SQ	10	0%	0	-5%
396.00	Power Operated Equipment		SQ	10	10%	SQ	14	15%	4	5%
397.00	Communication Equipment		SQ	15	0%	SQ	15	0%	0	0%
398.00	Miscellaneous Equipment		SQ	20	0%	SQ	20	0%	0	0%

Notes:

- (1) Approved Rates for Electric are from Docket No. 06S-234EG and Common are from Docket No. 02S-315EG, unless specified in the Notes column.
- (2) Amortized over the terms of the franchise agreements or license.
- (3) Accounts 390 Structures and Improvements subaccounts will be combined into one 390 Structures and Improvements account in future filings.
- (4) Account 390.08 Electric Partitions is fully accrued. Future additions to this account will be booked in Electric account 390.0 Structures and Improvements
- (5) Account 390.08 Common Partitions is almost fully accrued. Future additions to this account will be booked in Common account 390.0 Structures and Improvements
- (6) Amortized over the lease term.
- (7) Amortized to the end of the lease term 6/2025.
- (8) Account 391.09 Common Office - Partitions Leased Facilities is almost fully accrued. Future additions to this account will be booked in Common account 390.07 Structures and Improvements - Leasehold Improvements and amortized over the lease term.

## **APPENDIX E - Net Salvage Analysis**

## **APPENDIX E-1 - Net Salvage Analysis Electric Assets**

Appendix E-1

**PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015**  
**TRANSMISSION, DISTRIBUTION, AND GENERAL PLANT**  
**RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS**

FERC Account	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
350.2 Easements															
	350 1999	0	0	0	0	NA									
	350 2000	0	0	0	0	NA	NA								
	350 2001	0	0	0	0	NA	NA	NA							
	350 2002	0	0	0	0	NA	NA	NA	NA						
	350 2003	0	0	0	0	NA	NA	NA	NA	NA					
	350 2004	0	0	0	0	NA	NA	NA	NA	NA	NA				
	350 2005	0	0	0	0	NA	NA	NA	NA	NA	NA	NA			
	350 2006	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA		
	350 2007	199,163	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	350 2008	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	350 2009	0	0	0	0	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	350 2010	56,286	0	4,355	(4,355)	-7.74%	-7.74%	-7.74%	-1.70%	-1.70%	-1.70%	-1.70%	-1.70%	-1.70%	-1.70%
	350 2011	0	0	0	0	NA	-7.74%	-7.74%	-7.74%	-1.70%	-1.70%	-1.70%	-1.70%	-1.70%	-1.70%
	350 2012	0	0	0	0	NA	NA	-7.74%	-7.74%	-1.70%	-1.70%	-1.70%	-1.70%	-1.70%	-1.70%
	350 2013	0	0	0	0	NA	NA	NA	-7.74%	-7.74%	-7.74%	-1.70%	-1.70%	-1.70%	-1.70%
	350 2014	0	0	0	0	NA	NA	NA	NA	-7.74%	-7.74%	-7.74%	-1.70%	-1.70%	-1.70%
	350 2015	0	0	0	0	NA	NA	NA	NA	NA	-7.74%	-7.74%	-7.74%	-1.70%	-1.70%
	352 1970	8,311	2,887	1,865	1,022	12.30%									
	352 1971	4,341	1,820	634	1,186	27.32%	17.46%								
	352 1972	14,770	4,925	3,542	1,383	9.36%	13.44%	13.10%							
	352 1973	6,272	2,640	2,700	(60)	-0.95%	6.29%	9.88%	10.48%						
	352 1974	(3,871)	0	0	0	0.00%	-2.49%	7.70%	11.66%	11.84%					
	352 1975	438	331	275	57	12.92%	-1.65%	-0.11%	7.83%	11.69%	11.86%				
	352 1976	2,463	962	906	56	2.26%	3.87%	-11.58%	0.99%	7.15%	10.74%	11.13%			
	352 1977	1,957	1,371	830	541	27.64%	13.50%	13.45%	66.18%	8.17%	8.97%	11.99%	12.07%		
	352 1978	4,250	5,867	4,966	900	21.18%	23.22%	17.26%	17.06%	29.66%	12.98%	10.95%	13.27%	13.06%	
	352 1979	2,863	367	469	(102)	-3.58%	11.22%	14.76%	12.09%	12.12%	17.91%	9.68%	9.52%	11.83%	11.92%
	352 1980	1,383	734	569	164	11.88%	1.46%	11.32%	14.38%	12.07%	12.10%	17.03%	9.87%	9.63%	11.83%
	352 1981	3,431	1,229	4,969	(3,740)	-108.99%	-74.27%	-47.91%	-23.29%	-16.11%	-13.34%	-12.66%	-16.45%	-11.38%	-2.36%
	352 1982	2,724	7,901	5,412	2,489	91.39%	-20.31%	-14.41%	-11.43%	-1.97%	1.52%	1.62%	1.87%	2.33%	1.39%
	352 1983	0	0	0	0	NA	91.39%	-20.31%	-14.41%	-11.43%	-1.97%	1.52%	1.62%	1.87%	2.33%
	352 1984	2,946	317	143	175	5.93%	5.93%	46.98%	-11.82%	-8.69%	-7.59%	-0.64%	2.19%	2.19%	2.40%
	352 1985	522	132	81	52	9.93%	6.53%	6.53%	43.86%	-10.64%	-7.81%	-6.94%	-0.34%	2.39%	2.37%
	352 1986	0	0	0	0	NA	9.93%	6.53%	6.53%	43.86%	-10.64%	-7.81%	-6.94%	-0.34%	2.39%
	352 1987	3,276	664	895	(231)	-7.04%	-7.04%	-4.71%	-0.06%	-0.06%	26.25%	-9.73%	-7.63%	-6.96%	-1.37%
	352 1988	0	0	0	0	NA	-7.04%	-7.04%	-4.71%	-0.06%	-0.06%	26.25%	-9.73%	-7.63%	-6.96%
	352 1989	1,116	321	291	30	2.66%	2.66%	-4.58%	-4.58%	-3.04%	0.32%	0.32%	23.76%	-8.74%	-6.89%
	352 1990	20,174	(535)	4,683	(5,218)	-25.86%	-24.37%	-24.37%	-22.06%	-22.06%	-21.39%	-18.52%	-18.52%	-8.79%	-18.84%
	352 1991	3,276	0	0	0	0.00%	-22.25%	-21.12%	-21.12%	-19.46%	-19.46%	-18.92%	-16.58%	-16.58%	-7.94%
	352 1992	1,359	0	0	0	0.00%	0.00%	-21.03%	-20.01%	-20.01%	-18.56%	-18.56%	-18.06%	-15.89%	-15.89%
	352 1993	2,724	5,439	2,953	2,487	91.29%	60.90%	33.79%	-9.92%	-9.43%	-9.18%	-9.18%	-9.18%	-8.88%	-7.64%
	352 1994	1,359	5	207	(202)	-14.85%	55.96%	41.99%	26.21%	-10.15%	-9.68%	-9.68%	-9.42%	-9.42%	-9.12%
	352 1995	8,707	(5,649)	4,489	(10,139)	-116.44%	-102.73%	-61.41%	-55.51%	-45.07%	-34.77%	-33.69%	-33.69%	-31.61%	-31.61%
	352 1996	3,792	1,050	1,046	5	0.12%	-81.08%	-74.59%	-47.34%	-43.75%	-37.00%	-31.57%	-30.67%	-30.67%	-28.98%
	352 1997	5,000	1,769	2,263	(494)	-9.87%	-5.56%	-60.73%	-57.43%	-38.66%	-36.37%	-31.82%	-29.23%	-28.48%	-28.48%
	352 1998	0	0	0	0	NA	-9.87%	-5.56%	-60.73%	-57.43%	-38.66%	-36.37%	-31.82%	-29.23%	-28.48%
	352 1999	1,391	0	0	0	0.00%	0.00%	-7.72%	-4.80%	-56.26%	-53.48%	-36.32%	-34.29%	-30.22%	-28.38%



Appendix E-1

PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015  
 TRANSMISSION, DISTRIBUTION, AND GENERAL PLANT  
 RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS

FERC Account	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
	352	2000	0	0	0	NA	0.00%	0.00%	-7.72%	-4.80%	-56.26%	-53.48%	-36.32%	-34.29%	-30.22%
	352	2001	3,546	5,562	221	150.64%	150.64%	108.19%	108.19%	48.79%	35.35%	-23.56%	-23.06%	-11.32%	-10.77%
	352	2002	3,648	0	0	0.00%	74.25%	74.25%	62.22%	62.22%	35.69%	27.93%	-20.27%	-20.00%	-9.95%
	352	2003	0	0	0	NA	0.00%	74.25%	74.25%	62.22%	62.22%	35.69%	27.93%	-20.27%	-20.00%
	352	2004	1	0	(293)	293	29348.00%	29348.00%	8.04%	78.32%	65.63%	65.63%	37.84%	29.61%	-19.14%
	352	2005	27,924	0	3,005	(3,005)	-10.76%	-9.71%	-9.71%	-8.59%	7.49%	7.49%	7.20%	5.15%	4.73%
	352	2006	0	0	0	NA	-10.76%	-9.71%	-9.71%	-8.59%	7.49%	7.49%	7.20%	7.20%	5.15%
	352	2007	15,247	0	3,123	(3,123)	-20.48%	-20.48%	-14.20%	-13.52%	-13.52%	-12.46%	-0.98%	-0.98%	-0.95%
	352	2008	18,229	0	2,376	(2,376)	-16.43%	-16.43%	-13.85%	-13.37%	-13.37%	-12.62%	-4.18%	-4.18%	-4.10%
	352	2009	16,600	0	1,428	(1,428)	-8.60%	-10.92%	-13.83%	-13.83%	-12.73%	-12.36%	-12.36%	-11.81%	-5.04%
	352	2010	7,668	0	22,427	(22,427)	-292.47%	-98.30%	-61.72%	-50.83%	-50.83%	-37.77%	-37.43%	-37.43%	-35.90%
	352	2011	7,659	660	1,619	(959)	-12.52%	-152.58%	-77.72%	-54.21%	-46.35%	-35.70%	-35.39%	-35.39%	-34.05%
	352	2012	178,226	0	3,316	(3,316)	-1.86%	-2.30%	-13.80%	-13.38%	-13.36%	-13.80%	-13.80%	-13.49%	-13.38%
	352	2013	44,890	5,363	42,789	(37,426)	-83.37%	-18.26%	-18.07%	-26.89%	-25.70%	-24.86%	-24.63%	-24.63%	-23.31%
	352	2014	3,350	238	5,107	(4,870)	-145.38%	-87.68%	-20.14%	-19.89%	-28.54%	-26.32%	-26.01%	-26.01%	-24.68%
	352	2015	0	0	0	NA	-145.38%	-87.68%	-20.14%	-19.89%	-28.54%	-27.25%	-26.32%	-26.01%	-26.01%
	353	1970	50,952	13,022	7,646	5,376	10.55%								
	353	1971	291,457	127,620	40,424	87,196	29.92%	27.04%							
	353	1972	249,240	33,069	21,622	11,447	4.59%	18.24%	17.58%						
	353	1973	119,550	60,206	55,973	4,233	3.54%	4.25%	15.58%	15.22%					
	353	1974	37,380	57,452	35,346	22,105	59.14%	16.78%	9.30%	17.92%	17.41%				
	353	1975	132,780	43,275	32,619	10,656	8.03%	19.25%	12.77%	8.99%	16.33%	16.00%			
	353	1976	136,715	55,067	47,161	7,907	5.78%	6.89%	13.25%	10.53%	8.34%	14.84%	14.63%		
	353	1977	597,864	291,220	160,320	130,900	21.89%	18.90%	17.23%	18.96%	17.16%	14.70%	17.54%	17.32%	
	353	1978	274,969	136,200	104,819	31,382	11.41%	18.59%	16.86%	15.83%	17.20%	15.95%	14.12%	16.62%	16.46%
	353	1979	52,988	31,265	36,361	(5,096)	-9.62%	8.01%	16.98%	15.54%	14.70%	16.05%	14.94%	13.33%	15.89%
	353	1980	116,586	119,063	83,990	35,072	30.08%	17.68%	13.80%	18.44%	16.98%	16.07%	17.26%	16.15%	14.47%
	353	1981	123,927	60,420	222,012	(161,592)	-130.39%	-52.60%	-44.84%	-17.63%	2.63%	2.96%	3.43%	4.84%	4.72%
	353	1982	211,938	463,152	288,390	174,761	82.46%	3.92%	10.66%	8.54%	9.55%	14.90%	14.08%	13.59%	14.60%
	353	1983	128,699	64,410	44,072	20,338	15.80%	57.27%	7.21%	11.80%	10.01%	10.43%	14.98%	14.22%	13.75%
	353	1984	74,952	12,944	5,289	7,655	10.21%	13.75%	48.79%	7.63%	11.62%	10.03%	10.42%	14.76%	14.04%
	353	1985	311,387	20,037	11,087	8,950	2.87%	4.30%	7.17%	29.12%	5.89%	8.80%	7.85%	8.60%	12.80%
	353	1986	143,752	925,009	101,890	823,120	572.60%	182.82%	158.41%	130.55%	118.85%	87.79%	81.74%	77.58%	64.94%
	353	1987	396,289	176,523	216,229	(39,705)	-10.02%	145.07%	93.06%	86.36%	77.75%	78.54%	59.93%	57.62%	55.33%
	353	1988	735,609	(2,234,425)	102,803	(2,337,228)	-317.73%	-210.00%	-121.81%	-97.34%	-92.49%	-84.71%	-67.02%	-70.71%	-65.47%
	353	1989	344,603	125,953	103,922	22,031	6.39%	-214.33%	-159.49%	-94.54%	-78.84%	-75.51%	-70.01%	-56.24%	-55.90%
	353	1990	757,594	(22,356)	177,879	(200,235)	-26.43%	-16.17%	-136.87%	-114.37%	-72.84%	-64.07%	-62.06%	-58.59%	-48.97%
	353	1991	316,010	170,432	86,792	83,640	26.47%	-10.86%	-6.67%	-112.91%	-96.92%	-61.19%	-54.55%	-52.98%	-50.22%
	353	1992	789,495	20,252	181,757	(161,504)	-20.46%	-7.04%	-14.93%	-11.60%	-88.11%	-78.84%	-51.96%	-47.46%	-46.34%
	353	1993	427,740	309,617	152,789	156,827	36.66%	-0.38%	5.15%	-5.29%	-3.77%	-72.28%	-65.73%	-42.27%	-38.94%
	353	1994	599,775	4,779	178,361	(173,582)	-28.94%	-1.63%	-9.81%	-4.44%	-10.20%	-8.43%	-65.73%	-60.68%	-40.49%
	353	1995	306,914	(479,632)	346,495	(826,126)	-269.17%	-110.26%	-63.16%	-47.29%	-37.74%	-35.06%	-31.03%	-74.37%	-55.06%
	353	1996	647,540	0	0	0	0.00%	-86.55%	-64.32%	-42.53%	-36.24%	-29.82%	-29.15%	-26.23%	-69.77%
	353	1997	103,745	29,245	142,383	(113,138)	-109.05%	-15.06%	-88.76%	-67.12%	-45.84%	-38.87%	-32.40%	-31.25%	-28.23%
	353	1998	747,103	53,071	258,383	(205,311)	-27.48%	-37.43%	-21.25%	-63.40%	-54.81%	-41.00%	-36.52%	-31.47%	-28.12%
	353	1999	0	0	0	0	NA	-27.48%	-37.43%	-21.25%	-63.40%	-54.81%	-41.00%	-36.52%	-31.47%
	353	2000	0	0	0	0	NA	NA	-27.48%	-21.25%	-63.40%	-54.81%	-41.00%	-36.52%	-31.47%
	353	2001	686,925	206,942	13,056	193,886	28.23%	28.23%	28.23%	-0.80%	-8.10%	-5.70%	-38.15%	-36.36%	-27.49%

Appendix E-1

PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015  
 TRANSMISSION, DISTRIBUTION, AND GENERAL PLANT  
 RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS

FERC Account	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2-yr Net Salv. %	3-yr Net Salv. %	4-yr Net Salv. %	5-yr Net Salv. %	6-yr Net Salv. %	7-yr Net Salv. %	8-yr Net Salv. %	9-yr Net Salv. %	10-yr Net Salv. %	
	353	2002	1,635,125	44,385	19,293	25,092	1.53%	9.43%	9.43%	9.43%	0.45%	-3.14%	-2.60%	-22.43%	-23.25%	-18.28%
	353	2003	346,639	0	4,097	(4,097)	-1.18%	1.06%	8.05%	8.05%	8.05%	0.28%	-2.94%	-2.49%	-20.78%	-21.74%
	353	2004	83,365	0	124,617	(124,617)	-149.48%	-29.93%	-5.02%	3.28%	3.28%	3.28%	-3.29%	-6.33%	-5.37%	-23.13%
	353	2005	3,551,938	0	177,052	(177,052)	-4.98%	-8.30%	-7.68%	-5.00%	-1.38%	-1.38%	-1.38%	-4.14%	-5.66%	-5.19%
	353	2006	5,637	0	20,398	(20,398)	-361.86%	-5.55%	-8.85%	-8.18%	-5.35%	-1.70%	-1.70%	-1.70%	-4.43%	-5.94%
	353	2007	1,133,831	0	181,977	(181,977)	-16.05%	-17.76%	-8.09%	-10.56%	-9.92%	-7.15%	-3.88%	-3.88%	-3.88%	-6.04%
	353	2008	1,724,546	9,603	244,231	(234,628)	-13.61%	-14.57%	-15.26%	-9.57%	-11.37%	-10.85%	-8.46%	-5.71%	-5.71%	-5.71%
	353	2009	1,844,701	49,251	1,009,388	(960,138)	-52.05%	-33.47%	-29.27%	-29.67%	-19.06%	-20.36%	-19.59%	-16.25%	-13.47%	-13.47%
	353	2010	1,934,027	91,083	691,976	(600,892)	-31.07%	-41.31%	-32.63%	-29.80%	-30.08%	-21.34%	-22.37%	-21.68%	-18.59%	-16.10%
	353	2011	6,857,934	99,919	784,265	(684,345)	-9.98%	-14.62%	-21.11%	-20.06%	-19.73%	-19.87%	-16.77%	-17.41%	-17.09%	-15.50%
	353	2012	2,976,087	70,483	1,049,145	(978,662)	-32.88%	-16.91%	-19.24%	-23.68%	-22.55%	-22.10%	-22.22%	-19.16%	-19.70%	-19.39%
	353	2013	2,747,575	237,978	1,306,457	(1,068,479)	-38.89%	-35.77%	-21.71%	-22.96%	-26.24%	-25.03%	-24.50%	-24.60%	-21.54%	-22.01%
	353	2014	1,226,205	57,859	355,178	(297,319)	-24.25%	-34.37%	-33.73%	-21.94%	-23.06%	-26.10%	-24.98%	-24.49%	-24.58%	-21.68%
	353	2015	109,207	1,659	55,816	(54,157)	-49.59%	-26.32%	-34.78%	-33.98%	-22.15%	-23.24%	-26.24%	-25.12%	-24.62%	-24.71%
	353.1	2008	10,091	0	0	0	0.00%									
	353.1	2009	20,674	0	4,446	(4,446)	-21.50%	-14.45%								
	353.1	2010	0	500	76,827	(76,327)	NA	-390.69%	-262.55%							
	353.1	2011	88,693	0	(71,089)	71,089	80.15%	-5.91%	-8.85%	-8.11%						
	353.1	2012	0	0	0	0	NA	80.15%	-5.91%	-8.85%	-8.11%					
	353.1	2013	0	0	0	0	NA	NA	80.15%	-5.91%	-8.85%	-8.11%				
	353.1	2014	0	0	0	0	NA	NA	80.15%	-5.91%	-8.85%	-0.08106				
	353.1	2015	74	0	0	0	0.00%	0.00%	0.00%	80.08%	-5.90%	-8.85%	-8.10%			
	354	1970	22,122	7,685	4,963	2,721	12.30%									
	354	1971	18,351	7,695	2,681	5,014	27.32%	19.11%								
	354	1972	34,954	11,654	8,382	3,272	9.36%	15.54%	14.59%							
	354	1973	3,637	1,531	1,566	(35)	-0.95%	8.39%	14.49%	13.88%						
	354	1974	33,502	7,992	5,408	2,583	7.71%	6.86%	8.07%	11.98%	12.04%					
	354	1975	6,238	4,717	3,911	806	12.92%	8.53%	7.73%	8.46%	12.04%	12.09%				
	354	1976	55,351	21,619	20,367	1,253	2.26%	3.34%	4.88%	4.67%	5.89%	8.48%	8.97%			
	354	1977	82,893	58,087	35,175	22,912	27.64%	17.48%	17.28%	15.48%	15.15%	14.22%	15.24%	14.99%		
	354	1978	(71,501)	0	0	0	0.00%	201.12%	36.20%	34.21%	25.88%	24.99%	21.22%	21.91%	20.76%	
	354	1979	157,072	20,116	25,735	(5,618)	-3.58%	-6.57%	10.27%	8.29%	8.41%	8.32%	8.20%	8.33%	9.42%	9.60%
	354	1980	86,080	45,658	35,430	10,229	11.88%	1.90%	2.69%	10.81%	9.29%	9.36%	9.20%	9.09%	9.12%	9.94%
	354	1981	78,974	28,297	114,374	(86,077)	-108.99%	-45.95%	-25.29%	-32.51%	-17.56%	-14.74%	-14.30%	-12.58%	-12.48%	-10.85%
	354	1982	22,110	64,131	43,926	20,205	91.39%	-65.17%	-29.73%	-17.80%	-22.46%	-10.78%	-9.03%	-8.70%	-7.48%	-7.43%
	354	1983	25,035	12,401	9,334	3,067	12.25%	49.36%	-49.80%	-24.78%	-15.76%	-19.54%	-9.27%	-7.80%	-7.51%	-6.44%
	354	1984	400,365	43,110	19,375	23,734	5.93%	6.30%	10.50%	-7.42%	-4.71%	-4.48%	-4.94%	-1.48%	-1.23%	-1.13%
	354	1985	18,547	4,707	2,865	1,842	9.93%	6.11%	6.45%	10.48%	-6.83%	-4.28%	-4.14%	-4.55%	-1.21%	-0.99%
	354	1986	167,574	529,462	64,152	465,310	277.67%	250.99%	83.70%	80.77%	81.14%	60.07%	54.88%	45.27%	48.93%	47.11%
	354	1987	107,136	21,717	29,262	(7,545)	-7.04%	166.64%	156.73%	69.68%	67.68%	68.39%	51.30%	47.56%	40.00%	42.88%
	354	1988	0	0	0	0	NA	-7.04%	166.64%	156.73%	69.68%	67.68%	68.39%	51.30%	47.56%	40.00%
	354	1989	161,371	46,365	42,081	4,285	2.66%	2.66%	-1.21%	105.96%	102.04%	57.03%	55.76%	56.63%	43.30%	40.77%
	354	1990	93,874	(2,643)	23,136	(25,780)	-27.46%	-8.42%	-8.01%	-8.01%	82.32%	79.87%	48.67%	47.74%	48.71%	37.12%
	354	1991	85,973	27,483	15,395	12,088	14.06%	-7.61%	-2.76%	-2.76%	-3.78%	72.79%	70.96%	45.80%	45.01%	45.95%
	354	1992	70,126	7,037	69,468	(62,431)	-89.03%	-32.25%	-30.45%	-17.46%	-17.46%	-15.31%	56.25%	55.03%	37.24%	36.69%
	354	1993	46,297	92,448	50,183	42,265	91.29%	-17.32%	-3.99%	-11.43%	-6.46%	-6.46%	-6.57%	58.47%	57.27%	39.41%

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PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015  
 TRANSMISSION, DISTRIBUTION, AND GENERAL PLANT  
 RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS

FERC Account	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
	354 1994	580,562	2,153	88,392	(86,239)	-14.85%	-7.02%	-15.27%	-12.05%	-13.70%	-11.16%	-11.16%	-10.77%	26.05%	25.82%
	354 1995	(153,001)	0	0	0	0.00%	-20.17%	-9.28%	-19.56%	-14.97%	-16.59%	-13.08%	-13.08%	-12.43%	29.48%
	354 1996	47,269	13,094	13,037	58	0.12%	-0.05%	-18.15%	-8.43%	-17.99%	-13.92%	-15.57%	-12.41%	-12.41%	-11.86%
	354 1997	0	0	0	0	NA	0.12%	-0.05%	-18.15%	-8.43%	-17.99%	-13.92%	-15.57%	-12.41%	-12.41%
	354 1998	282,702	139,544	94,445	45,099	15.95%	15.95%	13.69%	25.52%	-5.42%	0.15%	-7.01%	-5.12%	-7.11%	-5.81%
	354 1999	109,890	0	0	0	0.00%	11.49%	11.49%	10.27%	15.74%	-4.74%	0.13%	-6.23%	-4.60%	-6.44%
	354 2000	0	0	0	0	NA	0.00%	11.49%	11.49%	10.27%	15.74%	-4.74%	0.13%	-6.23%	-4.60%
	354 2001	0	0	0	0	NA	NA	0.00%	11.49%	11.49%	10.27%	15.74%	-4.74%	0.13%	-6.23%
	354 2002	0	0	27,501	(27,501)	NA	NA	NA	-25.03%	4.48%	4.48%	4.01%	6.15%	-7.91%	-2.88%
	354 2003	0	0	0	0	NA	NA	NA	NA	-25.03%	4.48%	4.48%	4.01%	6.15%	-7.91%
	354 2004	12,864	(18)	11,255	(11,273)	-87.63%	-87.63%	-301.42%	-301.42%	-301.42%	-31.59%	1.56%	1.56%	1.41%	2.13%
	354 2005	40,647	0	49,893	(49,893)	-122.75%	-114.31%	-114.31%	-165.70%	-165.70%	-165.70%	-54.26%	-9.77%	-9.77%	-8.82%
	354 2006	0	0	0	0	NA	-122.75%	-114.31%	-114.31%	-165.70%	-165.70%	-165.70%	-54.26%	-9.77%	-9.77%
	354 2007	412,884	113,114	16,480	96,633	23.40%	23.40%	10.31%	7.60%	7.60%	1.71%	1.71%	1.71%	1.38%	6.18%
	354 2008	230,730	0	285,641	(285,641)	-123.80%	-29.37%	-29.37%	-34.91%	-35.89%	-35.89%	-39.83%	-39.83%	-39.83%	-34.41%
	354 2009	4,017	0	1,835,557	(1,835,557)	-45697.57%	-903.61%	-312.61%	-312.61%	-301.40%	-297.48%	-297.48%	-301.40%	-301.40%	-301.40%
	354 2010	1,334,602	0	153,118	(153,118)	-11.47%	-148.56%	-144.92%	-109.86%	-109.86%	-110.12%	-109.98%	-109.98%	-111.33%	-111.33%
	354 2011	4,342	1,294	49,588	(48,294)	-1112.25%	-15.04%	-151.68%	-147.59%	-112.05%	-112.05%	-112.27%	-112.11%	-112.11%	-113.46%
	354 2012	7,513	737	15,918	(15,181)	-202.06%	-535.43%	-16.09%	-151.96%	-147.85%	-112.39%	-112.39%	-112.60%	-112.44%	-112.44%
	354 2013	488,967	7,441	376,324	(368,883)	-75.44%	-77.36%	-86.33%	-31.90%	-131.62%	-130.75%	-105.11%	-105.11%	-105.40%	-105.31%
	354 2014	16,030	979	5,004	(4,025)	-25.11%	-73.84%	-75.72%	-84.43%	-31.84%	-130.70%	-129.93%	-104.60%	-104.60%	-104.89%
	354 2015	2,623	0	13,776	(13,776)	-525.31%	-95.43%	-76.18%	-78.01%	-86.66%	-32.54%	-131.25%	-130.43%	-105.04%	-105.04%
	355 1970	32,278	38,897	25,123	13,774	42.67%									
	355 1971	14,235	31,502	10,976	20,526	144.19%	73.74%								
	355 1972	32,508	31,315	22,523	8,793	27.05%	62.72%	54.53%							
	355 1973	10,795	9,757	9,978	(221)	-2.05%	19.79%	50.57%	47.73%						
	355 1974	37,706	10,460	7,079	3,381	8.97%	6.52%	14.75%	34.10%	36.27%					
	355 1975	6,986	17,876	14,822	3,054	43.72%	14.40%	11.20%	17.05%	34.76%	36.66%				
	355 1976	57,573	2,783	2,621	161	0.28%	4.98%	6.45%	5.64%	10.42%	22.34%	25.75%			
	355 1977	69,896	34,422	20,845	13,577	19.42%	10.78%	12.49%	11.72%	10.91%	13.34%	21.45%	24.07%		
	355 1978	70,030	84,304	71,368	12,936	18.47%	18.95%	13.51%	14.54%	13.67%	13.00%	14.60%	20.75%	22.89%	
	355 1979	12,702	39,858	50,991	(11,133)	-87.64%	2.18%	10.08%	7.39%	8.56%	8.62%	8.19%	10.24%	16.35%	18.81%
	355 1980	69,896	9,184	7,126	2,057	2.94%	-10.99%	2.53%	7.84%	6.28%	7.19%	7.40%	7.10%	8.86%	13.90%
	355 1981	68,490	18,095	73,138	(55,043)	-80.37%	-38.29%	-42.44%	-23.15%	-12.92%	-10.74%	-9.67%	-7.88%	-7.73%	-5.14%
	355 1982	234,040	93,574	64,092	29,482	12.60%	-8.45%	-6.31%	-8.99%	-4.77%	-1.55%	-1.37%	-0.83%	-0.24%	-0.27%
	355 1983	58,613	30,890	23,250	7,640	13.03%	12.68%	-4.96%	-3.68%	-6.08%	-2.74%	-0.08%	-0.05%	0.42%	0.89%
	355 1984	109,677	25,394	11,413	13,981	12.75%	12.85%	12.70%	-0.84%	-0.35%	-2.35%	-0.01%	1.95%	1.82%	2.21%
	355 1985	145,344	141,311	86,013	55,298	38.05%	27.17%	24.53%	19.43%	8.34%	7.79%	6.05%	7.18%	8.20%	7.69%
	355 1986	370,071	370,071	44,840	325,232	302.89%	150.57%	108.86%	95.52%	65.89%	52.05%	47.72%	45.59%	43.42%	41.65%
	355 1987	194,460	14,520	19,565	(5,045)	-2.59%	106.08%	83.97%	69.94%	64.52%	50.22%	40.47%	37.82%	36.23%	35.06%
	355 1988	141,562	(563,924)	28,540	(592,464)	-418.52%	-177.82%	-61.41%	-36.85%	-29.07%	-25.81%	-16.74%	-20.85%	-19.38%	-20.14%
	355 1989	8,763	43,608	39,578	4,030	45.99%	-391.44%	-172.13%	-59.33%	-35.64%	-28.14%	-24.98%	-16.19%	-20.30%	-18.87%
	355 1990	48,683	(1,477)	12,925	(14,402)	-29.58%	-18.06%	-302.92%	-154.49%	-56.43%	-35.18%	-28.23%	-25.26%	-16.81%	-20.71%
	355 1991	556,288	16,491	9,238	7,253	1.30%	-1.18%	-0.51%	-78.85%	-63.24%	-26.05%	-18.30%	-15.71%	-14.48%	-10.53%
	355 1992	56,271	45,884	452,963	(407,080)	-723.43%	-65.27%	-62.64%	-61.22%	-123.55%	-100.17%	-61.30%	-49.83%	-44.81%	-42.43%
	355 1993	47,269	187,410	101,731	85,679	181.26%	-310.41%	-47.61%	-46.37%	-45.24%	-106.77%	-87.54%	-51.42%	-41.46%	-37.26%
	355 1994	190,473	226	9,299	(9,072)	-4.76%	32.22%	-112.40%	-38.01%	-37.56%	-36.75%	-88.25%	-74.86%	-44.84%	-36.79%
	355 1995	21,068	0	0	0	0.00%	-4.29%	29.60%	-104.89%	-37.09%	-36.70%	-35.92%	-86.52%	-73.61%	-44.15%

Appendix E-1

**PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015  
TRANSMISSION, DISTRIBUTION, AND GENERAL PLANT  
RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS**

		Activity					2- yr	3- yr	4- yr	5- yr	6- yr	7- yr	8- yr	9- yr	10- yr
FERC Account		Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %
	355	1996	21,443	72,167	71,850	317	1.48%	0.75%	-3.76%	27.45%	-98.11%	-36.17%	-35.83%	-35.07%	-84.79%
	355	1997	135,611	55,508	89,125	(33,617)	-24.79%	-21.20%	-18.70%	-11.50%	10.41%	-77.05%	-34.67%	-34.44%	-33.79%
	355	1998	291,423	114,335	183,579	(69,245)	-23.76%	-24.09%	-22.87%	-21.84%	-16.91%	-3.67%	-56.71%	-32.26%	-32.16%
	355	1999	109,890	0	0	0	0.00%	-17.25%	-19.16%	-18.37%	-17.70%	-14.50%	-3.17%	-49.58%	-29.78%
	355	2000	0	0	0	0	NA	0.00%	-17.25%	-19.16%	-18.37%	-17.70%	-14.50%	-3.17%	-49.58%
	355	2001	0	0	0	0	NA	NA	0.00%	-17.25%	-19.16%	-18.37%	-17.70%	-14.50%	-3.17%
	355	2002	280,099	0	29,263	(29,263)	-10.45%	-10.45%	-10.45%	-7.50%	-14.46%	-16.17%	-15.72%	-15.33%	-13.42%
	355	2003	0	0	1,978	(1,978)	NA	-11.15%	-11.15%	-11.15%	-8.01%	-14.75%	-16.41%	-15.96%	-15.56%
	355	2004	12,864	0	2,781	(2,781)	-21.62%	-36.99%	-11.61%	-11.61%	-11.61%	-8.45%	-14.87%	-16.49%	-16.04%
	355	2005	40,647	40,000	11,391	28,609	70.38%	48.27%	44.57%	-1.62%	-1.62%	-1.22%	-10.16%	-12.44%	-12.10%
	355	2006	0	0	62,347	(62,347)	NA	-83.00%	-68.25%	-71.94%	-20.31%	-20.31%	-20.31%	-15.28%	-18.64%
	355	2007	1,892,596	432,169	152,890	279,278	14.76%	11.46%	12.70%	12.47%	12.37%	9.50%	9.50%	9.50%	5.41%
	355	2008	242,743	0	411,956	(411,956)	-169.71%	-6.21%	-9.13%	-7.65%	-7.73%	-7.82%	-8.12%	-8.12%	-7.77%
	355	2009	95,207	0	182,390	(182,390)	-191.57%	-175.87%	-14.13%	-16.92%	-15.36%	-15.39%	-15.48%	-14.93%	-14.93%
	355	2010	116,213	0	363,625	(363,625)	-312.90%	-258.92%	-210.93%	-28.92%	-31.58%	-29.84%	-29.80%	-29.88%	-27.85%
	355	2011	253,200	8,607	1,482,502	(1,473,895)	-582.11%	-497.42%	-434.74%	-343.79%	-82.79%	-85.19%	-82.80%	-82.50%	-82.57%
	355	2012	536,504	1,345	485,449	(484,104)	-90.23%	-247.94%	-256.27%	-250.12%	-234.43%	-84.07%	-86.05%	-84.05%	-83.80%
	355	2013	977,767	60,693	1,460,694	(1,400,001)	-143.18%	-124.42%	-189.99%	-197.57%	-197.28%	-194.27%	-98.12%	-99.63%	-97.97%
	355	2014	395,998	0	871,981	(871,981)	-220.20%	-165.38%	-144.28%	-195.52%	-201.50%	-201.10%	-198.19%	-108.83%	-110.22%
	355	2015	549,157	3,666	637,290	(633,624)	-115.38%	-159.30%	-151.10%	-137.83%	-179.30%	-184.78%	-185.00%	-183.83%	-109.54%
	356	1970	119,030	19,472	12,672	6,800	5.71%								
	356	1971	126,806	57,691	20,253	37,437	29.52%	17.99%							
	356	1972	171,122	46,973	34,040	12,933	7.56%	16.91%	13.71%						
	356	1973	38,095	35,985	37,080	(1,094)	-2.87%	5.66%	14.66%	12.32%					
	356	1974	26,328	6,524	4,449	2,075	7.88%	1.52%	5.91%	14.17%	12.08%				
	356	1975	43,407	13,518	11,293	2,225	5.13%	6.17%	2.97%	5.79%	13.20%	11.50%			
	356	1976	121,386	0	0	0	0.00%	1.35%	2.25%	1.40%	4.03%	10.16%	9.34%		
	356	1977	162,896	97,924	59,749	38,176	23.44%	13.43%	12.33%	12.00%	10.55%	9.64%	13.30%	12.18%	
	356	1978	343,193	0	0	0	0.00%	7.54%	6.08%	6.02%	6.09%	5.63%	5.99%	8.88%	8.55%
	356	1979	54,043	57,546	74,176	(16,630)	-30.77%	-4.19%	3.85%	3.16%	3.28%	3.44%	3.14%	3.92%	6.91%
	356	1980	95,900	123,641	96,669	26,972	28.13%	6.90%	2.10%	7.40%	6.24%	6.18%	6.23%	5.84%	6.12%
	356	1981	162,379	72,547	295,450	(222,903)	-137.27%	-75.86%	-68.06%	-32.43%	-21.31%	-18.56%	-17.51%	-16.85%	-16.34%
	356	1982	439,231	0	0	0	0.00%	-37.05%	-28.09%	-28.28%	-19.42%	-13.87%	-12.65%	-12.10%	-11.74%
	356	1983	56,266	60,697	46,031	14,666	26.07%	2.96%	-31.65%	-24.05%	-24.50%	-17.19%	-12.16%	-11.13%	-10.65%
	356	1984	200,337	42,148	19,087	23,061	11.51%	14.70%	5.42%	-21.58%	-16.58%	-17.34%	-12.94%	-9.02%	-8.36%
	356	1985	170,200	122,784	75,302	47,482	27.90%	19.04%	19.96%	9.84%	-13.39%	-9.85%	-10.81%	-8.37%	-5.29%
	356	1986	182,169	608,594	74,299	534,295	293.30%	165.10%	109.43%	101.73%	59.10%	32.76%	32.42%	29.91%	23.89%
	356	1987	127,073	17,983	24,415	(6,431)	-5.06%	170.70%	120.00%	88.03%	83.29%	52.16%	29.17%	29.10%	26.92%
	356	1988	27,395	(318,227)	16,227	(334,454)	-1220.86%	-220.68%	57.45%	47.53%	37.32%	36.50%	23.17%	4.08%	5.66%
	356	1989	55,251	40,942	37,440	3,502	6.34%	-400.45%	-160.87%	50.25%	43.48%	35.08%	34.46%	22.43%	4.17%
	356	1990	170,052	(2,951)	26,019	(28,970)	-17.04%	-11.30%	-142.43%	-96.47%	29.89%	29.42%	25.58%	25.60%	17.73%
	356	1991	957,773	20,709	11,688	9,020	0.94%	-1.77%	-1.39%	-28.99%	-26.72%	11.64%	13.28%	13.09%	13.47%
	356	1992	107,651	35,296	351,084	(315,788)	-293.34%	-28.79%	-27.17%	-25.74%	-50.58%	-46.58%	-8.53%	-5.08%	-3.42%
	356	1993	111,494	194,339	106,292	88,047	78.97%	-103.92%	-18.58%	-18.39%	-17.41%	-40.48%	-37.58%	-2.92%	-0.17%
	356	1994	351,353	2,662	110,114	(107,452)	-30.58%	-4.19%	-58.75%	-21.34%	-20.91%	-20.05%	-38.52%	-36.30%	-7.57%
	356	1995	414,074	0	0	0	0.00%	-14.04%	-2.21%	-34.04%	-16.79%	-16.81%	-16.22%	-31.26%	-29.82%
	356	1996	408,122	5,133	5,149	(16)	0.00%	0.00%	-9.16%	-1.51%	-24.07%	-13.88%	-14.09%	-13.65%	-26.36%
	356	1997	595,177	79,303	90,195	(10,891)	-1.83%	-1.09%	-0.77%	-6.69%	-1.61%	-17.41%	-11.44%	-11.75%	-21.79%

FERC Account	Activity		Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr	3- yr	4- yr	5- yr	6- yr	7- yr	8- yr	9- yr	10- yr	
	Year	Retirements					Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %
	356	1998	1,873,532	225,265	256,202	(30,938)	-1.65%	-1.69%	-1.45%	-1.27%	-4.10%	-1.63%	-9.76%	-7.64%	-7.96%	-7.80%
	356	1999	5,518,058	0	0	0	0.00%	-0.42%	-0.52%	-0.50%	-0.48%	-1.63%	-0.66%	-4.02%	-3.56%	-3.78%
	356	2000	0	0	0	0	NA	0.00%	-0.42%	-0.52%	-0.50%	-0.48%	-1.63%	-0.66%	-4.02%	-3.56%
	356	2001	171	0	774	(774)	-453.08%	-453.08%	-0.01%	-0.43%	-0.53%	-0.51%	-0.48%	-1.64%	-0.67%	-4.03%
	356	2002	594,513	254,295	18,924	235,371	39.59%	39.45%	39.45%	3.84%	2.55%	2.14%	2.05%	0.87%	1.76%	
	356	2003	1,109	9,796	1,734	8,062	726.92%	40.87%	40.73%	40.73%	3.97%	2.65%	2.34%	2.23%	2.14%	0.96%
	356	2004	158,986	0	4,699	(4,699)	-2.96%	2.10%	31.64%	31.53%	31.53%	3.79%	2.54%	2.24%	2.14%	2.05%
	356	2005	764,332	0	16,984	(16,984)	-2.22%	-2.35%	-1.47%	14.60%	14.55%	14.55%	3.14%	2.13%	1.88%	1.81%
	356	2006	0	0	14,670	(14,670)	NA	-4.14%	-3.94%	-3.06%	13.63%	13.58%	13.58%	2.93%	1.97%	1.73%
	356	2007	1,617,608	46,576	2,537	44,039	2.72%	1.82%	0.52%	0.30%	0.62%	8.01%	7.98%	7.98%	2.89%	2.08%
	356	2008	179,357	68,693	24,753	43,941	24.50%	4.90%	4.08%	2.20%	1.90%	2.19%	8.90%	8.87%	8.87%	3.33%
	356	2009	465,377	(68,693)	39,540	(108,234)	-23.26%	-9.97%	-0.90%	-1.54%	-1.72%	-1.78%	-1.52%	4.94%	4.92%	4.92%
	356	2010	452,368	284,573	305,394	(20,821)	-4.60%	-14.06%	-7.76%	-1.51%	-2.05%	-2.09%	-2.13%	-1.91%	3.92%	3.90%
	356	2011	1,380,465	601,562	1,050,969	(449,407)	-32.55%	-25.66%	-25.17%	-21.57%	-11.98%	-12.34%	-10.74%	-10.50%	-10.33%	-5.05%
	356	2012	275,156	3,158	270,022	(266,864)	-96.99%	-43.26%	-34.97%	-32.85%	-29.11%	-17.33%	-17.66%	-15.37%	-14.99%	-14.84%
	356	2013	873,129	47,228	1,790,192	(1,742,964)	-199.62%	-175.03%	-97.25%	-83.19%	-75.10%	-70.17%	-47.68%	-47.96%	-42.14%	-41.13%
	356	2014	68,735	26	24,212	(24,186)	-35.19%	-187.62%	-167.13%	-95.61%	-82.11%	-74.32%	-69.52%	-47.52%	-47.80%	-42.07%
	356	2015	415,012	66,451	292,429	(225,978)	-54.45%	-51.71%	-146.89%	-138.48%	-89.94%	-78.80%	-72.22%	-68.00%	-48.02%	-48.28%
	357	1970	0	0	0	0	NA									
	357	1971	0	0	0	0	NA	NA								
	357	1972	0	0	0	0	NA	NA	NA							
	357	1973	0	0	0	0	NA	NA	NA	NA						
	357	1974	0	0	0	0	NA	NA	NA	NA	NA					
	357	1975	0	0	0	0	NA	NA	NA	NA	NA	NA				
	357	1976	0	0	0	0	NA	NA	NA	NA	NA	NA	NA			
	357	1977	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA		
	357	1978	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	
	357	1979	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	1980	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	1981	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	1982	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	1983	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	1984	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	1985	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	1986	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	1987	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	1988	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	1989	0	0	0	0	NA	NA	25%	NA	NA	NA	NA	NA	NA	NA
	357	1990	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	1991	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	1992	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	1993	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	1994	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	1995	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	1996	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	1997	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	1998	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	1999	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

FERC Account	Activity		Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr	3- yr	4- yr	5- yr	6- yr	7- yr	8- yr	9- yr	10- yr
	Year	Retirements					Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %
	357	2000	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	2001	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	2002	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	2003	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	2004	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	2005	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	2006	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	2007	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	2008	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	2009	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	2010	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	2011	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	2012	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	357	2013	82,476	78,614	45,807	39.78%	39.78%	39.78%	39.78%	39.78%	39.78%	39.78%	39.78%	39.78%	39.78%
	357	2014	0	0	0	NA	39.78%	39.78%	39.78%	39.78%	39.78%	39.78%	39.78%	39.78%	39.78%
	357	2015	0	0	0	NA	NA	39.78%	39.78%	39.78%	39.78%	39.78%	39.78%	39.78%	39.78%
	358	1970	0	0	0	NA									
	358	1971	0	0	0	NA	NA								
	358	1972	0	0	0	NA	NA	NA							
	358	1973	0	0	0	NA	NA	NA	NA						
	358	1974	0	0	0	NA	NA	NA	NA	NA					
	358	1975	0	12	10	2	NA	NA	NA	NA	NA				
	358	1976	0	0	0	0	NA	NA	NA	NA	NA	NA			
	358	1977	0	0	0	0	NA	NA	NA	NA	NA	NA	NA		
	358	1978	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	
	358	1979	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	358	1980	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	358	1981	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	358	1982	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	358	1983	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	358	1984	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	358	1985	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	358	1986	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	358	1987	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	358	1988	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	358	1989	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	358	1990	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	358	1991	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	358	1992	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	358	1993	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	358	1994	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	358	1995	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	358	1996	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	358	1997	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	358	1998	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	358	1999	283,285	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	358	2000	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	358	2001	0	0	0	0	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

FERC Account	Activity		Salvage	Removal Cost	Net Salvage	Net Salv. %	2-yr Net Salv. %	3-yr Net Salv. %	4-yr Net Salv. %	5-yr Net Salv. %	6-yr Net Salv. %	7-yr Net Salv. %	8-yr Net Salv. %	9-yr Net Salv. %	10-yr Net Salv. %
	Year	Retirements													
	358	2002	5,481	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	358	2003	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	358	2004	0	0	1,178	(1,178)	NA	NA	-21.50%	-21.50%	-21.50%	-0.41%	-0.41%	-0.41%	-0.41%
	358	2005	0	0	0	0	NA	NA	-21.50%	-21.50%	-21.50%	-0.41%	-0.41%	-0.41%	-0.41%
	358	2006	0	0	0	0	NA	NA	NA	-21.50%	-21.50%	-21.50%	-0.41%	-0.41%	-0.41%
	358	2007	245,765	0	258,005	(258,005)	-104.98%	-104.98%	-104.98%	-105.46%	-105.46%	-103.16%	-103.16%	-103.16%	-48.49%
	358	2008	0	0	0	0	NA	-104.98%	-104.98%	-105.46%	-105.46%	-103.16%	-103.16%	-103.16%	-48.49%
	358	2009	0	0	0	0	NA	NA	-104.98%	-104.98%	-104.98%	-105.46%	-105.46%	-103.16%	-103.16%
	358	2010	0	0	0	0	NA	NA	NA	-104.98%	-104.98%	-105.46%	-105.46%	-103.16%	-103.16%
	358	2011	0	0	0	0	NA	NA	NA	NA	-104.98%	-104.98%	-105.46%	-105.46%	-103.16%
	358	2012	0	0	0	0	NA	NA	NA	NA	-104.98%	-104.98%	-104.98%	-105.46%	-105.46%
	358	2013	0	0	0	0	NA	NA	NA	NA	NA	-104.98%	-104.98%	-104.98%	-105.46%
	358	2014	841,449	0	5,425	(5,425)	-0.64%	-0.64%	-0.64%	-0.64%	-0.64%	-0.64%	-24.23%	-24.23%	-24.23%
	358	2015	0	0	0	0	NA	-0.64%	-0.64%	-0.64%	-0.64%	-0.64%	-0.64%	-24.23%	-24.23%
	359	1970	0	0	0	0	NA								
	359	1971	0	0	0	0	NA	NA							
	359	1972	0	0	0	0	NA	NA	NA						
	359	1973	0	0	0	0	NA	NA	NA	NA					
	359	1974	0	0	0	0	NA	NA	NA	NA	NA				
	359	1975	0	0	0	0	NA	NA	NA	NA	NA	NA			
	359	1976	0	0	0	0	NA	NA	NA	NA	NA	NA	NA		
	359	1977	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	
	359	1978	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	359	1979	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	359	1980	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	359	1981	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	359	1982	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	359	1983	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	359	1984	627	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	359	1985	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	359	1986	0	0	0	0	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	359	1987	0	0	0	0	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	359	1988	0	0	0	0	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%
	359	1989	0	0	0	0	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%
	359	1990	0	0	0	0	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%
	359	1991	0	0	0	0	NA	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%
	359	1992	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	0.00%	0.00%
	359	1993	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	0.00%
	359	1994	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	359	1995	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	359	1996	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	359	1997	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	359	1998	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	359	1999	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	359	2000	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	359	2001	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	359	2002	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	359	2003	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA

Appendix E-1

PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015  
 TRANSMISSION, DISTRIBUTION, AND GENERAL PLANT  
 RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS

FERC Account	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
	359 2004	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	359 2005	2,536	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	359 2006	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	359 2007	0	0	0	0	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	359 2008	0	0	0	0	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	359 2009	0	0	0	0	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	359 2010	0	0	0	0	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%
	359 2011	0	0	0	0	NA	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%
	359 2012	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%
	359 2013	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	0.00%	0.00%
	359 2014	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	0.00%
	359 2015	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
360 Easements															
	360 1999	0	0	0	0	NA									
	360 2000	0	0	0	0	NA	NA								
	360 2001	0	0	0	0	NA	NA	NA							
	360 2002	2,222	0	0	0	0.00%	0.00%	0.00%	0.00%						
	360 2003	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%					
	360 2004	0	0	71	(71)	NA	NA	-3.21%	-3.21%	-3.21%	-3.21%				
	360 2005	0	0	0	0	NA	NA	NA	-3.21%	-3.21%	-3.21%	-3.21%			
	360 2006	0	0	0	0	NA	NA	NA	NA	-3.21%	-3.21%	-3.21%	-3.21%		
	360 2007	181	0	0	0	0.00%	0.00%	0.00%	-39.38%	-39.38%	-2.97%	-2.97%	-2.97%	-2.97%	
	360 2008	0	0	0	0	NA	0.00%	0.00%	0.00%	-39.38%	-39.38%	-2.97%	-2.97%	-2.97%	-2.97%
	360 2009	14,095	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	-0.50%	-0.50%	-0.43%	-0.43%	-0.43%
	360 2010	4,146	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.39%	-0.39%	-0.35%	-0.35%
	360 2011	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.39%	-0.39%	-0.35%
	360 2012	0	0	0	0	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.39%	-0.39%
	360 2013	0	0	0	0	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.39%
	360 2014	0	0	0	0	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	360 2015	0	0	0	0	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%
	361 1970	103,997	47,336	45,137	2,199	2.11%									
	361 1971	23,848	146,510	122,481	24,029	100.76%	20.52%								
	361 1972	40,479	6,708	13,783	(7,075)	-17.48%	26.36%	11.38%							
	361 1973	19,844	5,623	5,474	149	0.75%	-11.48%	20.32%	10.26%						
	361 1974	11,974	0	0	0	0.00%	0.47%	-9.58%	17.79%	9.64%					
	361 1975	18,831	8,268	6,860	1,407	7.47%	4.57%	3.07%	-6.06%	16.10%	9.46%				
	361 1976	13,262	8,366	6,559	1,806	13.62%	10.01%	7.29%	5.26%	-3.56%	15.84%	9.70%			
	361 1977	23,426	2,745	2,141	604	2.58%	6.57%	6.88%	5.66%	4.54%	-2.43%	13.79%	9.04%		
	361 1978	12,738	3,544	2,822	723	5.67%	3.67%	6.34%	6.65%	5.66%	4.69%	-1.70%	13.17%	8.88%	
	361 1979	36,121	18,053	13,874	4,179	11.57%	10.03%	7.62%	8.55%	8.35%	7.49%	6.51%	1.02%	12.88%	9.20%
	361 1980	6,847	15,189	9,063	6,126	89.47%	23.98%	19.80%	14.70%	14.54%	13.35%	12.05%	10.48%	4.32%	15.41%
	361 1981	5,724	6,219	5,324	895	15.63%	55.85%	23.00%	19.41%	14.76%	14.61%	13.46%	12.21%	10.68%	4.66%
	361 1982	100,726	10,126	14,440	(4,313)	-4.28%	-3.21%	2.39%	4.61%	4.69%	4.43%	5.04%	5.25%	4.98%	4.64%
	361 1983	3,604	41,499	42,506	(1,007)	-27.95%	-5.10%	-4.02%	1.45%	3.84%	3.98%	3.81%	4.45%	4.71%	4.47%
	361 1984	15,079	0	0	0	0.00%	-5.39%	-4.46%	-3.54%	1.29%	3.50%	3.65%	3.53%	4.14%	4.41%
	361 1985	26,761	8,229	14,220	(5,991)	-22.39%	-14.32%	-15.40%	-7.74%	-6.86%	-2.70%	-0.06%	0.29%	0.53%	1.24%



Activity			Removal		Net		2-yr	3-yr	4-yr	5-yr	6-yr	7-yr	8-yr	9-yr	10-yr	
FERC Account	Year	Retirements	Salvage	Cost	Salvage	Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	
	361	1986	61,118	6,247	10,097	(3,850)	-6.30%	-11.20%	-9.56%	-10.18%	-7.31%	-6.70%	-3.70%	-1.55%	-1.21%	-0.90%
	361	1987	175,717	62,023	86,090	(24,067)	-13.70%	-11.79%	-12.86%	-12.17%	-12.37%	-10.24%	-9.86%	-8.14%	-6.49%	-6.14%
	361	1988	11,347	102,859	183,185	(80,326)	-707.90%	-55.81%	-43.61%	-41.55%	-39.39%	-39.25%	-30.32%	-29.66%	-27.65%	-24.46%
	361	1989	421,137	8,404	10,126	(1,722)	-0.41%	-18.97%	-16.43%	-17.45%	-16.66%	-16.31%	-16.36%	-14.87%	-14.66%	-13.80%
	361	1990	139,628	28,772	20,748	8,024	5.75%	1.12%	-12.94%	-13.12%	-12.60%	-12.91%	-12.69%	-12.75%	-11.86%	-11.69%
	361	1991	74,309	11,726	13,341	(1,615)	-2.17%	3.00%	0.74%	-11.70%	-12.13%	-11.72%	-12.04%	-11.84%	-11.90%	-11.16%
	361	1992	11,141	0	0	0	0.00%	-1.89%	2.85%	0.73%	-11.50%	-11.97%	-11.58%	-11.89%	-11.70%	-11.76%
	361	1993	151,605	21,649	31,944	(10,295)	-6.79%	-6.33%	-5.02%	-1.03%	-0.70%	-10.62%	-11.17%	-10.88%	-11.17%	-11.02%
	361	1994	36,744	2,244	7,023	(4,778)	-13.00%	-8.00%	-7.56%	-6.09%	-2.10%	-1.24%	-10.72%	-11.23%	-10.96%	-11.23%
	361	1995	29,835	20,572	23,105	(2,533)	-8.49%	-10.98%	-8.07%	-7.68%	-6.33%	-2.53%	-1.49%	-10.65%	-11.16%	-10.89%
	361	1996	2,679	0	0	0	0.00%	-7.79%	-10.56%	-7.97%	-7.59%	-6.27%	-2.51%	-1.49%	-10.61%	-11.13%
	361	1997	7,394	17,539	20,422	(2,882)	-38.98%	-28.61%	-13.57%	-13.30%	-8.98%	-8.56%	-7.05%	-3.11%	-1.81%	-10.85%
	361	1998	30,783	0	0	0	0.00%	-7.55%	-7.05%	-7.66%	-9.49%	-7.91%	-7.58%	-6.42%	-2.91%	-1.75%
	361	1999	16,128	0	0	0	0.00%	0.00%	-5.31%	-5.06%	-6.24%	-8.25%	-7.45%	-7.16%	-6.13%	-2.81%
	361	2000	0	0	0	0	NA	0.00%	0.00%	-5.31%	-5.06%	-6.24%	-8.25%	-7.45%	-7.16%	-6.13%
	361	2001	0	1,815	72	1,743	NA	NA	10.81%	3.72%	-2.10%	-2.00%	-4.23%	-6.84%	-6.81%	-6.55%
	361	2002	147,390	0	40,072	(40,072)	-27.19%	-26.01%	-26.01%	-23.44%	-19.73%	-20.43%	-20.16%	-18.68%	-17.91%	-13.92%
	361	2003	15,689	0	0	0	0.00%	-24.57%	-23.50%	-23.50%	-21.39%	-18.25%	-18.96%	-18.73%	-17.50%	-16.93%
	361	2004	0	0	0	0	NA	0.00%	-24.57%	-23.50%	-23.50%	-21.39%	-18.25%	-18.96%	-18.73%	-17.50%
	361	2005	462,626	0	(27,488)	27,488	5.94%	5.94%	5.75%	-2.01%	-1.73%	-1.73%	-1.69%	-1.61%	-2.02%	-2.01%
	361	2006	0	0	0	0	NA	5.94%	5.94%	5.75%	-2.01%	-1.73%	-1.73%	-1.69%	-1.61%	-2.02%
	361	2007	0	0	4,295	(4,295)	NA	NA	5.01%	5.01%	4.85%	-2.70%	-2.42%	-2.42%	-2.36%	-2.25%
	361	2008	21,462	0	11,239	(11,239)	-52.37%	-72.38%	-72.38%	2.47%	2.47%	2.39%	-4.34%	-4.08%	-4.08%	-3.98%
	361	2009	53,750	0	15,366	(15,366)	-28.59%	-35.37%	-41.08%	-41.08%	-0.63%	-0.63%	-0.62%	-6.20%	-5.96%	-5.96%
	361	2010	100,828	0	4,153	(4,153)	-4.12%	-12.63%	-17.47%	-19.91%	-19.91%	-1.18%	-1.18%	-1.16%	-5.94%	-5.72%
	361	2011	66,346	0	35,245	(35,245)	-53.12%	-23.57%	-24.79%	-27.23%	-29.00%	-29.00%	-6.07%	-6.07%	-5.94%	-9.55%
	361	2012	20,377	0	7,649	(7,649)	-37.54%	-49.46%	-25.08%	-28.87%	-28.03%	-29.66%	-29.66%	-6.96%	-6.96%	-6.81%
	361	2013	27,060	0	17,084	(17,084)	-63.13%	-52.14%	-52.71%	-29.88%	-29.62%	-31.31%	-32.79%	-32.79%	-8.98%	-8.98%
	361	2014	16,327	2,835	25,614	(22,780)	-139.52%	-91.88%	-74.51%	-63.61%	-37.63%	-35.93%	-37.08%	-38.48%	-38.48%	-11.75%
	361	2015	13,954	0	761	(761)	-5.45%	-77.74%	-70.85%	-62.11%	-57.97%	-35.80%	-34.50%	-35.70%	-37.04%	-37.04%
	361.1	2010	13,688	0	0	0	0.00%									
	361.1	2011	0	0	0	0	NA	0.00%								
	361.1	2012	0	0	0	0	NA	NA	0.00%							
	361.1	2013	0	0	0	0	NA	NA	NA	0.00%						
	361.1	2014	0	0	0	0	NA	NA	NA	NA	0.00%					
	361.1	2015	0	0	0	0	NA	NA	NA	NA	NA	0.00%				
	362	1970	359,567	262,133	227,231	34,902	9.71%									
	362	1971	671,347	191,781	145,752	46,030	6.86%	7.85%								
	362	1972	705,261	136,649	255,234	(118,585)	-16.81%	-5.27%	-2.17%							
	362	1973	496,820	149,445	132,262	17,183	3.46%	-8.44%	-2.96%	-0.92%						
	362	1974	363,107	177,199	124,121	53,078	14.62%	8.17%	-3.09%	-0.10%	1.26%					
	362	1975	593,420	237,054	178,820	58,234	9.81%	11.64%	8.84%	0.46%	1.98%	2.85%				
	362	1976	616,643	185,020	131,881	53,139	8.62%	9.20%	10.45%	8.77%	2.27%	3.16%	3.78%			
	362	1977	517,006	125,240	88,790	36,450	7.05%	7.90%	8.56%	9.61%	8.43%	3.02%	3.67%	4.17%		
	362	1978	596,656	95,842	69,366	26,476	4.44%	5.65%	6.71%	7.50%	8.46%	7.68%	3.24%	3.77%	4.21%	
	362	1979	760,404	667,911	466,639	201,272	26.47%	16.78%	14.10%	12.74%	12.18%	12.43%	11.30%	7.04%	7.02%	7.19%

Appendix E-1

PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015  
 TRANSMISSION, DISTRIBUTION, AND GENERAL PLANT  
 RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS

		Activity						2- yr	3- yr	4- yr	5- yr	6- yr	7- yr	8- yr	9- yr	10- yr
		Year	Retirements	Salvage	Removal	Net	Net	Net	Net	Net	Net	Net	Net	Net	Net	Net
FERC Account					Cost	Salvage	Salv. %	Salv. %	Salv. %	Salv. %	Salv. %	Salv. %	Salv. %	Salv. %	Salv. %	Salv. %
	362	1980	338,022	543,717	294,932	248,785	73.60%	40.97%	28.11%	23.19%	20.01%	18.24%	17.90%	16.22%	11.55%	10.99%
	362	1981	319,605	331,953	258,356	73,598	23.03%	49.02%	36.93%	27.31%	23.17%	20.32%	18.65%	18.30%	16.69%	12.24%
	362	1982	527,345	167,534	217,172	(49,638)	-9.41%	2.83%	23.02%	24.37%	19.69%	17.55%	16.05%	15.19%	15.14%	14.01%
	362	1983	644,093	496,158	462,002	34,155	5.30%	-1.32%	3.90%	16.78%	19.62%	16.78%	15.42%	14.45%	13.89%	13.94%
	362	1984	819,920	14,079	19,100	(5,022)	-0.61%	1.99%	-1.03%	2.30%	11.40%	14.76%	13.22%	12.52%	12.05%	11.82%
	362	1985	492,541	273,677	429,925	(156,248)	-31.72%	-12.29%	-6.50%	-7.12%	-3.68%	4.64%	8.89%	8.30%	8.17%	8.22%
	362	1986	1,150,182	285,782	419,899	(134,118)	-11.66%	-17.68%	-11.99%	-8.41%	-8.55%	-6.00%	0.27%	4.21%	4.24%	4.47%
	362	1987	1,073,807	499,101	629,790	(130,689)	-12.17%	-11.91%	-15.50%	-12.05%	-9.37%	-9.38%	-7.32%	-2.22%	1.34%	1.62%
	362	1988	1,171,352	131,719	213,256	(81,537)	-6.96%	-9.45%	-10.20%	-12.93%	-10.78%	-8.85%	-8.90%	-7.25%	-3.07%	0.01%
	362	1989	669,683	96,523	105,729	(9,205)	-1.37%	-4.93%	-7.60%	-8.75%	-11.23%	-9.61%	-8.02%	-8.13%	-6.68%	-2.91%
	362	1990	1,025,784	412,702	270,550	142,152	13.86%	7.84%	1.79%	-2.01%	-4.19%	-6.62%	-5.85%	-4.83%	-5.15%	-4.01%
	362	1991	570,722	176,449	182,496	(6,047)	-1.06%	8.53%	5.60%	1.32%	-1.89%	-3.88%	-6.10%	-5.46%	-4.55%	-4.86%
	362	1992	1,321,408	216,209	468,359	(252,151)	-19.08%	-13.65%	-3.98%	-3.49%	-4.35%	-5.79%	-6.75%	-8.40%	-7.63%	-6.70%
	362	1993	3,649,121	456,273	612,040	(155,767)	-4.27%	-8.21%	-7.47%	-4.14%	-3.88%	-4.31%	-5.20%	-5.90%	-7.04%	-6.60%
	362	1994	2,115,218	174,210	495,588	(321,378)	-15.19%	-8.28%	-10.29%	-9.60%	-6.83%	-6.44%	-6.50%	-7.02%	-7.44%	-8.35%
	362	1995	721,458	0	0	0	0.00%	-11.33%	-7.36%	-9.34%	-8.78%	-6.31%	-5.98%	-6.08%	-6.61%	-7.04%
	362	1996	383,861	189,742	337,642	(147,900)	-38.53%	-13.38%	-14.57%	-9.10%	-10.71%	-10.08%	-7.57%	-7.17%	-7.15%	-7.58%
	362	1997	1,098,774	546,035	590,314	(44,279)	-4.03%	-12.96%	-8.72%	-11.89%	-8.40%	-9.92%	-9.41%	-7.21%	-6.88%	-6.88%
	362	1998	2,172,174	287,883	311,228	(23,345)	-1.07%	-2.07%	-5.90%	-4.92%	-8.27%	-6.83%	-8.24%	-7.90%	-6.19%	-5.96%
	362	1999	448,055	0	0	0	0.00%	-0.89%	-1.82%	-5.25%	-4.47%	-7.74%	-6.54%	-7.93%	-7.62%	-5.99%
	362	2000	0	0	0	0	NA	0.00%	-0.89%	-1.82%	-5.25%	-4.47%	-7.74%	-6.54%	-7.93%	-7.62%
	362	2001	714,954	300,066	16,289	283,777	39.69%	39.69%	24.40%	7.81%	4.87%	1.42%	1.23%	-3.31%	-3.62%	-5.24%
	362	2002	2,065,404	22,769	40,221	(17,452)	-0.84%	9.58%	9.58%	8.25%	4.50%	3.06%	0.74%	0.67%	-2.78%	-3.19%
	362	2003	638,612	0	36,886	(36,886)	-5.78%	-2.01%	6.71%	6.71%	5.93%	3.41%	2.27%	0.18%	0.17%	-2.97%
	362	2004	290,538	0	111,980	(111,980)	-38.54%	-16.02%	-5.55%	3.17%	3.17%	2.83%	1.49%	0.67%	-1.26%	-1.15%
	362	2005	6,883,906	0	674,974	(674,974)	-9.81%	-10.97%	-10.54%	-8.52%	-5.26%	-5.26%	-5.05%	-4.40%	-4.37%	-5.26%
	362	2006	374,543	0	72,897	(72,897)	-19.46%	-10.30%	-11.39%	-10.95%	-8.92%	-5.75%	-5.75%	-5.52%	-4.81%	-4.75%
	362	2007	1,897,495	161,058	651,078	(490,020)	-25.82%	-24.78%	-13.52%	-14.29%	-13.75%	-11.56%	-8.71%	-8.71%	-8.42%	-7.39%
	362	2008	2,074,856	0	196,570	(196,570)	-9.47%	-17.28%	-17.47%	-12.77%	-13.42%	-13.02%	-11.25%	-8.82%	-8.82%	-8.56%
	362	2009	1,964,667	83,031	292,950	(209,919)	-10.68%	-10.06%	-15.10%	-15.36%	-12.46%	-13.02%	-12.70%	-11.18%	-9.03%	-9.03%
	362	2010	521,738	3,475	543,780	(540,305)	-103.56%	-30.17%	-20.76%	-22.25%	-22.09%	-15.93%	-16.40%	-15.93%	-14.07%	-11.86%
	362	2011	681,183	0	112,931	(112,931)	-16.58%	-54.30%	-27.25%	-20.21%	-21.71%	-21.59%	-15.96%	-16.40%	-15.96%	-14.17%
	362	2012	1,461,974	104,051	1,450,621	(1,346,570)	-92.11%	-68.10%	-75.04%	-47.73%	-35.89%	-33.67%	-33.08%	-22.98%	-23.26%	-22.59%
	362	2013	2,880,190	56,594	324,769	(268,175)	-9.31%	-37.19%	-34.39%	-40.90%	-33.00%	-27.90%	-27.56%	-27.30%	-20.88%	-21.15%
	362	2014	483,726	46,230	302,081	(255,850)	-52.89%	-15.58%	-38.76%	-36.02%	-41.86%	-34.20%	-29.10%	-28.58%	-28.31%	-21.68%
	362	2015	337,869	8,241	538,884	(530,642)	-157.06%	-95.73%	-28.49%	-46.50%	-43.01%	-47.98%	-39.18%	-33.26%	-32.11%	-31.74%
	362.1	2010	78,422	0	0	0	0.00%									
	362.1	2011	2,394	55,463	0	55,463	2316.75%	68.63%								
	362.1	2012	0	0	0	0	NA	2316.75%	68.63%							
	362.1	2013	0	0	0	0	NA	NA	2316.75%	68.63%						
	362.1	2014	0	0	0	0	NA	NA	NA	2316.75%	68.63%					
	362.1	2015	0	0	0	0	NA	NA	NA	NA	2316.75%	68.63%				
	364	1970	451,898	177,224	223,211	(45,988)	-10.18%									
	364	1971	888,981	263,472	290,932	(27,459)	-3.09%	-5.48%								
	364	1972	921,301	119,784	325,070	(205,287)	-22.28%	-12.86%	-12.32%							
	364	1973	608,247	220,004	282,899	(62,896)	-10.34%	-17.53%	-12.22%	-11.90%						

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PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015  
 TRANSMISSION, DISTRIBUTION, AND GENERAL PLANT  
 RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS

FERC Account	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
	364	1974	664,058	285,412	290,471	(5,060)	-0.76%	-5.34%	-12.46%	-9.75%	-9.81%				
	364	1975	516,758	206,531	226,361	(19,830)	-3.84%	-2.11%	-4.91%	-10.81%	-8.91%	-9.05%			
	364	1976	719,437	119,946	124,222	(4,276)	-0.59%	-1.95%	-1.53%	-3.67%	-8.67%	-7.52%	-7.77%		
	364	1977	561,395	136,375	140,477	(4,101)	-0.73%	-0.65%	-1.57%	-1.35%	-3.13%	-7.55%	-6.74%	-7.03%	
	364	1978	467,661	191,027	200,880	(9,853)	-2.11%	-1.36%	-1.04%	-1.68%	-1.47%	-3.00%	-6.98%	-6.33%	-6.63%
	364	1979	606,515	273,493	277,624	(4,131)	-0.68%	-1.30%	-1.11%	-0.95%	-1.47%	-1.34%	-2.66%	-6.23%	-5.76%
	364	1980	599,641	287,450	226,547	60,903	10.16%	4.71%	2.80%	1.92%	1.30%	0.54%	0.33%	-1.04%	-4.49%
	364	1981	519,833	226,855	256,529	(29,675)	-5.71%	2.79%	1.57%	0.79%	0.48%	0.26%	-0.27%	-0.34%	-1.50%
	364	1982	605,700	204,023	384,262	(180,240)	-29.76%	-18.65%	-8.64%	-6.57%	-5.82%	-4.97%	-4.20%	-4.16%	-3.73%
	364	1983	601,034	197,933	267,787	(69,855)	-11.62%	-20.72%	-16.20%	-9.41%	-7.60%	-6.85%	-5.98%	-5.15%	-5.02%
	364	1984	617,886	199,557	393,363	(193,806)	-31.37%	-21.63%	-24.33%	-20.20%	-14.02%	-11.74%	-10.62%	-9.41%	-8.21%
	364	1985	727,158	143,469	327,462	(183,993)	-25.30%	-28.09%	-23.00%	-24.61%	-21.41%	-16.25%	-14.04%	-12.87%	-11.58%
	364	1986	565,256	135,963	290,256	(154,293)	-27.30%	-26.17%	-27.85%	-23.97%	-25.09%	-22.32%	-17.73%	-15.59%	-14.40%
	364	1987	487,509	188,062	344,790	(156,729)	-32.15%	-29.54%	-27.81%	-28.73%	-25.30%	-26.05%	-23.48%	-19.21%	-17.11%
	364	1988	416,953	146,729	345,159	(198,430)	-47.59%	-39.27%	-34.66%	-31.57%	-31.52%	-28.02%	-28.28%	-25.70%	-21.52%
	364	1989	961,013	177,793	282,959	(105,166)	-10.94%	-22.03%	-24.68%	-25.29%	-25.29%	-26.28%	-24.27%	-24.94%	-23.12%
	364	1990	802,217	531,695	506,433	25,262	3.15%	-4.53%	-12.77%	-16.31%	-18.23%	-19.53%	-21.13%	-20.02%	-21.04%
	364	1991	627,840	283,611	426,192	(142,581)	-22.71%	-8.20%	-9.30%	-14.99%	-17.53%	-18.96%	-19.96%	-21.32%	-20.31%
	364	1992	583,293	102,563	322,809	(220,246)	-37.76%	-29.96%	-16.77%	-14.88%	-18.91%	-20.57%	-21.43%	-21.97%	-22.97%
	364	1993	3,706,464	161,099	313,975	(152,876)	-4.12%	-8.70%	-10.49%	-8.57%	-8.92%	-11.19%	-12.53%	-13.56%	-14.52%
	364	1994	882,342	44,261	182,944	(138,683)	-15.72%	-6.35%	-9.90%	-11.28%	-9.53%	-9.71%	-11.69%	-12.87%	-13.77%
	364	1995	660,487	212,979	315,952	(102,972)	-15.59%	-15.66%	-7.52%	-10.54%	-11.72%	-10.08%	-10.18%	-11.99%	-13.06%
	364	1996	179,213	149,843	387,416	(237,573)	-132.56%	-40.56%	-27.83%	-11.64%	-14.18%	-14.98%	-13.03%	-12.79%	-14.44%
	364	1997	91,069	146,881	216,948	(70,067)	-76.94%	-113.82%	-44.12%	-30.30%	-12.72%	-15.11%	-15.82%	-13.80%	-13.48%
	364	1998	253,851	63,728	94,128	(30,400)	-11.98%	-29.13%	-64.50%	-37.23%	-28.05%	-12.69%	-14.99%	-15.68%	-13.74%
	364	1999	579,919	0	0	0	0.00%	-3.65%	-10.86%	-30.62%	-24.99%	-21.90%	-11.53%	-13.74%	-14.48%
	364	2000	470,567	243	17,754	(17,511)	-3.72%	-1.67%	-3.67%	-8.45%	-22.58%	-20.51%	-19.16%	-10.99%	-13.10%
	364	2001	7,132,452	2,950	366,281	(633,331)	-5.09%	-5.01%	-4.65%	-4.87%	-5.64%	-8.26%	-8.77%	-9.37%	-7.98%
	364	2002	3,132,410	143,584	957,123	(813,539)	-25.97%	-11.47%	-11.13%	-10.56%	-10.59%	-11.10%	-12.94%	-13.08%	-13.26%
	364	2003	902,311	81	488,726	(488,646)	-54.15%	-32.27%	-14.91%	-14.46%	-13.78%	-13.74%	-14.20%	-15.86%	-15.85%
	364	2004	2,085,084	219,922	834,198	(614,277)	-29.46%	-36.92%	-31.32%	-17.20%	-16.74%	-16.06%	-15.99%	-16.37%	-17.77%
	364	2005	4,210,521	178,218	3,061,331	(2,883,113)	-68.47%	-55.55%	-55.38%	-46.46%	-29.57%	-28.89%	-27.98%	-27.77%	-28.00%
	364	2006	4,219,588	80,133	1,245,162	(1,165,029)	-27.61%	-48.02%	-44.34%	-45.12%	-40.99%	-29.18%	-28.64%	-27.91%	-27.74%
	364	2007	2,822,925	1,671,744	2,866,887	(1,195,143)	-42.34%	-33.51%	-46.59%	-43.92%	-44.56%	-41.21%	-30.70%	-30.19%	-29.51%
	364	2008	3,888,984	(549)	2,111,300	(2,111,849)	-54.30%	-49.27%	-40.91%	-48.57%	-46.26%	-46.65%	-43.61%	-33.93%	-33.44%
	364	2009	3,538	3,254	1,919,017	(1,915,763)	-54155.69%	-103.47%	-77.77%	-58.42%	-61.21%	-57.37%	-57.21%	-52.61%	-40.67%
	364	2010	613,441	(22,104)	1,046,455	(1,068,559)	-174.19%	-483.70%	-113.10%	-85.84%	-64.57%	-65.61%	-61.39%	-61.04%	-56.02%
	364	2011	845,544	609,440	2,376,528	(1,767,088)	-208.99%	-194.36%	-324.88%	-128.25%	-98.58%	-74.42%	-72.91%	-68.06%	-67.42%
	364	2012	571,843	599,077	2,662,509	(2,063,432)	-360.84%	-270.25%	-241.24%	-334.99%	-150.70%	-115.73%	-87.05%	-82.50%	-76.76%
	364	2013	1,081,382	714,614	3,130,829	(2,416,215)	-223.44%	-270.96%	-249.99%	-235.05%	-296.27%	-161.93%	-127.58%	-97.55%	-90.84%
	364	2014	897,972	437,298	3,333,278	(2,895,980)	-322.50%	-268.38%	-289.16%	-269.16%	-254.63%	-302.14%	-180.18%	-143.90%	-111.07%
	364	2015	664,862	287,034	2,062,455	(1,775,421)	-267.04%	-298.91%	-268.04%	-284.54%	-268.81%	-256.40%	-297.15%	-186.92%	-151.09%
	365	1970	651,459	273,732	262,992	10,740	1.65%								
	365	1971	1,050,267	413,525	348,321	65,204	6.21%	4.46%							
	365	1972	1,314,552	195,807	405,351	(209,544)	-15.94%	-6.10%	-4.43%						
	365	1973	962,238	339,011	332,536	6,476	0.67%	-8.92%	-4.14%	-3.20%					
	365	1974	1,035,971	441,148	342,482	98,666	9.52%	5.26%	-3.15%	-0.90%	-0.57%				
	365	1975	678,687	272,175	227,555	44,619	6.57%	8.36%	5.59%	-1.50%	0.11%	0.28%			

FERC Account	Activity		Salvage	Removal Cost	Net Salvage	Net Salv. %	2-yr	3-yr	4-yr	5-yr	6-yr	7-yr	8-yr	9-yr	10-yr	
	Year	Retirements					Net Salv.	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %
	365	1976	1,061,873	94,576	74,717	19,860	1.87%	3.70%	5.88%	4.54%	-0.79%	0.41%	0.53%			
	365	1977	770,922	181,923	142,948	38,975	5.06%	3.21%	4.12%	5.70%	4.63%	-0.02%	0.93%	1.00%		
	365	1978	595,220	248,600	199,418	49,182	8.26%	6.45%	4.45%	4.91%	6.07%	5.05%	0.75%	1.52%	1.53%	
	365	1979	760,187	319,669	247,533	72,136	9.49%	8.95%	7.54%	5.65%	5.81%	6.60%	5.63%	1.68%	2.25%	2.21%
	365	1980	672,638	406,957	244,663	162,295	24.13%	16.36%	13.98%	11.53%	8.87%	8.53%	8.71%	7.53%	3.60%	3.91%
	365	1981	611,748	269,511	232,481	37,030	6.05%	15.52%	13.28%	12.15%	10.54%	8.48%	8.23%	8.45%	7.40%	3.78%
	365	1982	744,603	306,727	440,681	(133,954)	-17.99%	-7.15%	3.22%	4.93%	5.52%	5.43%	4.71%	4.92%	5.61%	5.01%
	365	1983	664,193	230,670	238,059	(7,390)	-1.11%	-10.03%	-5.16%	2.15%	3.77%	4.43%	4.53%	4.05%	4.31%	5.02%
	365	1984	793,314	234,931	353,256	(118,325)	-14.92%	-8.63%	-11.79%	-7.91%	-1.73%	0.28%	1.26%	1.78%	1.79%	2.24%
	365	1985	903,394	167,763	292,093	(124,330)	-13.76%	-14.30%	-10.59%	-12.37%	-9.33%	-4.21%	-2.19%	-1.10%	-0.37%	-0.06%
	365	1986	910,043	153,425	249,850	(96,424)	-10.60%	-12.17%	-13.01%	-10.59%	-11.96%	-9.58%	-5.30%	-3.45%	-2.40%	-1.63%
	365	1987	826,566	326,198	456,203	(130,005)	-15.73%	-13.04%	-13.29%	-15.66%	-11.63%	-12.61%	-10.51%	-6.71%	-4.92%	-3.87%
	365	1988	741,127	205,545	368,834	(163,289)	-22.03%	-18.71%	-15.73%	-13.20%	-15.15%	-13.22%	-13.86%	-11.89%	-8.36%	-6.58%
	365	1989	864,910	306,511	372,114	(65,603)	-7.58%	-14.25%	-14.75%	-13.62%	-13.65%	-13.85%	-12.37%	-13.02%	-11.36%	-8.28%
	365	1990	853,391	559,257	406,343	152,914	17.92%	5.08%	-3.09%	-6.27%	-7.21%	-8.37%	-9.25%	-8.43%	-9.40%	-8.21%
	365	1991	1,046,175	335,218	384,267	(49,048)	-4.69%	5.47%	1.38%	-3.57%	-5.89%	-6.70%	-7.74%	-8.56%	-7.91%	-8.81%
	365	1992	745,068	179,574	431,141	(251,567)	-33.76%	-16.78%	-5.58%	-6.08%	-8.86%	-9.98%	-10.07%	-10.56%	-11.01%	-10.22%
	365	1993	3,841,775	175,725	261,251	(85,526)	-2.23%	-7.35%	-6.85%	-3.60%	-4.07%	-5.71%	-7.01%	-7.57%	-8.08%	
	365	1994	1,293,850	61,701	194,541	(132,840)	-10.27%	-4.25%	-7.99%	-7.49%	-4.71%	-4.99%	-6.34%	-7.10%	-7.38%	-7.86%
	365	1995	826,908	416,954	471,839	(54,885)	-6.64%	-8.85%	-4.58%	-7.82%	-7.40%	-4.89%	-5.14%	-6.36%	-7.06%	-7.33%
	365	1996	290,158	207,601	409,442	(201,841)	-69.56%	-22.98%	-16.16%	-7.60%	-10.38%	-9.64%	-7.00%	-7.05%	-8.11%	-8.66%
	365	1997	61,145	251,840	288,509	(36,669)	-59.97%	-67.89%	-24.90%	-17.24%	-8.11%	-10.81%	-10.02%	-7.36%	-7.38%	-8.41%
	365	1998	236,642	80,208	91,887	(11,679)	-4.94%	-16.24%	-42.55%	-21.56%	-16.17%	-7.99%	-10.62%	-9.88%	-7.30%	-7.32%
	365	1999	711,993	0	0	0	0.00%	-1.23%	-4.79%	-19.25%	-14.34%	-12.80%	-7.21%	-9.68%	-9.10%	-6.77%
	365	2000	618,892	387	20,025	(19,638)	-3.17%	-1.48%	-2.00%	-4.17%	-14.06%	-11.83%	-11.33%	-6.89%	-9.21%	-8.72%
	365	2001	3,586,925	1,430	773,299	(771,868)	-21.52%	-18.82%	-16.09%	-15.58%	-16.10%	-18.92%	-17.32%	-16.12%	-11.47%	-12.83%
	365	2002	5,301,207	(71)	1,097,822	(1,097,892)	-20.71%	-21.04%	-19.87%	-18.49%	-18.18%	-18.43%	-19.80%	-18.86%	-18.00%	-14.39%
	365	2003	1,719,875	2,254	854,181	(851,927)	-49.53%	-27.77%	-25.66%	-24.42%	-22.96%	-22.61%	-22.80%	-23.88%	-22.81%	-21.70%
	365	2004	3,615,048	(10,579)	1,814,603	(1,825,183)	-50.49%	-50.18%	-35.49%	-31.97%	-30.77%	-29.36%	-28.99%	-29.11%	-29.84%	-28.71%
	365	2005	8,334,976	210,244	1,271,862	(1,061,619)	-12.74%	-24.16%	-27.35%	-25.49%	-24.86%	-24.28%	-23.56%	-23.38%	-23.47%	-24.02%
	365	2006	5,028,614	182,686	639,449	(456,763)	-9.08%	-11.36%	-19.69%	-22.44%	-22.06%	-21.99%	-21.57%	-21.04%	-20.91%	-20.99%
	365	2007	3,415,532	450,912	1,809,290	(1,358,378)	-39.77%	-21.50%	-17.14%	-23.06%	-25.11%	-24.26%	-23.95%	-23.54%	-23.02%	-22.89%
	365	2008	5,098,628	0	2,212,887	(2,212,887)	-43.40%	-41.95%	-29.74%	-23.74%	-27.12%	-28.54%	-27.26%	-26.69%	-26.30%	-25.80%
	365	2009	1,732,183	3,064	1,727,817	(1,724,753)	-99.57%	-57.65%	-51.69%	-37.66%	-28.86%	-31.73%	-32.79%	-30.92%	-30.03%	-29.60%
	365	2010	1,558,552	9,006	1,115,761	(1,106,754)	-71.01%	-86.04%	-60.13%	-54.24%	-40.75%	-31.47%	-33.86%	-34.74%	-32.67%	-31.65%
	365	2011	1,819,043	337,954	2,845,082	(2,507,128)	-137.83%	-107.00%	-104.48%	-73.97%	-65.40%	-50.22%	-38.64%	-40.04%	-40.55%	-37.75%
	365	2012	1,778,151	180,188	2,483,830	(2,303,642)	-129.55%	-133.74%	-114.78%	-110.95%	-82.22%	-72.81%	-57.12%	-44.26%	-44.96%	-45.19%
	365	2013	2,921,729	142,486	4,558,460	(4,145,974)	-141.90%	-137.23%	-137.40%	-124.59%	-120.17%	-93.92%	-83.82%	-67.73%	-53.26%	-52.98%
	365	2014	2,822,492	413,610	3,976,692	(3,833,082)	-135.80%	-138.91%	-136.69%	-136.92%	-127.49%	-123.66%	-100.58%	-90.76%	-75.07%	-60.01%
	365	2015	2,248,548	109,082	2,200,680	(2,091,598)	-93.02%	-116.83%	-126.00%	-126.64%	-128.40%	-121.60%	-119.03%	-99.73%	-90.98%	-76.49%
	366	1970	82,057	0	0	0	0.00%									
	366	1971	43,613	0	0	0	0.00%	0.00%								
	366	1972	43,244	0	0	0	0.00%	0.00%	0.00%							
	366	1973	65,176	0	0	0	0.00%	0.00%	0.00%	0.00%						
	366	1974	70,630	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%					
	366	1975	49,893	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%				
	366	1976	35,170	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
	366	1977	76,648	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		

Appendix E-1

PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015  
 TRANSMISSION, DISTRIBUTION, AND GENERAL PLANT  
 RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS

FERC Account	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
	366	1978	82,699	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	366	1979	51,269	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	366	1980	31,898	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	366	1981	103,451	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	366	1982	103,398	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	366	1983	94,778	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	366	1984	115,666	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	366	1985	60,889	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	366	1986	88,120	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	366	1987	78,776	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	366	1988	35,041	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	366	1989	56,783	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	366	1990	38,481	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	366	1991	70,999	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	366	1992	75,698	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	366	1993	590,333	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	366	1994	85,721	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	366	1995	248,291	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	366	1996	21,780	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	366	1997	1,406	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	366	1998	21,633	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	366	1999	282,481	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	366	2000	29,351	103	65	39	0.13%	0.01%	0.01%	0.01%	0.01%	0.01%	0.00%	0.00%	0.00%
	366	2001	457,991	0	18,210	(18,210)	-3.98%	-3.73%	-2.36%	-2.30%	-2.29%	-2.23%	-1.71%	-1.58%	-1.04%
	366	2002	718,799	23	54,706	(54,683)	-7.61%	-6.19%	-6.04%	-4.89%	-4.82%	-4.82%	-4.75%	-4.09%	-3.90%
	366	2003	100,820	175	66,089	(65,914)	-65.38%	-14.71%	-10.86%	-10.62%	-8.73%	-8.61%	-8.61%	-8.49%	-7.75%
	366	2004	1,170,666	7	65,323	(65,316)	-5.58%	-10.32%	-9.34%	-8.34%	-8.24%	-7.39%	-7.34%	-7.33%	-6.68%
	366	2005	2,526,547	2,850	51,667	(48,817)	-1.93%	-3.09%	-4.74%	-5.20%	-5.08%	-5.05%	-4.78%	-4.76%	-4.74%
	366	2006	630,061	0	47,359	(47,359)	-7.52%	-3.05%	-3.73%	-5.14%	-5.48%	-5.36%	-5.33%	-5.07%	-5.06%
	366	2007	547,841	8,556	165,393	(156,838)	-28.63%	-17.34%	-6.83%	-6.53%	-7.72%	-7.71%	-7.43%	-7.39%	-7.07%
	366	2008	725,984	0	315,105	(315,105)	-43.40%	-37.05%	-27.28%	-12.82%	-11.31%	-12.27%	-11.74%	-11.23%	-11.18%
	366	2009	306,515	0	415,732	(415,732)	-135.63%	-70.78%	-56.17%	-42.30%	-20.77%	-17.76%	-18.56%	-17.39%	-16.53%
	366	2010	211,282	0	170,404	(170,404)	-80.65%	-113.20%	-72.46%	-59.06%	-45.65%	-23.33%	-19.93%	-20.67%	-19.31%
	366	2011	426,069	92,071	426,893	(334,822)	-78.58%	-79.27%	-97.57%	-74.02%	-62.81%	-50.58%	-27.71%	-23.75%	-24.38%
	366	2012	270,496	6,014	241,321	(235,307)	-86.99%	-81.85%	-81.57%	-95.22%	-75.83%	-65.44%	-53.73%	-30.55%	-26.26%
	366	2013	391,385	57,889	431,568	(373,679)	-95.48%	-92.01%	-86.75%	-85.76%	-95.28%	-79.13%	-69.52%	-58.39%	-34.76%
	366	2014	188,391	90,657	452,339	(361,682)	-191.98%	-126.84%	-114.16%	-102.28%	-99.21%	-105.43%	-87.56%	-77.04%	-65.19%
	366	2015	146,927	44,373	552,435	(508,062)	-345.79%	-259.38%	-171.10%	-148.29%	-127.42%	-121.38%	-123.63%	-101.79%	-89.32%
	367	1970	128,748	30,177	28,993	1,184	0.92%								
	367	1971	238,129	56,769	47,817	8,951	3.76%	2.76%							
	367	1972	169,261	5,892	12,197	(6,305)	-3.73%	0.65%	0.71%						
	367	1973	295,012	89,103	87,401	1,702	0.58%	-0.99%	0.62%	0.67%					
	367	1974	297,608	123,057	95,535	27,523	9.25%	4.93%	3.01%	3.19%	2.93%				
	367	1975	247,809	88,705	74,163	14,542	5.87%	7.71%	5.21%	3.71%	3.72%	3.46%			
	367	1976	229,623	71,546	56,522	15,024	6.54%	6.19%	7.37%	5.49%	4.24%	4.16%	3.90%		
	367	1977	317,003	100,448	78,928	21,520	6.79%	6.69%	6.43%	7.20%	5.79%	4.76%	4.62%	4.38%	
	367	1978	439,603	92,474	74,179	18,295	4.16%	5.26%	5.56%	5.62%	6.33%	5.40%	4.62%	4.53%	4.34%
	367	1979	638,331	232,577	180,094	52,483	8.22%	6.57%	6.62%	6.61%	6.51%	6.88%	6.13%	5.50%	5.16%

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PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015  
 TRANSMISSION, DISTRIBUTION, AND GENERAL PLANT  
 RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS

		Activity					2-yr	3-yr	4-yr	5-yr	6-yr	7-yr	8-yr	9-yr	10-yr	
FERC Account	Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	
	367	1980	344,072	285,696	171,760	113,936	33.11%	16.94%	12.99%	11.86%	11.24%	10.64%	10.47%	9.43%	8.69%	8.32%
	367	1981	527,976	243,905	210,393	33,512	6.35%	16.91%	13.24%	11.19%	10.58%	10.20%	9.81%	9.76%	8.95%	8.33%
	367	1982	857,083	197,154	283,255	(86,101)	-10.05%	-3.80%	3.55%	4.81%	4.71%	4.92%	5.03%	5.09%	5.40%	5.07%
	367	1983	908,949	302,632	312,327	(9,695)	-1.07%	-5.42%	-2.72%	1.96%	3.18%	3.29%	3.57%	3.73%	3.85%	4.18%
	367	1984	936,687	290,854	437,346	(146,492)	-15.64%	-8.46%	-8.96%	-6.46%	-2.65%	-1.01%	-0.52%	-0.05%	0.24%	0.50%
	367	1985	749,307	225,895	393,306	(167,412)	-22.34%	-18.62%	-12.47%	-11.87%	-9.45%	-6.06%	-4.23%	-3.54%	-2.97%	-2.60%
	367	1986	1,010,173	178,724	291,048	(112,324)	-11.12%	-15.90%	-15.81%	-12.09%	-11.70%	-9.79%	-7.02%	-5.39%	-4.74%	-4.19%
	367	1987	909,785	277,904	388,663	(110,758)	-12.17%	-11.62%	-14.63%	-14.89%	-12.11%	-11.78%	-10.16%	-7.77%	-6.29%	-5.66%
	367	1988	555,907	180,145	323,257	(143,111)	-25.74%	-17.32%	-14.79%	-16.55%	-16.34%	-13.60%	-13.09%	-11.50%	-9.24%	-7.74%
	367	1989	789,024	256,942	311,936	(54,994)	-6.97%	-14.73%	-13.70%	-12.90%	-14.66%	-14.85%	-12.71%	-12.37%	-11.01%	-9.01%
	367	1990	863,625	274,931	199,759	75,173	8.70%	1.22%	-5.57%	-7.49%	-8.38%	-10.53%	-11.35%	-9.96%	-9.97%	-8.91%
	367	1991	741,290	337,264	386,611	(49,347)	-6.66%	1.61%	-1.22%	-5.84%	-7.33%	-8.12%	-10.02%	-10.82%	-9.63%	-9.67%
	367	1992	864,082	157,899	379,102	(221,203)	-25.60%	-16.85%	-7.91%	-7.68%	-10.32%	-10.67%	-10.75%	-12.09%	-12.54%	-11.29%
	367	1993	2,714,026	286,026	425,236	(139,211)	-5.13%	-10.07%	-9.49%	-6.46%	-6.52%	-8.16%	-8.65%	-8.95%	-10.04%	-10.56%
	367	1994	1,566,711	67,730	213,550	(145,820)	-9.31%	-6.66%	-9.84%	-9.44%	-7.12%	-7.10%	-8.38%	-8.77%	-9.00%	-9.93%
	367	1995	963,126	165,654	187,459	(21,805)	-2.26%	-6.63%	-5.85%	-8.65%	-8.43%	-6.51%	-6.55%	-7.73%	-8.14%	-8.41%
	367	1996	217,182	165,273	325,961	(160,688)	-73.99%	-15.46%	-11.95%	-8.56%	-10.89%	-10.44%	-8.36%	-8.23%	-9.28%	-9.54%
	367	1997	13,416	281,732	351,875	(70,143)	-522.83%	-100.10%	-21.16%	-14.43%	-9.82%	-11.97%	-11.42%	-9.23%	-9.02%	-10.02%
	367	1998	353,781	90,660	113,232	(22,572)	-6.38%	-25.25%	-43.36%	-17.78%	-13.52%	-9.61%	-11.68%	-11.18%	-9.11%	-8.92%
	367	1999	1,039,073	0	0	0	0.00%	-1.62%	-6.59%	-15.61%	-10.64%	-10.14%	-8.16%	-10.11%	-9.81%	-8.09%
	367	2000	523,792	2,024	2,379	(355)	-0.07%	-0.02%	-1.20%	-4.82%	-11.82%	-8.86%	-9.01%	-7.58%	-9.47%	-9.24%
	367	2001	5,007,878	1,136	105,151	(104,015)	-2.08%	-1.89%	-1.59%	-1.83%	-2.84%	-5.00%	-4.68%	-5.42%	-5.36%	-6.68%
	367	2002	12,924,071	94,870	435,064	(340,194)	-2.63%	-2.48%	-2.41%	-2.28%	-2.35%	-2.71%	-3.48%	-3.42%	-3.83%	-3.97%
	367	2003	2,645,750	148,280	311,290	(163,010)	-6.16%	-3.23%	-2.95%	-2.88%	-2.74%	-2.80%	-3.11%	-3.79%	-3.73%	-4.07%
	367	2004	9,696,223	367,492	686,544	(319,053)	-3.29%	-3.91%	-3.25%	-3.06%	-3.01%	-2.91%	-2.95%	-3.17%	-3.64%	-3.60%
	367	2005	13,738,113	495,861	802,623	(306,762)	-2.23%	-2.67%	-3.02%	-2.89%	-2.80%	-2.77%	-2.71%	-2.73%	-2.89%	-3.22%
	367	2006	12,337,008	382,595	239,868	142,727	1.16%	-0.63%	-1.35%	-1.68%	-1.92%	-1.93%	-1.92%	-1.88%	-1.91%	-2.03%
	367	2007	8,412,161	204,050	1,926,114	(1,722,065)	-20.47%	-7.61%	-5.47%	-4.99%	-5.06%	-4.53%	-4.34%	-4.31%	-4.24%	-4.25%
	367	2008	15,512,758	42,987	1,741,858	(1,698,871)	-10.95%	-14.30%	-9.04%	-7.17%	-6.54%	-6.52%	-5.86%	-5.62%	-5.58%	-5.51%
	367	2009	4,699,695	3,024	1,321,899	(1,318,875)	-28.06%	-14.93%	-16.56%	-11.22%	-8.97%	-8.11%	-8.03%	-7.16%	-6.86%	-6.82%
	367	2010	6,014,233	2,996	1,266,536	(1,263,540)	-21.01%	-24.10%	-16.32%	-17.33%	-12.48%	-10.16%	-9.21%	-9.10%	-8.13%	-7.80%
	367	2011	7,740,851	450,051	2,192,759	(1,742,708)	-22.51%	-21.86%	-23.44%	-17.73%	-18.28%	-13.90%	-11.56%	-10.53%	-10.39%	-9.32%
	367	2012	8,846,412	710,475	1,620,583	(910,108)	-10.29%	-15.99%	-17.33%	-19.18%	-16.20%	-16.90%	-13.39%	-11.41%	-10.51%	-10.38%
	367	2013	10,865,106	481,775	2,618,631	(2,136,856)	-19.67%	-15.46%	-17.45%	-18.09%	-19.32%	-16.90%	-17.38%	-14.31%	-12.43%	-11.52%
	367	2014	11,483,720	190,009	2,168,675	(1,978,666)	-17.23%	-18.41%	-16.11%	-17.38%	-17.87%	-18.83%	-16.96%	-17.36%	-14.70%	-12.98%
	367	2015	8,325,817	103,139	1,526,855	(1,423,716)	-17.10%	-17.18%	-18.06%	-16.32%	-17.33%	-17.75%	-18.58%	-16.97%	-17.33%	-14.91%
	368	1970	450,196	157,031	150,870	6,161	1.37%									
	368	1971	916,482	203,529	171,437	32,092	3.50%	2.80%								
	368	1972	984,301	144,221	298,559	(154,338)	-15.68%	-6.43%	-4.94%							
	368	1973	961,230	280,315	274,960	5,354	0.56%	-7.66%	-4.08%	-3.34%						
	368	1974	789,327	316,315	245,569	70,746	8.96%	4.35%	-2.86%	-1.26%	-0.97%					
	368	1975	682,138	242,166	202,466	39,700	5.82%	7.51%	4.76%	-1.13%	-0.15%	-0.01%				
	368	1976	601,071	661,205	522,361	138,844	23.10%	13.91%	12.03%	8.39%	2.50%	2.68%	2.57%			
	368	1977	305,145	637,745	501,116	136,629	44.78%	30.40%	19.84%	16.23%	11.72%	5.48%	5.13%	4.84%		
	368	1978	862,422	532,269	426,967	105,302	12.21%	20.72%	21.53%	17.16%	15.16%	11.82%	6.60%	6.13%	5.81%	
	368	1979	720,377	142,244	110,145	32,098	4.46%	8.68%	14.51%	16.59%	14.27%	13.21%	10.74%	6.34%	5.96%	5.67%
	368	1980	919,295	670,762	403,262	267,500	29.10%	18.27%	16.18%	19.29%	19.96%	17.60%	16.21%	13.63%	9.40%	8.71%
	368	1981	236,078	612,915	528,703	84,212	35.67%	30.44%	20.46%	17.86%	20.56%	20.98%	18.59%	17.10%	14.49%	10.28%

Appendix E-1

**PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015  
 TRANSMISSION, DISTRIBUTION, AND GENERAL PLANT  
 RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS**

		Activity			Removal	Net	Net	2-yr	3-yr	4-yr	5-yr	6-yr	7-yr	8-yr	9-yr	10-yr
FERC Account	Year	Retirements	Salvage	Cost	Salvage	Salv. %	Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %
	368	1982	868,032	125,286	180,001	(54,715)	-6.30%	2.67%	14.68%	11.99%	12.05%	14.60%	15.73%	14.43%	13.71%	11.89%
	368	1983	771,410	568,351	586,559	(18,208)	-2.36%	-4.45%	0.60%	9.98%	8.84%	9.51%	11.81%	13.09%	12.26%	11.87%
	368	1984	1,590,324	579,659	871,611	(291,952)	-18.36%	-13.13%	-11.30%	-8.10%	-0.30%	0.37%	2.08%	4.16%	5.81%	5.82%
	368	1985	2,085,960	538,099	936,888	(398,788)	-19.12%	-18.79%	-15.94%	-14.37%	-12.24%	-6.37%	-5.28%	-3.41%	-1.65%	0.01%
	368	1986	3,612,025	726,853	1,183,663	(456,810)	-12.65%	-15.02%	-15.75%	-14.46%	-13.67%	-12.40%	-8.62%	-7.74%	-6.27%	-4.97%
	368	1987	2,031,612	40,083	56,058	(15,975)	-0.79%	-8.38%	-11.28%	-12.48%	-11.71%	-11.28%	-10.29%	-7.30%	-6.64%	-5.46%
	368	1988	1,387,057	1,155,994	2,074,339	(918,346)	-66.21%	-27.33%	-19.79%	-19.63%	-19.44%	-18.30%	-17.45%	-16.46%	-13.35%	-12.45%
	368	1989	1,962,967	367,054	445,616	(78,562)	-4.00%	-29.76%	-18.82%	-16.34%	-16.86%	-17.05%	-16.21%	-15.61%	-14.78%	-12.17%
	368	1990	3,250,343	723,492	525,673	197,819	6.09%	2.29%	-12.11%	-9.44%	-10.39%	-11.66%	-12.33%	-11.87%	-11.59%	-10.97%
	368	1991	1,560,803	600,985	688,919	(87,934)	-5.63%	2.28%	0.46%	-10.87%	-8.86%	-9.85%	-11.07%	-11.73%	-11.33%	-11.11%
	368	1992	1,392,501	257,901	619,199	(361,297)	-25.95%	-15.21%	-4.05%	-4.04%	-13.07%	-10.91%	-11.33%	-12.27%	-12.78%	-12.37%
	368	1993	1,826,870	353,062	524,900	(171,838)	-9.41%	-16.56%	-12.99%	-5.27%	-5.02%	-12.48%	-10.71%	-11.12%	-11.99%	-12.48%
	368	1994	1,881,798	127,434	401,795	(274,361)	-14.58%	-12.03%	-15.83%	-13.44%	-7.04%	-6.54%	-12.78%	-11.18%	-11.46%	-12.22%
	368	1995	1,869,203	942,579	1,066,653	(124,074)	-6.64%	-10.62%	-10.22%	-13.36%	-11.95%	-6.97%	-6.55%	-12.02%	-10.69%	-11.03%
	368	1996	1,278,403	295,361	582,528	(287,167)	-22.46%	-13.07%	-13.63%	-12.51%	-14.77%	-13.32%	-8.49%	-7.90%	-12.83%	-11.51%
	368	1997	1,941,366	396,086	481,154	(85,069)	-4.38%	-11.56%	-9.75%	-11.06%	-10.71%	-12.79%	-11.84%	-7.96%	-7.50%	-11.94%
	368	1998	4,273,012	576,798	700,679	(123,881)	-2.90%	-3.36%	-6.62%	-6.62%	-7.96%	-8.16%	-9.87%	-9.46%	-6.84%	-6.58%
	368	1999	2,468,721	0	0	0	0.00%	-1.84%	-2.41%	-4.98%	-5.24%	-6.52%	-6.86%	-8.43%	-8.20%	-6.06%
	368	2000	8,332	0	0	0	0.00%	0.00%	-1.84%	-2.40%	-4.98%	-5.24%	-6.52%	-6.86%	-8.43%	-8.19%
	368	2001	3,176,922	20,617	28,799	(8,182)	-0.26%	-0.26%	-0.14%	-1.33%	-1.83%	-3.84%	-4.18%	-5.34%	-5.74%	-7.14%
	368	2002	61,044	0	0	0	0.00%	-0.25%	-0.25%	-0.14%	-1.32%	-1.82%	-3.82%	-4.17%	-5.32%	-5.72%
	368	2003	3,362,422	0	0	0	0.00%	0.00%	-0.12%	-0.12%	-0.09%	-0.99%	-1.42%	-3.04%	-3.41%	-4.44%
	368	2004	121,314	23,004	42,673	(19,669)	-16.21%	-0.56%	-0.55%	-0.41%	-0.41%	-0.30%	-1.13%	-1.54%	-3.14%	-3.49%
	368	2005	1,786,182	12,438	308,308	(295,870)	-16.56%	-16.54%	-5.99%	-5.92%	-3.80%	-3.80%	-2.95%	-2.93%	-3.10%	-4.44%
	368	2006	5,240,216	50,623	(48,147)	98,770	1.88%	-2.81%	-3.03%	-2.06%	-2.05%	-1.64%	-1.64%	-1.39%	-1.70%	-1.93%
	368	2007	2,214,600	68,636	1,479,855	(1,411,219)	-63.72%	-17.61%	-17.40%	-17.39%	-12.79%	-12.73%	-10.25%	-10.24%	-8.87%	-7.75%
	368	2008	2,467,948	(53,912)	133,947	(187,859)	-7.61%	-34.15%	-15.12%	-15.34%	-15.35%	-11.95%	-11.90%	-9.90%	-9.89%	-8.72%
	368	2009	2,460,841	0	98,485	(98,485)	-4.00%	-5.81%	-23.76%	-12.91%	-13.37%	-13.40%	-10.84%	-10.81%	-9.20%	-9.20%
	368	2010	2,111,974	0	7,999	(7,999)	-0.38%	-2.33%	-4.18%	-18.43%	-11.08%	-11.69%	-11.72%	-9.73%	-9.70%	-8.39%
	368	2011	3,012,988	5,263	92,626	(87,363)	-2.90%	-1.86%	-2.56%	-3.80%	-14.61%	-9.68%	-10.31%	-10.35%	-8.82%	-8.80%
	368	2012	2,962,226	0	311,999	(311,999)	-10.53%	-6.68%	-5.04%	-4.80%	-5.33%	-13.82%	-9.80%	-10.34%	-10.37%	-9.02%
	368	2013	2,601,257	525	67,867	(67,341)	-2.59%	-6.82%	-5.44%	-4.44%	-4.36%	-4.87%	-12.18%	-8.99%	-9.53%	-9.56%
	368	2014	1,972,382	178	3,316,666	(3,316,488)	-168.15%	-73.99%	-49.04%	-35.86%	-29.94%	-25.72%	-23.18%	-27.72%	-21.52%	-21.19%
	368	2015	11,976	20,891	226,210	(205,319)	-1714.43%	-177.48%	-78.27%	-51.69%	-37.77%	-31.54%	-27.06%	-24.33%	-28.73%	-22.33%
	369	1970	113,139	38,667	40,687	(2,021)	-1.79%									
	369	1971	130,883	46,719	43,100	3,619	2.76%	0.65%								
	369	1972	119,503	18,091	41,019	(22,927)	-19.19%	-7.71%	-5.87%							
	369	1973	98,763	33,212	35,680	(2,468)	-2.50%	-11.64%	-6.24%	-5.15%						
	369	1974	140,999	73,551	62,539	11,012	7.81%	3.56%	-4.00%	-2.20%	-2.12%					
	369	1975	86,164	30,419	27,854	2,565	2.98%	5.98%	3.41%	-2.65%	-1.42%	-1.48%				
	369	1976	77,116	41,804	36,171	5,633	7.30%	5.02%	6.31%	4.15%	-1.18%	-0.39%	-0.60%			
	369	1977	141,557	26,308	22,641	3,667	2.59%	4.25%	3.89%	5.13%	3.75%	-0.38%	0.14%	-0.10%		
	369	1978	132,211	40,890	35,924	4,966	3.76%	3.15%	4.07%	3.85%	4.82%	3.75%	0.31%	0.65%	0.39%	
	369	1979	131,946	85,378	72,408	12,970	9.83%	6.79%	5.32%	5.64%	5.24%	5.75%	4.74%	1.66%	1.80%	1.45%
	369	1980	100,346	80,017	52,688	27,329	27.23%	17.35%	12.42%	9.67%	9.36%	8.54%	8.41%	7.22%	4.16%	4.00%
	369	1981	221,246	48,734	46,042	2,692	1.22%	9.34%	9.48%	8.19%	7.10%	7.12%	6.72%	6.87%	6.05%	3.64%
	369	1982	120,996	64,139	100,927	(36,787)	-30.40%	-9.96%	-1.53%	1.08%	1.58%	1.75%	2.21%	2.28%	2.95%	2.52%
	369	1983	142,367	57,577	65,081	(7,504)	-5.27%	-16.82%	-8.58%	-2.44%	-0.18%	0.43%	0.74%	1.21%	1.35%	2.05%

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**PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015  
 TRANSMISSION, DISTRIBUTION, AND GENERAL PLANT  
 RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS**

FERC Account	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
	369	1984	328,952	41,002	67,524	(26,523)	-8.06%	-7.22%	-11.96%	-8.37%	-4.46%	-2.66%	-1.94%	-0.97%	-0.74%
	369	1985	160,816	62,135	118,487	(56,352)	-35.04%	-16.92%	-14.30%	-16.88%	-12.77%	-9.04%	-6.98%	-5.92%	-4.49%
	369	1986	152,878	76,646	136,703	(60,057)	-39.28%	-37.11%	-22.24%	-19.16%	-20.66%	-16.37%	-12.81%	-10.61%	-9.34%
	369	1987	68,417	20,545	31,470	(10,925)	-15.97%	-32.08%	-33.32%	-21.64%	-18.91%	-20.33%	-16.35%	-12.97%	-9.63%
	369	1988	67,044	14,942	29,366	(14,424)	-21.51%	-18.71%	-29.62%	-31.56%	-21.63%	-19.10%	-20.41%	-16.62%	-11.34%
	369	1989	130,617	21,396	28,449	(7,053)	-5.40%	-10.87%	-12.18%	-22.07%	-25.67%	-19.29%	-17.40%	-18.74%	-12.69%
	369	1990	208,272	137,141	109,133	28,008	13.45%	6.18%	1.61%	-0.93%	-10.28%	-15.33%	-13.19%	-12.29%	-13.88%
	369	1991	59,491	52,372	65,752	(13,380)	-22.49%	5.46%	1.90%	-1.47%	-3.33%	-11.33%	-15.83%	-13.66%	-12.75%
	369	1992	64,983	13,789	36,260	(22,471)	-34.58%	-28.80%	-2.36%	-3.21%	-5.53%	-6.72%	-13.34%	-17.17%	-13.78%
	369	1993	1,329,077	103,449	168,447	(64,997)	-4.89%	-6.27%	-6.94%	-4.38%	-4.46%	-5.07%	-5.46%	-7.94%	-9.65%
	369	1994	116,757	737	2,547	(1,809)	-1.55%	-4.62%	-5.91%	-6.54%	-4.20%	-4.28%	-4.86%	-5.24%	-7.60%
	369	1995	83,450	61,236	75,897	(14,660)	-17.57%	-8.23%	-5.33%	-6.52%	-7.09%	-4.80%	-4.84%	-5.38%	-7.97%
	369	1996	51,842	5,267	11,377	(6,110)	-11.79%	-15.35%	-8.96%	-5.54%	-6.69%	-7.24%	-4.99%	-5.01%	-5.86%
	369	1997	0	65,436	78,966	(13,530)	NA	-37.88%	-25.35%	-14.33%	-6.39%	-7.51%	-8.03%	-5.69%	-6.18%
	369	1998	1,755	520	627	(107)	-6.12%	-777.08%	-36.84%	-25.11%	-14.27%	-6.39%	-7.51%	-8.03%	-5.67%
	369	1999	20,733	0	0	0	0.00%	-0.48%	-60.64%	-26.57%	-21.81%	-13.19%	-6.31%	-7.41%	-5.63%
	369	2000	9,501	0	43	(43)	-0.45%	-0.14%	-0.47%	-42.77%	-23.61%	-20.59%	-12.77%	-6.28%	-7.37%
	369	2001	794	0	513	(513)	-64.60%	-5.40%	-1.79%	-2.02%	-43.29%	-23.99%	-20.80%	-12.91%	-6.31%
	369	2002	177,202	0	162,928	(162,928)	-91.94%	-91.82%	-87.19%	-78.51%	-77.91%	-84.35%	-69.98%	-57.31%	-43.22%
	369	2003	327,264	0	48,437	(48,437)	-14.80%	-41.90%	-41.93%	-41.17%	-39.57%	-39.47%	-41.98%	-39.33%	-36.63%
	369	2004	215,804	20,489	53,947	(33,458)	-15.50%	-15.08%	-33.99%	-34.02%	-33.59%	-32.66%	-32.60%	-34.40%	-31.50%
	369	2005	3,998,069	0	948,041	(948,041)	-23.71%	-23.29%	-22.68%	-25.28%	-25.29%	-25.24%	-25.13%	-25.12%	-25.41%
	369	2006	984,839	0	171,591	(171,591)	-17.42%	-22.47%	-22.18%	-21.74%	-23.92%	-23.93%	-23.89%	-23.80%	-24.04%
	369	2007	45,312	123,430	922,701	(799,272)	-1763.93%	-94.24%	-38.16%	-37.23%	-35.91%	-37.64%	-37.64%	-37.58%	-37.44%
	369	2008	3,356,594	(0)	453,498	(453,498)	-13.51%	-36.83%	-32.47%	-28.29%	-27.97%	-27.49%	-28.74%	-28.75%	-28.65%
	369	2009	565,560	(0)	382,345	(382,345)	-67.60%	-21.31%	-41.21%	-36.48%	-30.78%	-30.42%	-29.88%	-31.02%	-30.99%
	369	2010	670,549	0	354,513	(354,513)	-52.87%	-59.61%	-25.92%	-42.90%	-38.44%	-32.32%	-31.95%	-31.40%	-32.43%
	369	2011	732,755	33,993	589,014	(555,021)	-75.74%	-64.81%	-65.62%	-32.77%	-47.38%	-42.74%	-35.39%	-34.99%	-34.38%
	369	2012	998,627	49,117	818,574	(769,457)	-77.05%	-76.50%	-69.90%	-69.46%	-39.77%	-52.03%	-47.40%	-39.06%	-38.62%
	369	2013	2,148	150,011	925,079	(775,068)	-36083.24%	-154.33%	-121.11%	-102.08%	-95.51%	-52.00%	-64.18%	-57.92%	-45.87%
	369	2014	44,139	2,710	827,094	(824,385)	-1867.69%	-3455.49%	-226.71%	-164.48%	-133.91%	-121.47%	-64.58%	-76.59%	-68.71%
	369	2015	97,713	245	52,843	(52,597)	-53.83%	-618.24%	-1147.26%	-211.92%	-158.72%	-130.84%	-119.34%	-64.42%	-76.25%
	370	1999	4,097,461			0	0.00%								
	370	2000	1,935			0	0.00%	0.00%							
	370	2001	10,445,379	210,814		210,814	2.02%	2.02%	1.45%						
	370	2002	7,586	33,563	464	33,099	436.30%	2.33%	1.68%						
	370	2003	8,893,468	101,593		101,593	1.14%	1.51%	1.79%	1.79%	1.47%				
	370	2004	3,173,070	0	0	0	0.00%	0.84%	1.12%	1.53%	1.30%				
	370	2005	519,394	0	0	0	0.00%	0.00%	0.81%	1.07%	1.50%	1.27%			
	370	2006	9,878,714	0	0	0	0.00%	0.00%	0.00%	0.45%	0.60%	1.05%	0.93%		
	370	2007	3,294,815	654,904	2,297,812	(1,642,908)	-49.86%	-12.47%	-12.00%	-9.74%	-5.98%	-5.85%	-3.58%	-3.58%	-3.22%
	370	2008	2,468,358	0	104	(104)	0.00%	-28.51%	-10.50%	-10.17%	-8.50%	-5.46%	-5.34%	-3.35%	-3.03%
	370	2009	2,855,541	0	0	0	0.00%	0.00%	-19.06%	-8.88%	-8.64%	-7.40%	-4.96%	-4.85%	-3.12%
	370	2010	2,592,905	0	0	0	0.00%	0.00%	0.00%	-14.65%	-7.79%	-7.60%	-6.63%	-4.58%	-2.94%
	370	2011	2,814,003	0	0	0	0.00%	0.00%	0.00%	0.00%	-11.71%	-6.87%	-6.73%	-5.95%	-4.13%
	370	2012	3,476,579	0	74	(74)	0.00%	0.00%	0.00%	0.00%	0.00%	-9.39%	-6.00%	-5.89%	-3.86%
	370	2013	2,787,067	0	558	(558)	-0.02%	-0.01%	-0.01%	-0.01%	0.00%	0.00%	-8.10%	-5.45%	-4.85%
	370	2014	2,871,045	42,191	2,830,714	(2,788,523)	-97.13%	-49.29%	-30.53%	-23.34%	-19.18%	-16.03%	-14.04%	-19.14%	-13.21%



Appendix E-1

PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015  
 TRANSMISSION, DISTRIBUTION, AND GENERAL PLANT  
 RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS

FERC Account	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %	
	370	2015	0	0	167	(167)	NA	-97.13%	-49.30%	-30.54%	-23.34%	-19.18%	-16.03%	-14.04%	-19.14%	-13.42%
	370.2	1995	0	0	0	0	NA									
	370.2	1996	0	0	0	0	NA	NA								
	370.2	1997	0	0	0	0	NA	NA	NA							
	370.2	1998	0	0	0	0	NA	NA	NA	NA						
	370.2	1999	0	0	0	0	NA	NA	NA	NA	NA					
	370.2	2000	0	0	0	0	NA	NA	NA	NA	NA	NA				
	370.2	2001	0	0	0	0	NA	NA	NA	NA	NA	NA	NA			
	370.2	2002	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA		
	370.2	2003	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	
	370.2	2004	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	370.2	2005	2,640,497	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	370.2	2006	1,218,945	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	370.2	2007	1,184,397	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	370.2	2008	926,997	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	370.2	2009	934,477	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	370.2	2010	898,598	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	370.2	2011	674,452	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	370.2	2012	728,000	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	370.2	2013	700,605	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	370.2	2014	773,096	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	370.2	2015	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	371	1970	44,494	13,936	12,081	1,856	4.17%									
	371	1971	34,994	17,905	13,608	4,297	12.28%	7.74%								
	371	1972	65,325	5,595	10,451	(4,855)	-7.43%	-0.56%	0.90%							
	371	1973	59,270	13,986	12,378	1,608	2.71%	-2.61%	0.66%	1.42%						
	371	1974	50,588	35,757	25,046	10,711	21.17%	11.21%	4.26%	5.60%	5.35%					
	371	1975	43,725	24,116	18,192	5,924	13.55%	17.64%	11.88%	6.12%	6.97%	6.55%				
	371	1976	49,244	7,767	5,536	2,231	4.53%	8.77%	13.14%	10.09%	5.82%	6.57%	6.26%			
	371	1977	45,055	9,542	6,765	2,777	6.16%	5.31%	7.92%	11.47%	9.38%	5.87%	6.52%	6.25%		
	371	1978	37,665	17,091	12,369	4,721	12.53%	9.06%	7.37%	8.91%	11.65%	9.80%	6.59%	7.10%	6.80%	
	371	1979	49,374	25,482	17,803	7,679	15.55%	14.25%	11.49%	9.60%	10.37%	12.35%	10.64%	7.69%	8.06%	7.70%
	371	1980	47,349	25,090	13,610	11,480	24.25%	19.81%	17.77%	14.86%	12.63%	12.78%	14.09%	12.33%	9.45%	9.65%
	371	1981	335,302	22,928	17,844	5,083	1.52%	4.33%	5.61%	6.17%	6.17%	6.02%	6.56%	7.69%	7.28%	6.05%
	371	1982	160,298	140,699	182,386	(41,687)	-26.01%	-7.39%	-4.63%	-2.95%	-2.02%	-1.47%	-1.07%	-0.23%	1.09%	1.20%
	371	1983	186,823	63,343	58,982	4,361	2.33%	-10.75%	-4.72%	-2.85%	-1.68%	-1.02%	-0.65%	-0.37%	0.27%	1.32%
	371	1984	422,788	76,982	104,440	(27,458)	-6.49%	-3.79%	-8.41%	-5.40%	-4.18%	-3.37%	-2.89%	-2.57%	-2.31%	-1.81%
	371	1985	365,560	124,708	195,906	(71,198)	-19.48%	-12.51%	-9.67%	-11.98%	-8.90%	-7.87%	-7.13%	-6.67%	-6.32%	-6.00%
	371	1986	313,397	62,385	91,663	(29,278)	-9.34%	-14.80%	-11.61%	-9.59%	-11.41%	-8.98%	-8.12%	-7.50%	-7.10%	-6.80%
	371	1987	246,676	125,747	158,674	(32,927)	-13.35%	-11.11%	-14.41%	-11.93%	-10.19%	-11.69%	-9.51%	-8.74%	-8.18%	-7.82%
	371	1988	163,063	67,342	109,029	(41,687)	-25.56%	-18.21%	-14.37%	-16.08%	-13.40%	-11.67%	-12.91%	-10.70%	-9.96%	-9.41%
	371	1989	136,943	69,306	75,916	(6,610)	-4.83%	-16.10%	-14.86%	-12.85%	-14.82%	-12.69%	-11.16%	-12.35%	-10.36%	-9.67%
	371	1990	57,451	0	0	0	0.00%	-3.40%	-13.51%	-13.44%	-12.04%	-14.16%	-12.26%	-10.82%	-12.01%	-10.11%
	371	1991	94,094	24,270	25,102	(832)	-0.88%	-0.55%	-2.58%	-10.88%	-11.75%	-11.01%	-13.25%	-11.67%	-10.35%	-11.52%

Appendix E-1

PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015  
 TRANSMISSION, DISTRIBUTION, AND GENERAL PLANT  
 RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS

		Activity						2- yr	3- yr	4- yr	5- yr	6- yr	7- yr	8- yr	9- yr	10- yr
FERC Account		Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %
	371	1992	51,864	14,934	32,350	(17,416)	-33.58%	-12.50%	-8.97%	-7.30%	-13.22%	-13.26%	-12.11%	-13.99%	-12.28%	-10.94%
	371	1993	340,837	18,515	24,836	(6,321)	-1.85%	-6.04%	-5.05%	-4.51%	-4.58%	-8.63%	-9.70%	-9.62%	-11.65%	-10.66%
	371	1994	109,061	6,025	17,140	(11,115)	-10.19%	-3.88%	-6.95%	-5.99%	-5.46%	-5.35%	-8.81%	-9.74%	-9.66%	-11.57%
	371	1995	77,786	22,659	23,135	(476)	-0.61%	-6.20%	-3.39%	-6.10%	-5.37%	-4.95%	-4.93%	-8.19%	-9.19%	-9.22%
	371	1996	43,558	15,444	27,481	(12,038)	-27.64%	-10.31%	-10.26%	-5.24%	-7.60%	-6.72%	-6.22%	-6.01%	-8.98%	-9.79%
	371	1997	72,808	14,277	17,551	(3,274)	-4.50%	-13.16%	-8.13%	-8.87%	-5.16%	-7.28%	-6.52%	-6.07%	-5.90%	-8.69%
	371	1998	70,539	12,169	14,960	(2,791)	-3.96%	-4.23%	-9.69%	-7.02%	-7.95%	-5.04%	-6.97%	-6.31%	-5.91%	-5.77%
	371	1999	185,951	0	0	0	0.00%	-1.09%	-1.84%	-4.86%	-4.12%	-5.31%	-4.00%	-5.61%	-5.19%	-4.92%
	371	2000	293	0	0	0	0.00%	0.00%	-1.09%	-1.84%	-4.85%	-4.12%	-5.30%	-4.00%	-5.61%	-5.18%
	371	2001	41,113	0	1,477	(1,477)	-3.59%	-3.57%	-0.65%	-1.43%	-2.03%	-4.73%	-4.08%	-5.19%	-3.98%	-5.53%
	371	2002	3,663	0	505	(505)	-13.77%	-4.43%	-4.40%	-0.86%	-1.58%	-2.15%	-4.81%	-4.15%	-5.24%	-4.02%
	371	2003	21,090	0	4,310	(4,310)	-20.44%	-19.45%	-9.55%	-9.51%	-2.50%	-2.82%	-3.12%	-5.56%	-4.81%	-5.75%
	371	2004	64,609	0	26,573	(26,573)	-41.13%	-36.04%	-35.12%	-25.19%	-25.13%	-10.38%	-9.21%	-8.46%	-10.12%	-8.85%
	371	2005	253,642	220	57,733	(57,513)	-22.67%	-26.42%	-26.05%	-25.92%	-23.53%	-23.51%	-15.85%	-14.54%	-13.51%	-14.33%
	371	2006	16,582	0	12,159	(12,159)	-73.33%	-25.78%	-28.74%	-28.25%	-28.10%	-25.59%	-25.57%	-17.47%	-16.02%	-14.87%
	371	2007	5,925	156	13,718	(13,563)	-228.89%	-114.28%	-30.14%	-32.22%	-31.54%	-31.36%	-28.55%	-28.53%	-19.58%	-17.92%
	371	2008	1,709	0	10,319	(10,319)	-603.75%	-312.81%	-148.83%	-33.67%	-35.08%	-34.23%	-34.02%	-30.96%	-30.94%	-21.26%
	371	2009	0	0	14	(14)	NA	-604.59%	-313.00%	-148.89%	-33.67%	-35.08%	-34.23%	-34.03%	-30.96%	-30.94%
	371	2010	0	0	0	0	NA	NA	-604.59%	-313.00%	-148.89%	-33.67%	-35.08%	-34.23%	-34.03%	-30.96%
	371	2011	2,234	0	0	0	0.00%	0.00%	-0.65%	-262.04%	-242.14%	-136.31%	-33.41%	-34.85%	-34.02%	-33.82%
	371	2012	344	0	0	0	0.00%	0.00%	-0.56%	-241.03%	-233.99%	-134.56%	-33.37%	-34.82%	-33.99%	-33.99%
	371	2013	(344)	0	1,068	(1,068)	310.79%	NA	-47.81%	-47.81%	-48.46%	-289.13%	-252.96%	-140.35%	-33.79%	-35.16%
	371	2014	166	0	225	(225)	-135.64%	727.18%	-779.65%	-53.88%	-53.88%	-54.49%	-282.93%	-251.02%	-140.32%	-33.85%
	371	2015	0	0	0	0	NA	-135.64%	727.18%	-779.65%	-53.88%	-53.88%	-54.49%	-282.93%	-251.02%	-140.32%
	373	1970	286,548	79,634	72,483	7,151	2.50%									
	373	1971	240,737	111,178	88,719	22,459	9.33%	5.62%								
	373	1972	477,106	35,362	69,352	(33,990)	-7.12%	-1.61%	-0.44%							
	373	1973	278,877	118,650	110,258	8,392	3.01%	-3.39%	-0.31%	0.31%						
	373	1974	340,680	151,129	111,153	39,976	11.73%	7.81%	1.31%	2.75%	2.71%					
	373	1975	432,772	197,104	156,118	40,986	9.47%	10.47%	8.49%	3.62%	4.40%	4.13%				
	373	1976	280,783	82,768	61,946	20,822	7.42%	8.66%	9.65%	8.26%	4.21%	4.81%	4.53%			
	373	1977	247,898	80,523	59,942	20,581	8.30%	7.83%	8.57%	9.40%	8.27%	4.70%	5.19%	4.89%		
	373	1978	267,340	85,540	65,006	20,534	7.68%	7.98%	7.78%	8.38%	9.10%	8.19%	5.04%	5.45%	5.15%	
	373	1979	335,398	182,722	134,042	48,679	14.51%	11.48%	10.56%	9.78%	9.69%	10.06%	9.16%	6.24%	6.49%	6.13%
	373	1980	370,608	179,305	102,125	77,180	20.83%	17.83%	15.04%	13.67%	12.50%	11.82%	11.81%	10.85%	8.02%	8.12%
	373	1981	925,556	276,161	225,680	50,481	5.45%	9.85%	10.81%	10.37%	10.13%	9.82%	9.76%	9.97%	9.41%	7.42%
	373	1982	1,452,987	388,655	529,000	(140,344)	-9.66%	-3.78%	-0.46%	1.17%	1.69%	2.14%	2.52%	3.22%	3.84%	3.80%
	373	1983	1,602,761	607,808	594,265	13,543	0.84%	-4.15%	-1.92%	0.02%	1.06%	1.41%	1.74%	2.03%	2.58%	3.08%
	373	1984	1,682,515	512,140	729,555	(217,414)	-12.92%	-6.21%	-7.26%	-5.19%	-3.59%	-2.64%	-2.22%	-1.84%	-1.48%	-0.85%
	373	1985	1,623,828	516,547	852,028	(335,481)	-20.66%	-16.72%	-10.99%	-10.68%	-8.63%	-7.21%	-6.30%	-5.84%	-5.43%	-5.02%
	373	1986	1,508,074	346,441	534,477	(188,037)	-12.47%	-16.72%	-15.39%	-11.34%	-11.03%	-9.29%	-8.07%	-7.28%	-6.87%	-6.49%
	373	1987	1,582,682	535,109	708,987	(173,878)	-10.99%	-11.71%	-14.79%	-14.30%	-11.27%	-11.02%	-9.55%	-8.50%	-7.81%	-7.44%
	373	1988	1,198,760	322,192	547,719	(225,527)	-18.81%	-14.36%	-13.69%	-15.61%	-15.01%	-12.25%	-11.90%	-10.51%	-9.54%	-8.88%
	373	1989	668,032	444,030	510,696	(66,665)	-9.98%	-15.65%	-13.51%	-13.19%	-15.04%	-14.61%	-12.10%	-11.78%	-10.48%	-9.56%
	373	1990	509,552	242,709	167,065	75,644	14.85%	0.76%	-9.11%	-9.86%	-10.58%	-12.89%	-12.90%	-10.77%	-10.64%	-9.47%
	373	1991	748,881	208,824	226,779	(17,956)	-2.40%	4.58%	-0.47%	-7.50%	-8.67%	-9.59%	-11.89%	-12.07%	-10.21%	-10.15%
	373	1992	719,564	133,076	302,689	(169,612)	-23.57%	-12.77%	-5.66%	-6.75%	-10.51%	-10.65%	-11.05%	-12.87%	-12.88%	-11.02%
	373	1993	1,528,124	162,327	228,631	(66,304)	-4.34%	-10.50%	-8.47%	-5.08%	-5.87%	-8.76%	-9.26%	-9.83%	-11.58%	-11.77%

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**PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015  
 TRANSMISSION, DISTRIBUTION, AND GENERAL PLANT  
 RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS**

			Activity					2- yr	3- yr	4- yr	5- yr	6- yr	7- yr	8- yr	9- yr	10- yr
FERC Account	Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %
	373	1994	1,096,656	31,753	94,847	(63,094)	-5.75%	-4.93%	-8.94%	-7.74%	-5.24%	-5.84%	-8.25%	-8.79%	-9.37%	-11.01%
	373	1995	721,857	539,056	577,907	(38,851)	-5.38%	-5.61%	-5.03%	-8.31%	-7.39%	-5.26%	-5.79%	-7.96%	-8.51%	-9.09%
	373	1996	283,556	173,645	324,447	(150,802)	-53.18%	-18.86%	-12.02%	-8.79%	-11.23%	-9.94%	-7.68%	-7.93%	-9.67%	-9.90%
	373	1997	492,876	213,178	258,743	(45,564)	-9.24%	-25.29%	-15.70%	-11.50%	-8.84%	-11.03%	-9.88%	-7.81%	-8.02%	-9.65%
	373	1998	540,944	173,645	324,447	(150,802)	-27.88%	-18.99%	-26.35%	-18.93%	-14.32%	-11.05%	-12.72%	-11.46%	-9.45%	-9.49%
	373	1999	1,347,154	213,178	258,743	(45,564)	-3.38%	-10.40%	-10.16%	-14.74%	-12.74%	-11.03%	-9.33%	-10.85%	-10.01%	-8.42%
	373	2000	98,205	173,645	324,447	(150,802)	-153.56%	-13.59%	-17.48%	-15.84%	-19.67%	-16.71%	-14.09%	-11.65%	-12.91%	-11.87%
	373	2001	1,713,404	213,178	258,743	(45,564)	-2.66%	-10.84%	-7.66%	-10.62%	-10.45%	-13.16%	-12.08%	-10.98%	-9.68%	-10.85%
	373	2002	1,748,839	173,645	324,447	(150,802)	-8.62%	-5.67%	-9.75%	-8.00%	-9.98%	-9.92%	-11.89%	-11.21%	-10.47%	-9.49%
	373	2003	645,566	213,178	258,743	(45,564)	-7.06%	-8.20%	-5.89%	-9.34%	-7.89%	-9.67%	-9.64%	-11.43%	-10.86%	-10.21%
	373	2004	1,418,230	173,645	324,447	(150,802)	-10.63%	-9.51%	-9.11%	-7.11%	-9.66%	-8.45%	-9.85%	-9.81%	-11.30%	-10.82%
	373	2005	2,337,525	213,178	258,743	(45,564)	-1.95%	-5.23%	-5.50%	-6.39%	-5.57%	-7.40%	-6.82%	-7.97%	-8.03%	-9.24%
	373	2006	4,341,020	36,688	324,624	(287,936)	-6.63%	-4.99%	-5.98%	-6.06%	-6.49%	-5.95%	-7.13%	-6.76%	-7.56%	-7.62%
	373	2007	2,423,136	140,803	702,039	(561,235)	-23.16%	-12.55%	-9.83%	-9.94%	-9.77%	-9.62%	-8.80%	-9.77%	-9.23%	-9.84%
	373	2008	5,390,446	0	1,006,445	(1,006,445)	-18.67%	-20.06%	-15.27%	-13.12%	-12.90%	-12.67%	-12.28%	-11.46%	-12.15%	-11.60%
	373	2009	4,864,507	(0)	967,674	(967,674)	-19.89%	-19.25%	-20.00%	-16.59%	-14.82%	-14.54%	-14.31%	-13.88%	-13.11%	-13.66%
	373	2010	2,619,645	612	882,912	(882,299)	-33.68%	-24.72%	-22.19%	-22.34%	-18.87%	-17.07%	-16.68%	-16.42%	-15.89%	-15.07%
	373	2011	1,839,155	13,724	1,009,304	(995,580)	-54.13%	-42.12%	-30.52%	-26.18%	-25.75%	-21.89%	-19.93%	-19.41%	-19.10%	-18.44%
	373	2012	2,877,154	20,055	907,548	(887,493)	-30.85%	-39.93%	-37.70%	-30.60%	-26.94%	-26.49%	-22.95%	-21.11%	-20.58%	-20.28%
	373	2013	3,612,484	17,247	1,428,748	(1,411,501)	-39.07%	-35.43%	-39.56%	-38.15%	-32.53%	-29.01%	-28.41%	-25.03%	-23.25%	-22.69%
	373	2014	2,247,265	72,276	1,193,647	(1,121,371)	-49.90%	-43.22%	-39.15%	-41.75%	-40.15%	-34.69%	-31.01%	-30.28%	-26.88%	-25.09%
	373	2015	2,132,582	23,199	712,628	(689,429)	-32.33%	-41.34%	-40.32%	-37.81%	-40.17%	-39.06%	-34.44%	-31.12%	-30.43%	-27.24%
Structures & Improvements																
	390	1999	43,057	0	0	0	0.00%									
	390	2000	0	0	0	0	NA	0.00%								
	390	2001	0	0	0	0	NA	NA	0.00%							
	390	2002	3,500	2,430	3,363	(933)	-26.64%	-26.64%	-26.64%	-2.00%						
	390	2003	833,640	0	22,787	(22,787)	-2.73%	-2.83%	-2.83%	-2.83%	-2.69%					
	390	2004	0	0	0	0	NA	-2.73%	-2.83%	-2.83%	-2.83%	-2.69%				
	390	2005	115,238	0	0	0	0.00%	0.00%	-2.40%	-2.49%	-2.49%	-2.49%	-2.38%			
	390	2006	0	0	0	0	NA	0.00%	0.00%	-2.40%	-2.49%	-2.49%	-2.49%	-2.38%		
	390	2007	926,848	0	1	(1)	0.00%	0.00%	0.00%	0.00%	-1.21%	-1.26%	-1.26%	-1.26%	-1.23%	
	390	2008	0	0	25,446	(25,446)	NA	-2.75%	-2.75%	-2.44%	-2.44%	-2.57%	-2.62%	-2.62%	-2.62%	-2.56%
	390	2009	0	0	38,615	(38,615)	NA	NA	-6.91%	-6.91%	-6.15%	-6.15%	-4.63%	-4.67%	-4.67%	-4.67%
	390	2010	1,924	0	0	0	0.00%	-2007.02%	-3329.56%	-6.90%	-6.90%	-6.14%	-6.14%	-4.63%	-4.67%	-4.67%
	390	2011	0	0	0	0	NA	0.00%	-2007.02%	-3329.56%	-6.90%	-6.90%	-6.14%	-6.14%	-4.63%	-4.67%
	390	2012	2,692	0	0	0	0.00%	0.00%	0.00%	-836.55%	-1387.80%	-6.88%	-6.88%	-6.12%	-6.12%	-4.62%
	390	2013	362,705	2,811	88,693	(85,883)	-23.68%	-23.50%	-23.50%	-23.38%	-33.89%	-40.82%	-11.59%	-11.59%	-10.64%	-10.64%
	390	2014	8,530	0	2,503	(2,503)	-29.35%	-23.81%	-23.64%	-23.64%	-23.52%	-33.79%	-40.56%	-11.70%	-11.70%	-10.75%
	390	2015	31,200	0	19,341	(19,341)	-61.99%	-54.98%	-26.77%	-26.59%	-26.59%	-26.47%	-35.95%	-42.20%	-12.88%	-12.88%
General Buildings																
	390.1	1999	21,563	0	0	0	0.00%									
	390.1	2000	0	0	0	0	NA	0.00%								
	390.1	2001	0	0	0	0	NA	NA	0.00%							
	390.1	2002	52,206	0	3,363	(3,363)	-6.44%	-6.44%	-6.44%	-4.56%						
	390.1	2003	3,456,534	82,434	22,787	59,647	1.73%	1.60%	1.60%	1.60%	1.59%					

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 TRANSMISSION, DISTRIBUTION, AND GENERAL PLANT  
 RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS**

FERC Account	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
390.1	2004	0	0	0	0	NA	1.73%	1.60%	1.60%	1.60%	1.59%				
390.1	2005	21,512	0	78,438	(78,438)	-364.62%	-364.62%	-0.54%	-0.63%	-0.63%	-0.63%	-0.62%			

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FERC Account	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
	390.1	2006	0	0	0	NA	-364.62%	-364.62%	-0.54%	-0.63%	-0.63%	-0.63%	-0.62%		
	390.1	2007	0	0	1	(1)	NA	NA	-364.63%	-364.63%	-0.54%	-0.63%	-0.63%	-0.62%	
	390.1	2008	23,794	0	15,446	(15,446)	-64.91%	-64.92%	-207.22%	-207.22%	-0.98%	-1.06%	-1.06%	-1.06%	-1.05%
	390.1	2009	0	0	18,215	(18,215)	NA	-141.47%	-141.47%	-247.43%	-247.43%	-1.50%	-1.57%	-1.57%	-1.57%
	390.1	2010	48,255	0	0	0	0.00%	-37.75%	-46.72%	-46.72%	-46.72%	-119.81%	-119.81%	-1.48%	-1.55%
	390.1	2011	0	0	0	0	NA	0.00%	-37.75%	-46.72%	-46.72%	-119.81%	-119.81%	-1.48%	-1.55%
	390.1	2012	400	0	1,001	(1,001)	-250.28%	-250.28%	-2.06%	-39.49%	-47.84%	-47.84%	-120.37%	-120.37%	-1.51%
	390.1	2013	0	0	0	0	NA	-250.28%	-2.06%	-39.49%	-47.84%	-47.84%	-47.84%	-120.37%	-120.37%
	390.1	2014	0	0	0	0	NA	-250.28%	-2.06%	-39.49%	-47.84%	-47.84%	-47.84%	-120.37%	-120.37%
	390.1	2015	0	0	0	0	NA	NA	-250.28%	-2.06%	-39.49%	-47.84%	-47.84%	-120.37%	-120.37%
Partitions	390.2	1999	197,002	0	0	0	0.00%								
	390.2	2000	0	0	0	0	NA	0.00%							
	390.2	2001	0	0	0	0	NA	NA	0.00%						
	390.2	2002	0	0	0	0	NA	NA	0.00%						
	390.2	2003	0	0	0	0	NA	NA	NA	0.00%					
	390.2	2004	0	0	0	0	NA	NA	NA	NA	0.00%				
	390.2	2005	0	0	0	0	NA	NA	NA	NA	NA	0.00%			
	390.2	2006	0	0	0	0	NA	NA	NA	NA	NA	NA	0.00%		
	390.2	2007	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	0.00%	
	390.2	2008	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	0.00%
	390.2	2009	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	390.2	2010	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	390.2	2011	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	390.2	2012	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	390.2	2013	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	390.2	2014	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	390.2	2015	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	391	1970	5,908	118	134	(16)	-0.27%								
	391	1971	5,626	275	188	87	1.54%	0.62%							
	391	1972	4,259	883	562	321	7.53%	4.12%	2.48%						
	391	1973	11,199	317	363	(47)	-0.42%	1.77%	1.71%	1.28%					
	391	1974	12,805	8,942	10,909	(1,967)	-15.36%	-8.39%	-5.99%	-4.74%	-4.08%				
	391	1975	32,519	1,738	57	1,682	5.17%	-0.63%	-0.59%	-0.02%	0.11%	0.08%			
	391	1976	0	0	0	0	NA	5.17%	-0.63%	-0.59%	-0.02%	0.11%	0.08%		
	391	1977	20,766	1,446	31,928	(30,482)	-146.79%	-146.79%	-54.05%	-46.55%	-39.87%	-37.39%	-34.88%	-32.68%	
	391	1978	3,141	151	3,394	(3,243)	-103.25%	-141.07%	-141.07%	-56.79%	-49.13%	-42.34%	-39.84%	-37.26%	-34.99%
	391	1979	1,244	1,317	3,076	(1,759)	-141.41%	-114.07%	-141.08%	-141.08%	-58.61%	-50.75%	-43.85%	-41.31%	-38.67%
	391	1980	1,620	368	1,942	(1,573)	-97.11%	-116.35%	-109.50%	-138.42%	-138.42%	-59.66%	-51.80%	-44.89%	-42.34%
	391	1981	1,240	8	175	(167)	-13.47%	-60.84%	-85.27%	-93.06%	-132.89%	-132.89%	-58.72%	-51.15%	-44.43%
	391	1982	2,407	98	4,141	(4,043)	-167.98%	-115.44%	-109.80%	-115.84%	-111.74%	-135.67%	-135.67%	-62.90%	-54.86%
	391	1983	2,183	149	26	123	5.63%	-85.41%	-70.11%	-75.98%	-85.34%	-90.09%	-126.20%	-60.60%	-53.17%
	391	1984	3,148	43	0	43	1.37%	3.12%	-50.10%	-45.04%	-53.00%	-62.29%	-70.88%	-114.97%	-114.97%
	391	1985	77	(893)	21	(914)	-1186.84%	-27.00%	-13.83%	-61.30%	-54.75%	-61.18%	-69.56%	-76.58%	-117.27%
	391	1986	13,510	45,953	2,236	43,716	323.59%	315.03%	256.02%	227.13%	182.53%	171.76%	153.75%	139.31%	112.65%
	391	1987	3,183	21,215	(860)	22,075	693.54%	394.13%	386.87%	325.94%	294.30%	248.90%	236.27%	216.53%	200.97%

FERC Account	Activity		Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr	3- yr	4- yr	5- yr	6- yr	7- yr	8- yr	9- yr	10- yr	
	Year	Retirements					Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %
	391	1988	10,698	(8,684)	25,593	(34,277)	-320.41%	-87.90%	115.06%	111.41%	100.09%	93.80%	75.91%	72.87%	65.63%	59.08%
	391	1989	123	(128)	13	(142)	-115.05%	-318.07%	-88.14%	114.03%	110.40%	99.23%	93.02%	75.24%	72.23%	65.05%
	391	1990	57	2,155	(1,363)	3,518	6171.88%	1875.81%	-284.06%	-62.76%	126.55%	122.89%	110.47%	103.53%	85.06%	81.73%
	391	1991	0	0	0	0	NA	6171.88%	1875.81%	-284.06%	-62.76%	126.55%	122.89%	110.47%	103.53%	85.06%
	391	1992	0	0	0	0	NA	NA	6171.88%	1875.81%	-284.06%	-62.76%	126.55%	122.89%	110.47%	103.53%
	391	1993	801	14,426	5,379	9,047	1129.46%	1129.46%	1129.46%	1464.45%	1266.41%	-187.12%	1.49%	154.86%	151.23%	136.30%
	391	1994	0	0	0	0	NA	1129.46%	1129.46%	1129.46%	1464.45%	1266.41%	-187.12%	1.49%	154.86%	151.23%
	391	1995	6,481	4,440	2,253	2,187	33.74%	33.74%	154.26%	154.26%	154.26%	201.00%	195.79%	-108.30%	11.28%	132.34%
	391	1996	34,549	35,219	4,733	30,487	88.24%	79.63%	79.63%	99.74%	99.74%	99.74%	108.00%	107.35%	20.53%	58.85%
	391	1997	40	29	21	8	19.52%	88.16%	79.57%	79.57%	99.66%	99.66%	99.66%	107.91%	107.26%	20.53%
	391	1998	347,306	253,437	185,643	67,794	19.52%	19.52%	25.74%	25.87%	25.87%	28.14%	28.14%	28.14%	29.04%	29.00%
	391	1999	925,828	0	0	0	0.00%	5.32%	5.33%	7.52%	7.65%	7.65%	8.33%	8.33%	8.33%	8.60%
	391	2000	535	0	0	0	0.00%	0.00%	5.32%	5.32%	7.51%	7.64%	7.64%	8.33%	8.33%	8.33%
	391	2001	121,035	0	0	0	0.00%	0.00%	0.00%	4.86%	4.86%	6.88%	7.00%	7.00%	7.62%	7.62%
	391	2002	16,807	0	0	0	0.00%	0.00%	0.00%	0.00%	4.80%	4.80%	6.80%	6.92%	6.92%	7.54%
	391	2003	19,262	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	4.74%	4.74%	6.71%	6.83%	6.83%
	391	2004	1,842	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	4.73%	4.73%	6.70%	6.82%
	391	2005	815,827	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.02%	3.02%	4.31%
	391	2006	744,867	41	0	41	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.27%	2.27%
	391	2007	226,364	0	1	(1)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.11%
	391	2008	821,471	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	391	2009	4,057,823	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	391	2010	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	391	2011	25,474	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	391	2012	182,255	0	1,508	(1,508)	-0.83%	-0.73%	-0.73%	-0.04%	-0.03%	-0.03%	-0.02%	-0.02%	-0.02%	-0.02%
	391	2013	2,825	0	0	0	0.00%	-0.81%	-0.72%	-0.72%	-0.04%	-0.03%	-0.03%	-0.02%	-0.02%	-0.02%
	391	2014	20,280	0	0	0	0.00%	-0.73%	-0.73%	-0.65%	-0.65%	-0.04%	-0.03%	-0.03%	-0.02%	-0.02%
	391	2015	1,577,923	0	0	0	0.00%	0.00%	0.00%	-0.08%	-0.08%	-0.08%	-0.03%	-0.02%	-0.02%	-0.02%
	392	1970	0	0	0	0	NA									
	392	1971	0	0	0	0	NA	NA								
	392	1972	0	0	0	0	NA	NA	NA							
	392	1973	0	0	0	0	NA	NA	NA	NA						
	392	1974	0	0	0	0	NA	NA	NA	NA	NA					
	392	1975	0	0	0	0	NA	NA	NA	NA	NA	NA				
	392	1976	138	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
	392	1977	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
	392	1978	0	0	0	0	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	392	1979	0	0	0	0	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	392	1980	0	0	0	0	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	392	1981	(50)	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	392	1982	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	392	1983	0	0	0	0	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	392	1984	0	0	0	0	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	392	1985	0	0	0	0	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	392	1986	0	0	0	0	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%
	392	1987	0	0	0	0	NA	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%
	392	1988	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%
	392	1989	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	0.00%	0.00%

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**PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015  
 TRANSMISSION, DISTRIBUTION, AND GENERAL PLANT  
 RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS**

FERC Account	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
	392 1990	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	0.00%
	392 1991	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	392 1992	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	392 1993	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	392 1994	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	392 1995	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	392 1996	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	392 1997	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	392 1998	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	392 1999	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	392 2000	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	392 2001	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	392 2002	0	14,988	0	14,988	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	392 2003	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	392 2004	0	169,748	655	169,093	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	392 2005	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	392 2006	815,832	0	0	0	0.00%	0.00%	20.73%	20.73%	22.56%	22.56%	22.56%	22.56%	22.56%	22.56%
	392 2007	0	0	0	0	NA	0.00%	0.00%	20.73%	20.73%	22.56%	22.56%	22.56%	22.56%	22.56%
	392 2008	172,586	0	0	0	0.00%	0.00%	0.00%	0.00%	17.11%	17.11%	18.62%	18.62%	18.62%	18.62%
	392 2009	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	17.11%	17.11%	18.62%	18.62%	18.62%
	392 2010	0	0	0	0	NA	NA	0.00%	0.00%	0.00%	0.00%	17.11%	17.11%	18.62%	18.62%
	392 2011	0	0	22	(22)	NA	NA	NA	-0.01%	-0.01%	0.00%	0.00%	17.11%	17.11%	18.62%
	392 2012	0	3,883	0	3,883	NA	NA	NA	NA	2.24%	2.24%	0.39%	0.39%	17.50%	17.50%
	392 2013	0	0	0	0	NA	NA	NA	NA	NA	2.24%	2.24%	0.39%	0.39%	17.50%
	392 2014	0	0	0	0	NA	NA	NA	NA	NA	NA	2.24%	2.24%	0.39%	0.39%
	392 2015	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	2.24%	2.24%	0.39%
	393 1970	0	0	0	0	NA									
	393 1971	0	0	0	0	NA	NA								
	393 1972	0	0	0	0	NA	NA	NA							
	393 1973	0	0	0	0	NA	NA	NA	NA						
	393 1974	819	572	698	(126)	-15.36%	-15.36%	-15.36%	-15.36%	-15.36%					
	393 1975	54	3	0	3	5.17%	-14.09%	-14.09%	-14.09%	-14.09%	-14.09%				
	393 1976	15,339	378	612	(234)	-1.50%	-1.50%	-2.20%	-2.20%	-2.20%	-2.20%	-2.20%			
	393 1977	0	0	0	0	NA	-1.52%	-1.50%	-2.20%	-2.20%	-2.20%	-2.20%	-2.20%		
	393 1978	0	0	0	0	NA	NA	-1.52%	-1.50%	-2.20%	-2.20%	-2.20%	-2.20%	-2.20%	
	393 1979	0	0	0	0	NA	NA	NA	-1.52%	-1.50%	-2.20%	-2.20%	-2.20%	-2.20%	-2.20%
	393 1980	0	0	0	0	NA	NA	NA	NA	-1.52%	-1.50%	-2.20%	-2.20%	-2.20%	-2.20%
	393 1981	14,520	92	2,047	(1,956)	-13.47%	-13.47%	-13.47%	-13.47%	-13.47%	-7.33%	-7.31%	-7.52%	-7.52%	-7.52%
	393 1982	0	0	0	0	NA	-13.47%	-13.47%	-13.47%	-13.47%	-7.33%	-7.31%	-7.52%	-7.52%	-7.52%
	393 1983	0	0	0	0	NA	NA	-13.47%	-13.47%	-13.47%	-13.47%	-13.47%	-7.33%	-7.31%	-7.52%
	393 1984	0	0	0	0	NA	NA	NA	-13.47%	-13.47%	-13.47%	-13.47%	-7.33%	-7.31%	-7.52%
	393 1985	0	0	0	0	NA	NA	NA	NA	-13.47%	-13.47%	-13.47%	-13.47%	-7.33%	-7.33%
	393 1986	443	1,507	73	1,433	323.59%	323.59%	323.59%	323.59%	323.59%	-3.49%	-3.49%	-3.49%	-3.49%	-3.49%
	393 1987	61	407	(16)	423	693.54%	368.36%	368.36%	368.36%	368.36%	368.36%	-0.66%	-0.66%	-0.66%	-0.66%
	393 1988	0	0	0	0	NA	693.54%	368.36%	368.36%	368.36%	368.36%	368.36%	-0.66%	-0.66%	-0.66%
	393 1989	0	0	0	0	NA	NA	693.54%	368.36%	368.36%	368.36%	368.36%	368.36%	-0.66%	-0.66%
	393 1990	0	0	0	0	NA	NA	NA	693.54%	368.36%	368.36%	368.36%	368.36%	368.36%	-0.66%
	393 1991	0	0	0	0	NA	NA	NA	NA	693.54%	368.36%	368.36%	368.36%	368.36%	368.36%

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PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015  
 TRANSMISSION, DISTRIBUTION, AND GENERAL PLANT  
 RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS

FERC Account	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
	393 1992	0	0	0	0	NA	NA	NA	NA	NA	693.54%	368.36%	368.36%	368.36%	368.36%
	393 1993	0	0	0	0	NA	NA	NA	NA	NA	NA	693.54%	368.36%	368.36%	368.36%
	393 1994	0	0	0	0	NA	NA	NA	NA	NA	NA	693.54%	368.36%	368.36%	368.36%
	393 1995	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	693.54%	368.36%	368.36%
	393 1996	5,936	6,051	813	5,238	88.24%	88.24%	88.24%	88.24%	88.24%	88.24%	88.24%	88.24%	88.24%	94.40%
	393 1997	0	0	0	0	NA	88.24%	88.24%	88.24%	88.24%	88.24%	88.24%	88.24%	88.24%	88.24%
	393 1998	5,731	1,389	652	737	12.87%	12.87%	51.22%	51.22%	51.22%	51.22%	51.22%	51.22%	51.22%	51.22%
	393 1999	0	0	0	0	NA	12.87%	12.87%	51.22%	51.22%	51.22%	51.22%	51.22%	51.22%	51.22%
	393 2000	0	0	0	0	NA	NA	12.87%	12.87%	51.22%	51.22%	51.22%	51.22%	51.22%	51.22%
	393 2001	3,498	0	0	0	0.00%	0.00%	0.00%	7.99%	7.99%	39.40%	39.40%	39.40%	39.40%	39.40%
	393 2002	7,404	0	0	0	0.00%	0.00%	0.00%	0.00%	4.43%	4.43%	26.48%	26.48%	26.48%	26.48%
	393 2003	363	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	4.34%	4.34%	26.06%	26.06%	26.06%
	393 2004	103	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	4.31%	4.31%	25.94%	25.94%
	393 2005	11,634	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.57%	2.57%	17.24%
	393 2006	3,189	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.31%	2.31%
	393 2007	588,699	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.12%
	393 2008	817,991	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	393 2009	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	393 2010	0	0	0	0	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	393 2011	0	0	0	0	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	393 2012	0	0	0	0	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	393 2013	0	0	0	0	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%
	393 2014	0	0	0	0	NA	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%
	393 2015	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%
	394 1970	14,973	300	340	(40)	-0.27%									
	394 1971	5,353	261	179	83	1.54%	0.21%								
	394 1972	38,935	8,073	5,142	2,931	7.53%	6.80%	5.02%							
	394 1973	10,299	291	334	(43)	-0.42%	5.87%	5.44%	4.21%						
	394 1974	24,119	16,843	20,548	(3,705)	-15.36%	-10.89%	-1.11%	-0.93%	-0.83%					
	394 1975	23,131	1,237	40	1,196	5.17%	-5.31%	-4.43%	0.39%	0.45%	0.36%				
	394 1976	3,218	79	128	(49)	-1.52%	4.35%	-5.07%	-4.28%	0.33%	0.39%	0.31%			
	394 1977	24,497	1,706	37,664	(35,958)	-146.79%	-129.92%	-68.46%	-51.38%	-45.22%	-28.69%	-27.44%	-24.62%		
	394 1978	5,763	278	6,228	(5,950)	-138.49%	-103.25%	-138.49%	-125.33%	-72.00%	-55.08%	-48.90%	-31.99%	-30.67%	-27.64%
	394 1979	3,180	3,367	7,864	(4,497)	-141.41%	-116.82%	-138.77%	-126.72%	-75.70%	-58.35%	-52.02%	-34.61%	-33.21%	-29.99%
	394 1980	19,157	4,357	22,959	(18,603)	-97.11%	-103.41%	-103.38%	-123.60%	-116.56%	-80.89%	-65.56%	-59.64%	-42.47%	-40.97%
	394 1981	2,724	17	384	(367)	-13.47%	-86.69%	-93.64%	-95.43%	-118.17%	-111.76%	-78.64%	-64.21%	-58.56%	-41.96%
	394 1982	20,773	847	35,741	(34,894)	-167.98%	-150.07%	-126.28%	-127.33%	-124.64%	-131.77%	-126.48%	-96.76%	-81.25%	-75.16%
	394 1983	18,708	1,273	219	1,054	5.63%	-85.71%	-81.05%	-86.06%	-88.79%	-89.97%	-104.65%	-101.27%	-80.95%	-70.06%
	394 1984	16,041	220	0	220	1.37%	3.67%	-60.55%	-58.35%	-67.94%	-70.84%	-73.00%	-89.31%	-86.83%	-71.32%
	394 1985	6,705	(77,777)	1,801	(79,578)	-1186.84%	-348.89%	-188.89%	-181.91%	-174.85%	-157.14%	-156.57%	-153.27%	-151.91%	-147.91%
	394 1986	6,044	20,558	1,000	19,558	323.59%	-470.78%	-207.71%	-123.68%	-137.16%	-132.41%	-124.91%	-125.47%	-124.18%	-128.66%
	394 1987	707	4,712	(191)	4,903	693.54%	362.33%	-409.61%	-186.11%	-111.70%	-128.65%	-124.27%	-118.54%	-119.32%	-118.39%
	394 1988	2,046	(1,661)	4,895	(6,556)	-320.41%	-60.01%	203.54%	-397.84%	-194.82%	-120.19%	-134.17%	-129.71%	-122.99%	-123.60%
	394 1989	412	(430)	44	(474)	-115.05%	-285.99%	-67.18%	189.29%	-390.51%	-193.79%	-120.15%	-134.06%	-129.63%	-122.95%
	394 1990	39	1,475	(932)	2,407	6171.88%	428.61%	-185.12%	8.77%	214.52%	-374.47%	-186.03%	-115.31%	-130.62%	-126.32%
	394 1991	0	0	0	0	NA	6171.88%	428.61%	-185.12%	8.77%	214.52%	-374.47%	-186.03%	-115.31%	-130.62%
	394 1992	404	0	366	(366)	-90.56%	-90.56%	460.76%	183.30%	-171.95%	-2.36%	201.75%	-367.46%	-184.84%	-115.12%
	394 1993	0	0	0	0	NA	-90.56%	-90.56%	460.76%	183.30%	-171.95%	-2.36%	201.75%	-367.46%	-184.84%



Appendix E-1

PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015  
 TRANSMISSION, DISTRIBUTION, AND GENERAL PLANT  
 RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS

FERC Account	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
	394 1994	32,742	0	(326)	326	1.00%	1.00%	-0.12%	-0.12%	7.13%	5.63%	-13.08%	0.66%	46.70%	-121.75%
	394 1995	82,187	56,301	28,573	27,728	33.74%	24.41%	24.41%	24.01%	24.01%	26.09%	25.58%	19.58%	23.60%	38.15%
	394 1996	1,046	1,066	143	923	88.24%	34.42%	24.99%	24.99%	24.58%	24.58%	26.64%	26.14%	20.18%	24.16%
	394 1997	3,738	447	1,782	(1,335)	-35.72%	-8.62%	31.41%	23.09%	23.09%	22.71%	22.71%	24.70%	24.23%	18.48%
	394 1998	80,478	9,615	38,365	(28,750)	-35.72%	-35.72%	-34.20%	-0.86%	-0.55%	-0.55%	-0.73%	-0.73%	0.47%	0.23%
	394 1999	2,204	0	0	0	0.00%	-34.77%	-34.81%	-33.34%	-0.85%	-0.55%	-0.55%	-0.73%	-0.73%	0.46%
	394 2000	0	0	0	0	NA	0.00%	-34.77%	-34.81%	-33.34%	-0.85%	-0.55%	-0.55%	-0.73%	-0.73%
	394 2001	35,436	0	0	0	0.00%	0.00%	0.00%	-24.34%	-24.69%	-23.73%	-0.70%	-0.47%	-0.47%	-0.62%
	394 2002	34,818	0	0	0	0.00%	0.00%	0.00%	0.00%	-18.80%	-19.20%	-18.49%	-0.60%	-0.41%	-0.41%
	394 2003	18,337	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	-16.79%	-17.19%	-16.56%	-0.56%	-0.38%
	394 2004	38,917	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-13.68%	-14.06%	-13.57%	-0.48%
	394 2005	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-13.68%	-14.06%	-13.57%
	394 2006	66,449	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-10.39%	-10.73%
	394 2007	324,215	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-4.78%
	394 2008	172,586	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	394 2009	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	394 2010	0	0	0	0	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	394 2011	0	0	15,493	(15,493)	NA	NA	NA	-8.98%	-3.12%	-2.75%	-2.75%	-2.57%	-2.50%	-2.36%
	394 2012	0	0	752	(752)	NA	NA	NA	NA	-9.41%	-3.27%	-2.88%	-2.88%	-2.70%	-2.62%
	394 2013	0	0	0	0	NA	NA	NA	NA	NA	-9.41%	-3.27%	-2.88%	-2.88%	-2.70%
	394 2014	0	0	0	0	NA	NA	NA	NA	NA	NA	-9.41%	-3.27%	-2.88%	-2.88%
	394 2015	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	-9.41%	-3.27%	-2.88%
	395 1970	13,722	275	312	(36)	-0.27%									
	395 1971	13,130	641	438	203	1.54%	0.62%								
	395 1972	25,276	5,241	3,338	1,903	7.53%	5.48%	3.97%							
	395 1973	5,321	150	173	(22)	-0.42%	6.15%	4.76%	3.56%						
	395 1974	7,073	4,939	6,026	(1,086)	-15.36%	-8.95%	2.11%	1.96%	1.49%					
	395 1975	13,509	722	24	699	5.17%	-1.88%	-1.58%	2.92%	2.64%	2.13%				
	395 1976	0	0	0	0	NA	5.17%	-1.88%	-1.58%	2.92%	2.64%	2.13%			
	395 1977	2,183	152	3,356	(3,204)	-146.79%	-146.79%	-15.97%	-15.78%	-12.87%	-3.21%	-2.27%	-1.93%		
	395 1978	16,143	779	17,446	(16,667)	-103.25%	-108.43%	-108.43%	-60.23%	-52.07%	-45.86%	-26.44%	-22.00%	-18.90%	
	395 1979	9,656	10,223	23,878	(13,655)	-141.41%	-117.53%	-119.81%	-119.81%	-79.12%	-69.83%	-62.98%	-40.47%	-34.49%	-30.06%
	395 1980	11,910	2,709	14,274	(11,565)	-97.11%	-116.94%	-111.08%	-113.03%	-113.03%	-83.13%	-75.20%	-69.16%	-47.87%	-41.65%
	395 1981	0	0	0	0	NA	-97.11%	-116.94%	-111.08%	-113.03%	-113.03%	-83.13%	-75.20%	-69.16%	-47.87%
	395 1982	13,670	557	23,520	(22,963)	-167.98%	-167.98%	-134.98%	-136.74%	-126.22%	-127.06%	-127.06%	-100.42%	-92.31%	-86.16%
	395 1983	8,132	553	95	458	5.63%	-103.22%	-103.22%	-101.06%	-110.05%	-108.20%	-109.57%	-109.57%	-88.96%	-82.63%
	395 1984	7,071	97	0	97	1.37%	3.65%	-77.61%	-77.61%	-83.30%	-94.43%	-96.56%	-98.16%	-98.16%	-81.19%
	395 1985	1,427	(16,553)	383	(16,936)	-1186.84%	-198.16%	-98.50%	-129.85%	-129.85%	-120.61%	-124.48%	-119.44%	-120.29%	-120.29%
	395 1986	1,643	5,588	272	5,317	323.59%	-378.49%	-113.63%	-60.55%	-106.53%	-106.53%	-103.97%	-110.72%	-108.99%	-110.14%
	395 1987	475	3,166	(128)	3,294	693.54%	406.55%	-234.85%	-77.51%	-41.45%	-94.80%	-94.80%	-95.42%	-103.65%	-103.56%
	395 1988	1,404	(1,140)	3,359	(4,498)	-320.41%	-64.09%	116.76%	-259.12%	-105.88%	-60.88%	-104.17%	-104.17%	-102.33%	-109.14%
	395 1989	22,008	(22,987)	2,333	(25,320)	-115.05%	-127.37%	-111.04%	-83.07%	-141.50%	-111.81%	-89.16%	-108.46%	-108.46%	-106.46%
	395 1990	0	0	0	0	NA	-115.05%	-127.37%	-111.04%	-83.07%	-141.50%	-111.81%	-89.16%	-108.46%	-108.46%
	395 1991	0	0	0	0	NA	NA	-115.05%	-127.37%	-111.04%	-83.07%	-141.50%	-111.81%	-89.16%	-108.46%
	395 1992	856	0	775	(775)	-90.56%	-90.56%	-90.56%	-114.13%	-126.07%	-110.33%	-83.31%	-139.93%	-111.29%	-89.19%
	395 1993	0	0	0	0	NA	-90.56%	-90.56%	-90.56%	-114.13%	-126.07%	-110.33%	-83.31%	-139.93%	-111.29%
	395 1994	0	0	0	0	NA	NA	-90.56%	-90.56%	-90.56%	-114.13%	-126.07%	-110.33%	-83.31%	-139.93%
	395 1995	1,415	969	492	477	33.74%	33.74%	33.74%	-13.11%	-13.11%	-13.11%	-105.52%	-117.26%	-102.54%	-77.36%

FERC Account	Activity		Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr	3- yr	4- yr	5- yr	6- yr	7- yr	8- yr	9- yr	10- yr
	Year	Retirements					Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %
	395	1996	0	0	0	NA	33.74%	33.74%	33.74%	-13.11%	-13.11%	-13.11%	-105.52%	-117.26%	-102.54%
	395	1997	0	0	0	NA	NA	33.74%	33.74%	33.74%	-13.11%	-13.11%	-13.11%	-105.52%	-117.26%
	395	1998	63,783	0	36,368	(36,368)	-57.02%	-57.02%	-57.02%	-55.05%	-55.05%	-55.51%	-55.51%	-55.51%	-70.39%
	395	1999	15,220	0	0	0	0.00%	-46.03%	-46.03%	-44.63%	-44.63%	-44.63%	-45.11%	-45.11%	-45.11%
	395	2000	1	0	0	0	0.00%	0.00%	-46.03%	-46.03%	-44.63%	-44.63%	-44.63%	-45.11%	-45.11%
	395	2001	23,574	0	0	0	0.00%	0.00%	0.00%	-35.45%	-35.45%	-34.51%	-34.51%	-34.51%	-34.97%
	395	2002	11,753	0	0	0	0.00%	0.00%	0.00%	-31.81%	-31.81%	-31.81%	-31.01%	-31.01%	-31.01%
	395	2003	10,790	0	0	0	0.00%	0.00%	0.00%	0.00%	-29.07%	-29.07%	-29.07%	-28.36%	-28.36%
	395	2004	26,128	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	-24.05%	-24.05%	-24.05%	-23.51%
	395	2005		0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	-24.05%	-24.05%	-24.05%
	395	2006	474,712	4,389		4,389	0.92%	0.92%	0.88%	0.86%	0.84%	0.80%	0.80%	0.78%	-5.11%
	395	2007	294,671	0	0	0	0.00%	0.57%	0.57%	0.55%	0.54%	0.52%	0.52%	0.51%	-3.47%
	395	2008	476,572	0	0	0	0.00%	0.40%	0.35%	0.35%	0.34%	0.34%	0.33%	0.33%	0.33%
	395	2009	0	0	0	0	NA	0.00%	0.00%	0.35%	0.35%	0.35%	0.34%	0.34%	0.33%
	395	2010	0	0	0	0	NA	NA	0.00%	0.35%	0.35%	0.35%	0.34%	0.34%	0.33%
	395	2011	0	0	0	0	NA	NA	NA	0.00%	0.35%	0.35%	0.35%	0.34%	0.34%
	395	2012	0	0	0	0	NA	NA	NA	0.00%	0.00%	0.35%	0.35%	0.35%	0.34%
	395	2013	0	0	0	0	NA	NA	NA	NA	0.00%	0.00%	0.35%	0.35%	0.35%
	395	2014	0	0	0	0	NA	NA	NA	NA	NA	0.00%	0.00%	0.35%	0.35%
	395	2015	0	0	0	0	NA	NA	NA	NA	NA	NA	0.00%	0.00%	0.35%
	396	1970	0	0	0	0	NA								
	396	1971	0	0	0	0	NA	NA							
	396	1972	0	0	0	0	NA	NA	NA						
	396	1973	0	0	0	0	NA	NA	NA	NA					
	396	1974	0	0	0	0	NA	NA	NA	NA	NA				
	396	1975	0	0	0	0	NA	NA	NA	NA	NA	NA			
	396	1976	52,838	1,235	2,109	(874)	-1.65%	-1.65%	-1.65%	-1.65%	-1.65%	-1.65%	-1.65%	-1.65%	-1.65%
	396	1977	0	0	0	0	NA	-1.65%	-1.65%	-1.65%	-1.65%	-1.65%	-1.65%	-1.65%	-1.65%
	396	1978	0	0	0	0	NA	NA	-1.65%	-1.65%	-1.65%	-1.65%	-1.65%	-1.65%	-1.65%
	396	1979	0	0	0	0	NA	NA	NA	-1.65%	-1.65%	-1.65%	-1.65%	-1.65%	-1.65%
	396	1980	0	0	0	0	NA	NA	NA	NA	-1.65%	-1.65%	-1.65%	-1.65%	-1.65%
	396	1981	961,363	5,756	135,549	(129,793)	-13.50%	-13.50%	-13.50%	-13.50%	-13.50%	-12.88%	-12.88%	-12.88%	-12.88%
	396	1982	0	0	0	0	NA	-13.50%	-13.50%	-13.50%	-13.50%	-13.50%	-12.88%	-12.88%	-12.88%
	396	1983	0	0	0	0	NA	NA	-13.50%	-13.50%	-13.50%	-13.50%	-12.88%	-12.88%	-12.88%
	396	1984	0	0	0	0	NA	NA	NA	-13.50%	-13.50%	-13.50%	-13.50%	-12.88%	-12.88%
	396	1985	0	0	0	0	NA	NA	NA	NA	-13.50%	-13.50%	-13.50%	-13.50%	-12.88%
	396	1986	0	0	0	0	NA	NA	NA	NA	NA	-13.50%	-13.50%	-13.50%	-13.50%
	396	1987	0	0	0	0	NA	NA	NA	NA	NA	NA	-13.50%	-13.50%	-13.50%
	396	1988	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	-13.50%	-13.50%
	396	1989	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	-13.50%
	396	1990	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	-13.50%
	396	1991	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	396	1992	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	396	1993	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	396	1994	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	396	1995	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	396	1996	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
	396	1997	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA

Appendix E-1

PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015  
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FERC Account	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
	396	1998	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	396	1999	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	396	2000	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	396	2001	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	396	2002	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	396	2003	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	396	2004	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	396	2005	27,368	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	396	2006	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	396	2007	57,189	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	396	2008	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	396	2009	19,929	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	396	2010	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	396	2011	0	0	0	0	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	396	2012	0	0	0	0	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	396	2013	0	0	0	0	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%
	396	2014	0	0	0	0	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%
	396	2015	0	0	0	0	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%
	397	1970	(470)	0	0	0	0.00%								
	397	1971	1,514	0	0	0	0.00%	0.00%							
	397	1972	41,622	0	0	0	0.00%	0.00%	0.00%						
	397	1973	5,060	0	0	0	0.00%	0.00%	0.00%	0.00%					
	397	1974	6,352	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%				
	397	1975	80,073	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
	397	1976	897	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
	397	1977	110,222	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	397	1978	6,581	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	397	1979	22,018	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	397	1980	211,947	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	397	1981	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	397	1982	110,238	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	397	1983	26,051	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	397	1984	(18)	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	397	1985	2,554	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	397	1986	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	397	1987	15,965	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	397	1988	1,077	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	397	1989	10,243	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	397	1990	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	397	1991	(564)	555	1,092	(537)	95.21%	95.21%	-5.55%	-4.99%	-2.01%	-2.01%	-1.83%	-1.84%	-0.97%
	397	1992	215,148	0	0	0	0.00%	-0.25%	-0.25%	-0.24%	-0.24%	-0.22%	-0.22%	-0.22%	-0.20%
	397	1993	(6,684)	0	0	0	0.00%	0.00%	-0.26%	-0.26%	-0.25%	-0.24%	-0.23%	-0.23%	-0.23%
	397	1994	1,345,887	0	0	0	0.00%	0.00%	0.00%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%
	397	1995	0	0	0	0	NA	0.00%	0.00%	0.00%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%
	397	1996	1,297	0	0	0	0.00%	0.00%	0.00%	0.00%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%
	397	1997	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	-0.03%	-0.03%	-0.03%	-0.03%
	397	1998	522,850	131	259	(127)	-0.02%	-0.02%	-0.02%	-0.02%	-0.01%	-0.01%	-0.01%	-0.03%	-0.03%
	397	1999	534,254	0	0	0	0.00%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	0.00%	-0.03%	-0.03%

FERC Account	Activity		Salvage	Removal Cost	Net Salvage	Net Salv. %	2-yr	3-yr	4-yr	5-yr	6-yr	7-yr	8-yr	9-yr	10-yr
	Year	Retirements					Net Salv.	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %
	397	2000	0	0	0	NA	0.00%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	0.00%	-0.03%
	397	2001	2,451,094	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	397	2002	567,891	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	397	2003	1,625,458	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	397	2004	123,846	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	397	2005		0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	397	2006		0	0	0	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	397	2007	588,699	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	397	2008	444,999	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	397	2009	21,665	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	397	2010	0	0	7,228	(7,228)	NA	-33.36%	-1.55%	-0.68%	-0.68%	-0.68%	-0.61%	-0.26%	-0.21%
	397	2011	6,369,072	0	50,955	(50,955)	-0.80%	-0.91%	-0.91%	-0.85%	-0.78%	-0.78%	-0.77%	-0.63%	-0.60%
	397	2012	60,863	0	35,812	(35,812)	-58.84%	-1.35%	-1.46%	-1.46%	-1.36%	-1.26%	-1.26%	-1.24%	-1.02%
	397	2013	2,059,444	29	3,693	(3,664)	-0.18%	-1.86%	-1.07%	-1.15%	-1.15%	-1.09%	-1.02%	-1.02%	-1.01%
	397	2014	1,479,784	0	9,117	(9,117)	-0.62%	-0.36%	-1.35%	-1.00%	-1.07%	-1.07%	-1.02%	-0.97%	-0.97%
	397	2015	1,241,559	0	0	0	0.00%	-0.34%	-0.27%	-1.00%	-0.89%	-0.95%	-0.95%	-0.91%	-0.87%
	398	1970	1,967	0	0	0	0.00%								
	398	1971	350	0	0	0	0.00%	0.00%							
	398	1972	33	0	0	0	0.00%	0.00%	0.00%						
	398	1973	1,655	0	0	0	0.00%	0.00%	0.00%	0.00%					
	398	1974	1,892	0	0	0	0.00%	0.00%	0.00%	0.00%					
	398	1975	1,491	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%				
	398	1976	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%			
	398	1977	2,298	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
	398	1978	45	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	398	1979	715	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	398	1980	180	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	398	1981	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	398	1982	3,228	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	398	1983	137	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	398	1984	138	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	398	1985	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	398	1986	10,142	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	398	1987	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	398	1988	3,975	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	398	1989	7,710	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	398	1990	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	398	1991	0	0	0	0	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	398	1992	0	0	0	0	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	398	1993	0	0	0	0	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%
	398	1994	0	0	0	0	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%
	398	1995	124	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	398	1996	683	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	398	1997	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	398	1998	37,883	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	398	1999	29,075	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	398	2000	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	398	2001	533	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

[illegible]

## **APPENDIX E-2 - Net Salvage Analysis Common Assets**

**PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015**  
**COMMON GENERAL PLANT**  
**RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS**

	Activity			Removal	Net	Net	2- yr	3- yr	4- yr	5- yr	6- yr	7- yr	8- yr	9- yr	10- yr
FERC	Year	Retirements	Salvage	Cost	Salvage	Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %
Structures and Improvements															
390.00	1998	1,363,666	0	0	0	0.00%									
390.00	1999	342,436	0	0	0	0.00%	0.00%								
390.00	2000	0	0	0	0	NA	0.00%	0.00%							
390.00	2001	0	0	0	0	NA	NA	0.00%	0.00%						
390.00	2002	20,710	0	(142)	142	0.68%	0.68%	0.68%	0.04%	0.01%					
390.00	2003	0	0	0	0	NA	0.68%	0.68%	0.68%	0.04%	0.01%				
390.00	2004	16,411	0	0	0	0.00%	0.00%	0.38%	0.38%	0.38%	0.04%	0.01%			
390.00	2005	899,155	0	1,376	(1,376)	-0.15%	-0.15%	-0.15%	-0.13%	-0.13%	-0.13%	-0.10%	-0.05%		
390.00	2006	0	0	0	0	NA	-0.15%	-0.15%	-0.15%	-0.13%	-0.13%	-0.13%	-0.10%	-0.05%	
390.00	2007	1,784,351	0	103,124	(103,124)	-5.78%	-5.78%	-3.89%	-3.87%	-3.87%	-3.84%	-3.84%	-3.84%	-3.41%	-2.36%
390.00	2008	153,132	0	162,953	(162,953)	-106.41%	-13.73%	-13.73%	-9.43%	-9.37%	-9.37%	-9.30%	-9.30%	-9.30%	-8.31%
390.00	2009	0	0	0	0	NA	-106.41%	-13.73%	-13.73%	-9.43%	-9.37%	-9.37%	-9.30%	-9.30%	-9.30%
390.00	2010	48,205	0	1,031	(1,031)	-2.14%	-2.14%	-81.45%	-13.45%	-13.45%	-9.31%	-9.25%	-9.25%	-9.18%	-9.18%
390.00	2011	1,927,040	755	607,743	(606,988)	-31.50%	-30.78%	-30.78%	-36.22%	-22.34%	-22.34%	-18.19%	-18.13%	-18.13%	-18.05%
390.00	2012	1,398,598	0	8,980	(8,980)	-0.64%	-18.52%	-18.29%	-18.29%	-22.11%	-16.63%	-16.63%	-14.24%	-14.20%	-14.20%
390.00	2013	1,015,066	41,647	546,711	(505,064)	-49.76%	-21.30%	-25.83%	-25.57%	-25.57%	-28.29%	-21.94%	-21.94%	-19.23%	-19.19%
390.00	2014	972,410	1,689	119,380	(117,691)	-12.10%	-31.33%	-18.66%	-23.31%	-23.12%	-23.12%	-25.44%	-20.63%	-20.63%	-18.39%
390.00	2015	574,820	0	20,451	0	0.00%	-7.61%	-24.30%	-15.95%	-21.04%	-20.88%	-20.88%	-23.04%	-19.13%	-19.13%
Structures and Improvements - Partitions															
390.08	1998	14,419	0	0	0	0.00%									
390.08	2003	0	0	0	0	NA	0.00%								
390.08	2006	0	0	0	0	NA	NA	NA							
390.08	2007	0	0	0	0	NA	NA	NA	NA						
390.08	2008	0	0	0	0	NA	NA	NA	NA	NA					
390.08	2009	0	0	0	0	NA	NA	NA	NA	NA	NA				
390.08	2010	0	0	0	0	NA	NA	NA	NA	NA	NA	NA			
390.08	2011	145,513	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
390.08	2012	603,898	11,975	144,029	(132,053)	-21.87%	-17.62%	-17.62%	-17.62%	-17.62%	-17.62%	-17.62%	-17.62%	-17.29%	
390.08	2013	0	0	0	0	NA	-21.87%	-17.62%	-17.62%	-17.62%	-17.62%	-17.62%	-17.62%	-17.62%	-17.29%
390.08	2014	0	0	0	0	NA	NA	-21.87%	-17.62%	-17.62%	-17.62%	-17.62%	-17.62%	-17.62%	-17.62%
390.08	2015	0	0	0	0	NA	NA	NA	-21.87%	-17.62%	-17.62%	-17.62%	-17.62%	-17.62%	-17.62%
Structures and Improvements - Leased															
390.07	1998	0	0	0	0	NA									

**PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015**  
**COMMON GENERAL PLANT**  
**RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS**

Activity				Removal	Net	Net	2- yr	3- yr	4- yr	5- yr	6- yr	7- yr	8- yr	9- yr	10- yr
FERC	Year	Retirements	Salvage	Cost	Salvage	Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %	Net Salv. %
390.07	2003	0	0	0	0	NA	NA								
390.07	2006	0	0	0	0	NA	NA	NA							
390.07	2007	0	0	0	0	NA	NA	NA	NA						
390.07	2008	0	0	0	0	NA	NA	NA	NA	NA					
390.07	2009	0	0	0	0	NA	NA	NA	NA	NA	NA				
390.07	2010	0	0	0	0	NA	NA	NA	NA	NA	NA	NA			
390.07	2011	4,386,828	0	1,000	(1,000)	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%
390.07	2012	6,937	31,346	25,836	5,510	79.43%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
390.07	2013	0	0	0	0	NA	79.43%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
390.07	2014	0	0	0	0	NA	NA	79.43%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
390.07	2015	0	0	0	0	NA	NA	NA	79.43%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Structures and Improvements - Leased															
390.06	1998	0	0	0	0	NA									
390.06	2003	0	0	0	0	NA	NA								
390.06	2006	0	0	0	0	NA	NA	NA							
390.06	2007	0	0	0	0	NA	NA	NA	NA						
390.06	2008	0	0	0	0	NA	NA	NA	NA	NA					
390.06	2009	0	0	0	0	NA	NA	NA	NA	NA	NA				
390.06	2010	0	0	0	0	NA	NA	NA	NA	NA	NA	NA			
390.06	2011	4,386,828	0	1,000	(1,000)	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%
390.06	2012	6,937	31,346	25,836	5,510	79.43%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
390.06	2013	0	0	0	0	NA	79.43%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
390.06	2014	0	0	0	0	NA	NA	79.43%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
390.06	2015	0	0	0	0	NA	NA	NA	79.43%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Office Furniture and Equipment															
391.00	1998	406,022	0	0	0	0.00%									
391.00	1999	0	0	0	0	NA	0.00%								
391.00	2000	13,372	0	0	0	0.00%	0.00%	0.00%							
391.00	2001	8,302,580	0	0	0	0.00%	0.00%	0.00%	0.00%						
391.00	2002	2,957,085	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%					
391.00	2003	1,184,540	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%				
391.00	2004	238,705	(5,909)	0	(5,909)	-2.48%	-0.42%	-0.13%	-0.05%	-0.05%	-0.05%	-0.05%			
391.00	2005	15,359,586	1,305	0	1,305	0.01%	-0.03%	-0.03%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%
391.00	2006	826,908	260	0	260	0.03%	0.01%	-0.03%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.01%



Appendix E-2

**PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015  
 COMMON GENERAL PLANT  
 RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS**

FERC	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
391.00	2007	524,994	2,019	5,164	(3,145)	-0.60%	-0.21%	-0.01%	-0.04%	-0.04%	-0.04%	-0.03%	-0.03%	-0.03%	-0.03%
391.00	2008	0	942	0	942	NA	-0.42%	-0.14%	0.00%	-0.04%	-0.04%	-0.03%	-0.02%	-0.02%	-0.02%
391.00	2009	0	0	0	0	NA	NA	-0.42%	-0.14%	0.00%	-0.04%	-0.04%	-0.03%	-0.02%	-0.02%
391.00	2010	0	0	0	0	NA	NA	NA	-0.42%	-0.14%	0.00%	-0.04%	-0.04%	-0.03%	-0.02%
391.00	2011	0	0	11,965	(11,965)	NA	NA	NA	NA	-2.70%	-1.03%	-0.08%	-0.11%	-0.10%	-0.09%
391.00	2012	0	0	500	(500)	NA	NA	NA	NA	NA	-2.79%	-1.07%	-0.08%	-0.11%	-0.10%
391.00	2013	0	231,098	231,214	(116)	NA	NA	NA	NA	NA	NA	-2.82%	-1.07%	-0.08%	-0.11%
391.00	2014	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	-2.82%	-1.07%	-0.08%
391.00	2015	0	0	200	(200)	NA	NA	NA	NA	NA	NA	NA	NA	-2.85%	-1.09%
<b>Computer Hardware</b>															
391.04	1998	1,454	0	0	0	0.00%									
391.04	1999	0	0	0	0	NA	0.00%								
391.04	2000	7,460	0	0	0	0.00%	0.00%	0.00%							
391.04	2001	1,931,475	0	0	0	0.00%	0.00%	0.00%	0.00%						
391.04	2002	2,700,392	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%					
391.04	2003	746,513	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%				
391.04	2004	0	(5,190)	0	(5,190)	NA	-0.70%	-0.15%	-0.10%	-0.10%	-0.10%	-0.10%			
391.04	2005	15,247,753	269	0	269	0.00%	-0.03%	-0.03%	-0.03%	-0.02%	-0.02%	-0.02%	-0.02%		
391.04	2006	1,093,706	0	0	0	0.00%	0.00%	-0.03%	-0.03%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	
391.04	2007	3,957,403	113,951	0	113,951	2.88%	2.26%	0.56%	0.54%	0.52%	0.46%	0.42%	0.42%	0.42%	0.42%
391.04	2008	12,398,293	0	2	(2)	0.00%	0.70%	0.65%	0.35%	0.33%	0.33%	0.30%	0.29%	0.29%	0.29%
391.04	2009	1,083,393	0	0	0	0.00%	0.00%	0.65%	0.61%	0.34%	0.32%	0.32%	0.29%	0.28%	0.28%
391.04	2010	0	0	0	0	NA	0.00%	0.00%	0.65%	0.61%	0.34%	0.32%	0.32%	0.29%	0.28%
391.04	2011	18,921,999	61,755	439,561	(377,807)	-2.00%	-2.00%	-1.89%	-1.17%	-0.73%	-0.70%	-0.50%	-0.51%	-0.50%	-0.48%
391.04	2012	8,065,433	22,333	11,766	10,566	0.13%	-1.36%	-1.36%	-1.31%	-0.91%	-0.57%	-0.56%	-0.42%	-0.42%	-0.42%
391.04	2013	6,304,039	15,554	(4,776)	20,330	0.32%	0.22%	-1.04%	-1.04%	-1.01%	-0.74%	-0.46%	-0.45%	-0.35%	-0.35%
391.04	2014	20,320,922	(11,211)	0	(11,211)	-0.06%	0.03%	0.06%	-0.67%	-0.67%	-0.65%	-0.53%	-0.34%	-0.34%	-0.28%
391.04	2015	11,954,693	0	26,439	(26,439)	-0.22%	-0.12%	-0.04%	-0.01%	-0.59%	-0.59%	-0.58%	-0.49%	-0.33%	-0.32%
<b>Computer Hardware - 3 Year Life</b>															
391.05	1998	0	0	0	0	NA									
391.05	1999	0	0	0	0	NA	NA								
391.05	2000	0	0	0	0	NA	NA	NA							
391.05	2001	6,201,481	0	0	0	0.00%	0.00%	0.00%	0.00%						
391.05	2002	143,411	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%					

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**PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015  
 COMMON GENERAL PLANT  
 RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS**

FERC	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
391.05	2003	387,775	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%				
391.05	2004	168,573	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
391.05	2005	12,518	5	0	5	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
391.05	2006	0	431	0	431	NA	3.49%	0.24%	0.08%	0.06%	0.01%	0.01%	0.01%	0.01%	
391.05	2007	317,779	(431)	0	(431)	-0.14%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
391.05	2008	618,465	(465)	0	(465)	-0.08%	-0.10%	-0.05%	-0.05%	-0.04%	-0.03%	-0.03%	-0.01%	-0.01%	-0.01%
391.05	2009	107,808	0	0	0	0.00%	-0.06%	-0.09%	-0.04%	-0.04%	-0.04%	-0.03%	-0.03%	-0.01%	-0.01%
391.05	2010	0	0	0	0	NA	0.00%	-0.06%	-0.09%	-0.04%	-0.04%	-0.04%	-0.03%	-0.03%	-0.01%
391.05	2011	11,595,603	0	0	0	0.00%	0.00%	0.00%	0.00%	-0.01%	0.00%	0.00%	0.00%	0.00%	0.00%
391.05	2012	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	-0.01%	0.00%	0.00%	0.00%	0.00%
391.05	2013	16,349	(3,321)	0	(3,321)	-20.31%	-20.31%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%
391.05	2014	0	0	0	0	NA	-20.31%	-20.31%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%
391.05	2015	1,591,687	0	0	0	0.00%	0.00%	-0.21%	-0.21%	-0.03%	-0.03%	-0.02%	-0.03%	-0.03%	-0.03%
<b>Partitions</b>															
391P	2006	0	0	0	0	NA									
391P	2007	574,094	0	0	0	0.00%	0.00%								
391P	2008	366,125	0	0	0	0.00%	0.00%	NA							
391P	2009	192,731	0	0	0	0.00%	0.00%	NA	NA						
391P	2010	0	0	0	0	NA	0.00%	NA	NA	NA					
391P	2011	392,491	0	0	0	0.00%	NA	NA	0.00%	0.00%	0.00%				
391P	2012	200,234	0	0	0	0.00%	NA	NA	0.00%	0.00%	0.00%	0.00%			
391P	2013	0	0	0	0	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%		
391P	2014	42,390	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
391P	2015	1,076,182	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Transportation Equipment</b>															
392.00	1998	236,044	0	0	0	0.00%									
392.00	1999	0	0	0	0	NA	0.00%								
392.00	2000	0	0	0	0	NA	NA	0.00%							
392.00	2001	648,510	0	0	0	0.00%	0.00%	0.00%	0.00%						
392.00	2002	185,669	48,194	0	48,194	25.96%	5.78%	5.78%	5.78%	4.50%					
392.00	2003	294,225	381,012	0	381,012	129.50%	89.44%	38.04%	38.04%	38.04%	31.46%				
392.00	2004	202,707	959,574	36,156	923,418	455.54%	262.50%	198.16%	101.62%	101.62%	101.62%	86.31%			
392.00	2005	297,162	137,058	0	137,058	46.12%	212.15%	181.53%	152.05%	91.49%	91.49%	91.49%	79.90%		
392.00	2006	0	405	0	405	NA	46.26%	212.23%	181.58%	152.09%	91.51%	91.51%	91.51%	79.93%	

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**PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015  
 COMMON GENERAL PLANT  
 RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS**

FERC	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
392.00	2007	1,561	563,796	8,974	554,823	35545.50%	35571.45%	231.75%	322.22%	250.95%	208.38%	125.47%	125.47%	125.47%	109.60%
392.00	2008	9,751	0	0	0	0.00%	4904.81%	4908.39%	224.42%	316.07%	247.91%	206.33%	124.72%	124.72%	124.72%
392.00	2009	20,529,981	0	0	0	0.00%	0.00%	2.70%	2.70%	3.32%	7.68%	9.36%	9.50%	9.22%	9.22%
392.00	2010	2,609,167	0	0	0	0.00%	0.00%	0.00%	2.40%	2.40%	2.95%	6.83%	8.34%	8.47%	8.25%
392.00	2011	0	0	0	0	NA	0.00%	0.00%	0.00%	2.40%	2.40%	2.95%	6.83%	8.34%	8.47%
392.00	2012	0	0	0	0	NA	NA	0.00%	0.00%	0.00%	2.40%	2.40%	2.95%	6.83%	8.34%
392.00	2013	0	9,967	0	9,967	NA	NA	NA	0.38%	0.04%	0.04%	2.44%	2.44%	2.99%	6.87%
392.00	2014	0	0	0	0	NA	NA	NA	NA	0.38%	0.04%	0.04%	2.44%	2.44%	2.99%
392.00	2015	0	53,777	0	53,777	NA	NA	NA	NA	NA	2.44%	0.28%	0.28%	2.67%	2.67%
<b>Stores Equipment</b>															
393.00	1998	1,677	0	0	0	0.00%									
393.00	1999	0	0	0	0	NA	0.00%								
393.00	2000	0	0	0	0	NA	NA	0.00%							
393.00	2001	19,994	0	0	0	0.00%	0.00%	0.00%	0.00%						
393.00	2002	21,140	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%					
393.00	2003	13,554	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%				
393.00	2004	25,958	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
393.00	2005	11,768	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
393.00	2006	140,840	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
393.00	2007	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
393.00	2008	124,464	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
393.00	2009	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
393.00	2010	0	0	0	0	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
393.00	2011	0	0	0	0	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
393.00	2012	0	0	0	0	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
393.00	2013	0	0	0	0	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%
393.00	2014	0	0	0	0	NA	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%
393.00	2015	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%
<b>Tools and Shop Equipment</b>															
394.00	1998	78,230	0	0	0	0.00%									
394.00	1999	0	0	0	0	NA	0.00%								
394.00	2000	0	0	0	0	NA	NA	0.00%							
394.00	2001	2,966	0	0	0	0.00%	0.00%	0.00%	0.00%						
394.00	2002	23,182	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%					

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**PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015  
 COMMON GENERAL PLANT  
 RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS**

FERC	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
394.00	2003	11,760	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%				
394.00	2004	34,727	3,335	0	3,335	9.60%	7.17%	4.79%	4.59%	4.59%	4.59%	2.21%			
394.00	2005	18,972	11,311	0	11,311	59.62%	27.27%	22.37%	16.52%	15.99%	15.99%	15.99%	8.62%		
394.00	2006	122,944	6,053	0	6,053	4.92%	12.24%	11.72%	10.99%	9.78%	9.65%	9.65%	9.65%	7.07%	
394.00	2007	0	77,412	0	77,412	NA	67.89%	66.78%	55.54%	52.07%	46.37%	45.73%	45.73%	45.73%	33.51%
394.00	2008	604,926	3,381	0	3,381	0.56%	13.36%	11.93%	13.14%	12.99%	12.79%	12.43%	12.38%	12.38%	12.38%
394.00	2009	0	0	0	0	NA	0.56%	13.36%	11.93%	13.14%	12.99%	12.79%	12.43%	12.38%	12.38%
394.00	2010	0	0	0	0	NA	NA	0.56%	13.36%	11.93%	13.14%	12.99%	12.79%	12.43%	12.38%
394.00	2011	0	0	16,561	(16,561)	NA	NA	NA	-2.18%	10.62%	9.66%	10.93%	10.87%	10.71%	10.40%
394.00	2012	0	0	17,920	(17,920)	NA	NA	NA	NA	-5.14%	7.66%	7.19%	8.53%	8.57%	8.45%
394.00	2013	0	0	0	0	NA	NA	NA	NA	NA	-5.14%	7.66%	7.19%	8.53%	8.57%
394.00	2014	0	0	0	0	NA	NA	NA	NA	NA	NA	-5.14%	7.66%	7.19%	8.53%
394.00	2015	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	-5.14%	7.66%	7.19%
<b>Laboratory Equipment</b>															
395.00	2006	0	0	0	0	NA									
395.00	2007	23,058	0	0	0	0.00%	0.00%								
395.00	2008	16,792	0	0	0	0.00%	0.00%	NA							
395.00	2009	2,814	0	0	0	0.00%	0.00%	NA	NA						
395.00	2010	0	0	0	0	NA	0.00%	NA	NA	NA					
395.00	2011	0	0	0	0	NA	NA	NA	0.00%	0.00%	0.00%				
395.00	2012	0	0	0	0	NA	NA	NA	NA	0.00%	0.00%	0.00%			
395.00	2013	0	0	0	0	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%		
395.00	2014	0	0	0	0	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	
395.00	2015	0	0	0	0	NA	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0
<b>Power Operated Equipment</b>															
396.00	1998	473,060	0	0	0	0.00%									
396.00	1999	0	0	0	0	NA	0.00%								
396.00	2000	0	0	0	0	NA	NA	0.00%							
396.00	2001	77,294	0	0	0	0.00%	0.00%	0.00%	0.00%						
396.00	2002	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%					
396.00	2003	7,779	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%				
396.00	2004	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
396.00	2005	0	0	0	0	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
396.00	2006	0	0	0	0	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	

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**PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015**  
**COMMON GENERAL PLANT**  
**RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS**

FERC	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
396.00	2007	6,649	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
396.00	2008	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
396.00	2009	112,532	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
396.00	2010	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
396.00	2011	0	0	0	0	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
396.00	2012	0	0	0	0	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
396.00	2013	0	0	501	(501)	NA	NA	NA	NA	-0.45%	-0.45%	-0.42%	-0.42%	-0.42%	-0.42%
396.00	2014	0	0	0	0	NA	NA	NA	NA	NA	-0.45%	-0.45%	-0.42%	-0.42%	-0.42%
396.00	2015	0	0	0	0	NA	NA	NA	NA	NA	NA	-0.45%	-0.45%	-0.42%	-0.42%
<b>Communication Equipment</b>															
397.00	1998	724,305	0	0	0	0.00%									
397.00	1999	6,433,188	0	0	0	0.00%	0.00%								
397.00	2000	0	0	0	0	NA	0.00%	0.00%							
397.00	2001	277,218	0	0	0	0.00%	0.00%	0.00%	0.00%						
397.00	2002	625,868	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%					
397.00	2003	549,049	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%				
397.00	2004	921,634	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
397.00	2005	0	0	0	0	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
397.00	2006	4,354,403	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
397.00	2007	2,230,630	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
397.00	2008	1,573,117	0	1,001	(1,001)	-0.06%	-0.03%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%
397.00	2009	4,213,728	0	0	0	0.00%	-0.02%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%
397.00	2010	0	0	0	0	NA	0.00%	-0.02%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%
397.00	2011	8,480,670	0	0	0	0.00%	0.00%	0.00%	-0.01%	-0.01%	0.00%	0.00%	0.00%	0.00%	0.00%
397.00	2012	6,151,271	0	4,087	(4,087)	-0.07%	-0.03%	-0.03%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%
397.00	2013	16,670,726	0	8,727	(8,727)	-0.05%	-0.06%	-0.04%	-0.04%	-0.04%	-0.04%	-0.04%	-0.03%	-0.03%	-0.03%
397.00	2014	6,327,263	0	0	0	0.00%	-0.04%	-0.04%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%
397.00	2015	7,972,479	0	500	(500)	-0.01%	0.00%	-0.03%	-0.04%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%	-0.02%
<b>Miscellaneous Equipment</b>															
398.00	1998	49,467	0	0	0	0.00%									
398.00	1999	0	0	0	0	NA	0.00%								
398.00	2000	0	0	0	0	NA	NA	0.00%							
398.00	2001	14,365	0	0	0	0.00%	0.00%	0.00%	0.00%						
398.00	2002	7,919	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%					

Appendix E-2

**PSCO DEPRECIATION STUDY AS OF SEPTEMBER 30, 2015**  
**COMMON GENERAL PLANT**  
**RETIREMENTS REMOVAL COST AND NET SALVAGE ANALYSIS**

FERC	Activity Year	Retirements	Salvage	Removal Cost	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
398.00	2003	2,220	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%				
398.00	2004	20,083	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
398.00	2005	4,321	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
398.00	2006	304,317	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
398.00	2007	13,776	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
398.00	2008	400	0	801	(801)	-200.13%	-5.65%	-0.25%	-0.25%	-0.23%	-0.23%	-0.23%	-0.22%	-0.22%	-0.22%
398.00	2009	0	0	0	0	NA	-200.13%	-5.65%	-0.25%	-0.25%	-0.23%	-0.23%	-0.23%	-0.22%	-0.22%
398.00	2010	0	0	500	(500)	NA	NA	-325.19%	-9.18%	-0.41%	-0.40%	-0.38%	-0.38%	-0.37%	-0.35%
398.00	2011	2,584	0	0	0	0.00%	-19.36%	-19.36%	-43.59%	-7.76%	-0.41%	-0.40%	-0.38%	-0.37%	-0.37%
398.00	2012	0	0	3,852	(3,852)	NA	-149.08%	-168.43%	-168.43%	-172.68%	-30.75%	-1.60%	-1.58%	-1.49%	-1.48%
398.00	2013	1,024	0	250	(250)	-24.46%	-400.67%	-113.71%	-127.57%	-127.57%	-134.81%	-30.38%	-1.68%	-1.66%	-1.56%
398.00	2014	55,284	0	0	0	0.00%	-0.44%	-7.29%	-6.97%	-7.82%	-7.82%	-9.11%	-7.40%	-1.43%	-1.42%
398.00	2015	103,547	0	0	0	0.00%	0.00%	-0.16%	-2.57%	-2.53%	-2.83%	-2.83%	-3.32%	-3.06%	-1.12%

## **APPENDIX F-2 - Summary of Reserve Reallocation Non Production Plant**

Public Service Company of Colorado  
 Comparison of Book vs Allocated Reserve  
 Intangible, Transmission, Distribution, General, and Common Plant  
 At January 1, 2018

FERC Acct	Description	Estimated	Estimated Book			Proposed Reallocation			Difference		
		Plant Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance
<b><u>ELECTRIC INTANGIBLE PLANT</u></b>											
301.0	Organization Costs	-	-	-	-	-	-	-	-	-	-
302.0	Franchises and Consents	17,102,114	5,056,088	-	5,056,088	5,056,088	-	5,056,088	-	-	-
303.0	Miscellaneous Intangible Plant	8,762,060	6,869,982	(5,082)	6,864,900	6,869,982	(5,082)	6,864,900	-	-	-
303.4	Misc Computer Software - 3 Year	-	-	-	-	-	-	-	-	-	-
303.4	Misc Computer Software - 5 Year	53,141,490	17,989,656	(22,000)	17,967,656	17,989,656	(22,000)	17,967,656	-	-	-
303.4	Misc Computer Software - 10 Year	-	-	-	-	-	-	-	-	-	-
303.4	Misc Computer Software - 15 Year	-	-	-	-	-	-	-	-	-	-
	Total Electric Intangible Plant	79,005,664	29,915,726	(27,082)	29,888,644	29,915,726	(27,082)	29,888,644	-	-	-
<b><u>TRANSMISSION PLANT</u></b>											
350.1	Land	19,468,842	-	-	-	-	-	-	-	-	-
350.2	Land Rights	77,137,901	15,368,127	(129,157)	15,238,970	13,662,343	-	13,662,343	(1,705,784)	129,157	(1,576,627)
352.0	Structures and Improvements	79,240,594	15,058,958	(112,154)	14,946,803	10,040,049	1,305,206	11,345,255	(5,018,909)	1,417,361	(3,601,548)
353.0	Station Equipment	1,050,103,042	197,876,090	(813,528)	197,062,562	175,661,436	26,349,215	202,010,651	(22,214,655)	27,162,744	4,948,089
354.0	Towers and Fixtures	189,264,961	94,628,420	(819,979)	93,808,442	65,605,369	26,242,148	91,847,517	(29,023,051)	27,062,126	(1,960,925)
355.0	Poles and Fixtures	421,418,577	55,298,353	(489,767)	54,808,586	57,392,557	22,957,023	80,349,580	2,094,204	23,446,790	25,540,993
356.0	OH Conductors and Devices	299,581,242	95,211,976	(826,696)	94,385,280	58,272,967	14,568,242	72,841,209	(36,939,009)	15,394,937	(21,544,072)
357.0	UG Conduit	35,592,625	9,200,801	(80,336)	9,120,465	7,212,242	-	7,212,242	(1,988,559)	80,336	(1,908,223)
358.0	UG Conductors and Devices	64,752,789	14,721,229	(128,810)	14,592,419	14,670,447	733,522	15,403,969	(50,782)	862,332	811,550
359.0	Roads and Trails	4,318,793	2,023,339	(17,542)	2,005,796	1,296,558	-	1,296,558	(726,781)	17,542	(709,238)
	Total Transmission	2,240,879,367	499,387,293	(3,417,969)	495,969,324	403,813,968	92,155,356	495,969,324	(95,573,325)	95,573,325	(0)
<b><u>DISTRIBUTION PLANT</u></b>											
360.1	Land	29,817,147	-	-	-	-	-	-	-	-	-
360.2	Land Rights	38,790,186	4,811,480	(2,369)	4,809,112	4,395,036	-	4,395,036	(416,445)	2,369	(414,076)
361.0	Structures and Improvements	77,174,622	19,599,867	203,083	19,802,950	15,462,799	773,140	16,235,939	(4,137,067)	570,057	(3,567,010)
362.0	Station Equipment	660,394,109	163,334,938	1,695,983	165,030,922	131,511,927	13,151,193	144,663,120	(31,823,011)	11,455,209	(20,367,802)
364.0	Poles, Towers and Fixtures	291,089,376	140,302,807	(1,747,702)	138,555,106	79,803,668	39,901,834	119,705,502	(60,499,139)	41,649,535	(18,849,604)
365.0	OH Conductors and Devices	345,551,518	113,059,463	(1,421,092)	111,638,371	73,755,798	29,502,319	103,258,117	(39,303,665)	30,923,411	(8,380,254)
366.0	UG Conduit	380,777,422	101,322,162	(1,281,730)	100,040,432	77,392,952	19,348,238	96,741,190	(23,929,211)	20,629,968	(3,299,242)
367.0	UG Conductors and Devices	1,824,579,253	354,827,707	(4,545,014)	350,282,693	419,251,205	20,962,560	440,213,765	64,423,498	25,507,574	89,931,073
368.0	Line Transformers	508,368,612	210,127,238	5,853,514	215,980,751	155,404,529	15,540,453	170,944,982	(54,722,709)	9,686,939	(45,035,770)
369.0	Services	24,404,882	23,245,508	630,686	23,876,194	17,457,393	5,237,218	22,694,611	(5,788,115)	4,606,532	(1,181,583)
369.1	Services-Overhead	46,739,929	18,035,859	504,070	18,539,928	21,388,244	6,416,473	27,804,718	3,352,386	5,912,404	9,264,789
369.2	Services-Underground	221,507,889	124,055,294	3,414,157	127,469,451	102,114,861	30,634,458	132,749,320	(21,940,433)	27,220,301	5,279,868
370.0	Meters	148,065,110	59,263,632	1,653,389	60,917,021	78,885,838	-	78,885,838	19,622,206	(1,653,389)	17,968,817
370.2	AMR Equipment	68,769,058	63,230,141	520	63,230,661	65,029,944	-	65,029,944	1,799,803	(520)	1,799,283
371.0	Installation on Customer Premises	7,154,178	7,381,273	199,950	7,581,223	3,696,417	739,283	4,435,701	(3,684,856)	539,334	(3,145,522)
373.0	Street Lighting and Signal Systems	166,707,410	92,573,499	(1,572,470)	91,001,028	56,798,449	14,199,612	70,998,061	(35,775,050)	15,772,083	(20,002,967)
	Total Distribution	4,839,890,702	1,495,170,867	3,584,976	1,498,755,843	1,302,349,061	196,406,782	1,498,755,843	(192,821,807)	192,821,807	0
<b><u>ELECTRIC GENERAL PLANT</u></b>											
389.0	Land	114,647	-	-	-	-	-	-	-	-	-
390.0	Structures and Improvements	6,784,142	2,628,930	(366,168)	2,262,762	2018299,911	100,915	2,119,215	(610,630)	467,083	(143,547)
391.0	Office Furniture and Equipment	5,639,525	3,155,534	-	3,155,534	3,524,369	-	3,524,369	368,834	-	368,834
391.2	Computer Hardware	22,643,181	5,709,556	(7,505)	5,702,051	6,300,169	-	6,300,169	590,613	7,505	598,118
392.10	Transportation Equipment - Automobiles	620,535	130,824	-	130,824	200,112	-	200,112	69,287	-	69,287
392.20	Transportation Equipment - Light Trucks	16,140,689	7,710,113	-	7,710,113	7,657,799	-	7,657,799	(52,315)	-	(52,315)
392.30	Transportation Equipment - Trailers	5,575,044	1,634,144	-	1,634,144	1,021,008	-	1,021,008	(613,136)	-	(613,136)
392.40	Transportation Equipment - Heavy Trucks	54,012,176	31,142,658	(229)	31,142,430	26,203,906	-	26,203,906	(4,938,752)	229	(4,938,524)
393.0	Stores Equipment	410,989	268,819	(430)	268,389	251,197	-	251,197	(17,622)	430	(17,192)



Appendix F-2, Rev. 1

Public Service Company of Colorado  
 Comparison of Book vs Allocated Reserve  
 Intangible, Transmission, Distribution, General, and Common Plant  
 At January 1, 2018

FERC Acct	Description	Estimated Plant	Estimated Book			Proposed Reallocation			Difference		
		Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance	Life Reserve Balance	COR Reserve Balance	Total Reserve Balance
394.0	Tools, Shop, and Garage Equipment	40,956,498	12,051,505	(35,521)	12,015,984	14,455,087	-	14,455,087	2,403,582	35,521	2,439,102
395.0	Laboratory Equipment	8,444,002	6,637,312	(10,617)	6,626,695	6,185,493	-	6,185,493	(451,819)	10,617	(441,202)
396.0	Power Operated Equipment	11,359,725	5,359,204	-	5,359,204	4,426,634	-	4,426,634	(932,571)	-	(932,571)
397.0	Communication Equipment	93,784,581	37,456,909	(339,072)	37,117,838	40,697,839	-	40,697,839	3,240,929	339,072	3,580,001
398.0	Miscellaneous Equipment	1,607,864	687,575	(1,100)	686,475	769,619	-	769,619	82,044	1,100	83,143
	Total Electric General	268,093,598	114,573,084	(760,641)	113,812,444	113,711,529	100,915	113,812,444	(861,556)	861,556	(0)
<b>COMMON INTANGIBLE PLANT</b>											
301	Organization Costs										
302	Franchises and Consents	3,383,421	2,519,092	-	2,519,092	2,519,092	-	2,519,092	-	-	-
303	Misc Computer Software-3 Year	-	-	-	-	0	-	-	-	-	-
303.04	Misc Computer Software-5 Year	117,738,242	55,889,987	-	55,889,987	55,889,987	-	55,889,987	-	-	-
303.04	Misc Computer Software-10 Year	5,785,234	3,537,208	-	3,537,208	3,537,208	-	3,537,208	-	-	-
303.04	Misc Computer Software-15 Year	156,941,548	9,784,810	-	9,784,810	9,784,810	-	9,784,810	-	-	-
	Total Common Intangible	283,848,445	71,731,097	-	71,731,097	71,731,097	-	71,731,097	-	-	-
<b>COMMON GENERAL PLANT</b>											
389.01	Land Owned in Fee	6,040,785	-	-	-	-	-	-	-	-	-
390.00	Structures and Improvements	166,089,841	44,703,245	6,282,088	50,985,333	43,398,489	4,339,849	47,738,338	(1,304,756)	(1,942,239)	(3,246,994)
390.07	Structures and Improvements - Leasehold Improvements	2,109,398	2,351,088	4,788	2,355,876	2,351,088	4,788	2,355,876	-	-	-
390.85	Structures and Improvements - 1800 Larimer	15,388,552	7,546,723	(5,082)	7,541,641	7,546,723	(5,082)	7,541,641	-	-	-
391.00	Office Furniture and Equipment	44,941,324	28,176,569	(18,613)	28,157,956	29,653,979	-	29,653,979	1,477,410	18,613	1,496,023
391.04	Computer Hardware	150,563,663	88,611,525	(565,413)	88,046,112	88,487,696	-	88,487,696	(123,829)	565,413	441,584
391.05	Computer Hardware - 3 Year Life	1,505,288	812,292	-	812,292	1,161,489	-	1,161,489	349,196	-	349,196
392.10	Transportation Equipment - Automobiles	2,277,049	1,148,020	-	1,148,020	1,304,998	-	1,304,998	156,978	-	156,978
392.20	Transportation Equipment - Light Trucks	12,017,199	7,686,535	-	7,686,535	7,582,818	-	7,582,818	(103,717)	-	(103,717)
392.30	Transportation Equipment - Trailers	959,396	377,751	-	377,751	234,815	-	234,815	(142,936)	-	(142,936)
392.40	Transportation Equipment - Heavy Trucks	4,089,552	2,099,111	-	2,099,111	2,451,071	-	2,451,071	351,960	-	351,960
393.00	Stores Equipment	869,668	685,082	(1,353)	683,729	685,457	-	685,457	376	1,353	1,729
394.00	Tools, Shop, and Garage Equipment	10,768,341	6,512,231	(46,841)	6,465,389	7,149,374	-	7,149,374	637,143	46,841	683,984
395.00	Laboratory Equipment	435,435	428,312	(846)	427,466	406,016	-	406,016	(22,296)	846	(21,450)
396.00	Power Operated Equipment	4,873,837	3,406,033	-	3,406,033	2,525,491	-	2,525,491	(880,543)	-	(880,543)
397.00	Communication Equipment	29,705,789	25,659,423	(5,275)	25,654,148	26,566,274	-	26,566,274	906,851	5,275	912,126
398.00	Miscellaneous Equipment	1,153,011	831,355	(2,692)	828,663	830,723	-	830,723	(632)	2,692	2,060
	Total Common General Plant	453,788,127	221,035,296	5,640,760	226,676,056	222,336,501	4,339,555	226,676,056	1,301,205	(1,301,205)	0

**Exhibit No. XES – 206:** Recommended Decision of the Administrative Law Judge, dated December 13, 2016 (recommending approval of Settlement Agreement)

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

PROCEEDING NO. 16A-0231E

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IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF  
COLORADO FOR AUTHORIZATION TO REVISE THE DEPRECIATION AND  
AMORTIZATION OF ELECTRIC UTILITY PLANT, COMMON UTILITY PLANT  
AND RETIRED GENERATING UNITS.

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**RECOMMENDED DECISION OF  
ADMINISTRATIVE LAW JUDGE  
ROBERT I. GARVEY  
GRANTING APPLICATION AS  
MODIFIED BY SETTLEMENT AGREEMENT**

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Mailed Date: December 13, 2016

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**I. STATEMENT**

1. On April 1, 2016, Public Service Company of Colorado (Public Service or Company), filed a Verified Application that seeks Commission approval of a revised depreciation rate for its Electric and Common Utility Plant and its proposed plan to amortize and recover the

regulatory assets associated with 13 (now 14) recently retired or soon-to-be retired electric generating plants (Retired Generating Units).<sup>1</sup> That filing commenced this proceeding.

2. On April 4, 2016, the Commission issued its Notice of Application Filed (Notice). That Notice established an intervention period, which expired on May 4, 2016. In addition, the Notice contained a *pro forma* procedural schedule.

3. On April 8, 2016, the Colorado Office of Consumer Counsel (OCC) filed its Notice of Intervention of Right, Entry of Appearance, and Request for Hearing. The OCC is an intervenor as of right and a party in this proceeding.

4. On April 14, 2016, the Colorado Energy Consumers (CEC) timely filed its Motion to Intervene through counsel. CEC states the above captioned proceeding will have a direct and substantial impact on CEC's interests and the charges paid by CEC's members for electricity and may substantially affect the pecuniary or tangible interests of CEC's members. CEC is a party in this proceeding

5. On April 19, 2016, Trial Staff of the Commission (Staff) timely filed its Notice of Intervention as of Right, Entry of Appearance, Notice Pursuant to Rule 1007(a) and Rule 1403(b), and Request for Hearing. The intervention is of right, and Staff is a party in this matter.

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<sup>1</sup> At the time Public Service's Application was filed there were 13 Retired Generating Units, which included 11 generating facilities that have been retired – Cameo Units 1 and 2, Arapahoe Units 1 through 4, Cherokee Units 1 through 3, and Zuni Units 1 and 2 – and 2 additional facilities that are scheduled to be retired by December 31, 2017 – Valmont Unit 5 and the coal-related assets at Cherokee Unit 4. During this proceeding it was announced that Craig Unit 1, in which Public Service is a minority owner, is to be retired by the end of 2025 which is 15 years earlier than previously scheduled.

6. On May 4, 2016, Western Resource Advocates (WRA) filed its Motion for Leave to Intervene. WRA states that the above captioned proceeding impacts WRA's substantial, tangible interest in reducing the environmental impact from electricity generation and will directly impact the tangible interests WRA works to protect. WRA a party in this proceeding

7. On June 20, 2016, by Interim Decision No. R16-0556-I, a procedural schedule was adopted in light of Public Service's waiver of the statutory timeframe for a Commission decision under § 40-6-109.5, C.R.S.

8. On September 1, 2016, the OCC filed its Unopposed Motion to Extend Certain Filing Dates and Request for Waiver of Response Time.

9. On September 2, 2016, by Interim Decision No. R16-0818-I, the Motion to Extend Certain Filing Dates was granted.

10. On September 14, 2016, Public Service filed its Unopposed Motion to Modify Procedural Schedule and Request for Waiver of Response Time. The request was made due to the need to amend the Application.

11. On September 15, 2016, by Interim Decision No. R16-0854-I, the Motion to Modify the Procedural Schedule was granted.

12. On September 20, 2016, Public Service filed its Unopposed Motion to Amend its Application.

13. On November 1, 2016, after conferral with the parties, by Decision No. R16-1011-I, the first two days of the evidentiary hearing, scheduled for November 7 and 8, 2016 were vacated

14. On November 4, 2016, Public Service filed its Unopposed Motion to Modify Procedural Schedule and Request for Waiver of Response Time (Unopposed Motion). In the Unopposed Motion, Public Service stated that the parties had reached a settlement and requested the evidentiary be vacated, the settlement agreement would be filed by November 10, 2016, and requested any hearing on the settlement be held on November 18, 2016.

15. On November 7, 2016, by Decision No. R16-1029-I, the Unopposed Motion was granted

16. On November 10, 2016, Public Service filed its Joint Motion to Approve Unopposed Depreciation Settlement Agreement (Joint Motion) and Unanimous Comprehensive Settlement Agreement (Settlement).

17. On November 18, 2016, a hearing was held on the Settlement. Mr. Scott Brockett testified for Public Service, Mr. Gene Camp testified for Staff, and Mr. Cory Skluzak testified for the OCC. Hearing Exhibits 100 through 114, 200, 300 through 301, and 400 through 401 were admitted by stipulation.

## **II. DISCUSSION**

### **A. Initial Proposal and Testimony**

18. Pursuant to the terms of § 40-4-112, C.R.S., and the provisions of the Settlement approved by the Commission in Decision No. C15-0292, issued March 31, 2015 in Public Service's last Phase I electric rate case in Consolidated Proceeding Nos. 14AL-0660E and 14A-0680E, the Company submitted its Application for a Commission decision approving proposed revised depreciation rates for its Electric and Common Utility Plant and its proposed plan to amortize and recover the regulatory assets associated with 13 recently retired or soon-to-be retired electric generating plants (Retired Generating Units).

19. In Public Service's initial application filing, Public Service proposed changes to depreciation and amortization expenses based on the depreciation rates recommended by Mr. Dane Watson, a Managing Partner of the Alliance Consulting Group which was retained by Public Service to conduct a depreciation study of the Company's electric and common utility plant. Mr. Watson sponsored the Company's Depreciation Rate Study.

20. Mr. Watson performed a depreciation reserve reallocation based on theoretical reserves encompassing all operating production units within a functional class as well as the estimated regulatory asset balances, including the cost of removal, attributable to the Retired Generating Units.

21. Public Service proposed depreciation rates, based on projected plant balances as of January 1, 2018, before allocation to the retail jurisdiction result in an increase of \$47.3 million in the Company's annual depreciation and amortization expense. Based on January 1, 2018, regulatory asset balances, the estimated change to annual amortization expense for the Retired Generating Units, after the reserve reallocation and based on a four-year amortization period, was a decrease of \$1.8 million.

22. The initial total estimated increase in annual depreciation and amortization expense resulting from Public Service's proposals in this proceeding, based on January 1, 2018 balances, was \$45.5 million. This amount was later corrected to \$46.5 million.

23. On September 20, 2016, Public Service filed Supplemental Direct Testimony, to incorporate the announcement of the anticipated early retirement of Craig Unit 1, in which Public Service is a minority owner.

24. The estimated overall increase in annual depreciation and amortization expense based on the resulting depreciation and amortization rates and projected January 1, 2018, balances was \$44.3 million.

**B. Intervenor Testimony/Rebuttal Testimony**

25. On October 3, 2016, the OCC, WRA, and the CEC each filed Answer Testimony.

26. OCC witness Mr. James Garren analyzed the Company's depreciation study with an emphasis on average service lives and net salvage data. He proposes to increase the average service life for five accounts, relative to Mr. Watson's proposal. Further, OCC recommended reducing the negative net salvage ratio for three accounts. The total dollar impact of these adjustments is to reduce the Company's proposed depreciation expense by an additional \$6.53 million (Attachment JSG-3).

27. WRA, through its witness Mr. Uday Varadarajan, advocates for the alignment of the Company's financial proposals with a more rapid transition to a cleaner energy future. WRA proposes to make this transition in three steps. First, WRA suggests that the Commission reject the Company's proposal to reallocate value from regulatory assets to operating coal plants and to reject the five-year extension in the terminal retirement date of Hayden Unit 1. Second, WRA suggests that the Commission reject the Company's use of a "highly compressed" five-year period for amortization of the regulatory assets associated with the Retired Generating Units. Third, WRA suggests that the Commission avoid increasing the accounting value of older, more polluting coal units. Finally, WRA introduces ratepayer-backed bond securitization as a "future policy option."

28. CEC witness Mr. Jacob Pous recommends adjustments to the following depreciation issues: (1) requested life spans for production plant; (2) requested decommissioning



cost for production plant; (3) amortization of intangible plant; (4) mass property average service life; (5) mass property net salvage; (6) book reserve for intangible plant regarding fully accrued software systems; and (7) the Company's proposed early retirement of Craig Unit 1. These proposals result in a reduction of \$65.3 million.

29. In the course of the proceeding, Public Service adopted the following proposals contained within the Answer Testimony filed by various Intervenors:

- a. Limit the shifting of depreciation reserve amounts through the reserve reallocation from the operating Steam Production units to the Retired Generating Units to \$78.6 million, or one-half of the amount reflected in Public Service's Supplemental Direct Case;
- b. Extend the proposed amortization period for the regulatory assets associated with Retired Generating Units and Craig Unit 1, reflecting balances resulting after the above-mentioned reserve reallocation, from five years to six years;
- c. Lengthen the average service life for Electric and Common Account 391, Computer Equipment, from five to six years; and
- d. Change the net salvage percentage for Electric and Common Account 392, Transportation Equipment, except for Account 392.3, Trailers, to positive 10 percent and Account 392.3, Trailers, to positive 20 percent.

30. In its Rebuttal Testimony Public Service requested a total increase in depreciation and amortization expense of \$42.8 million, which was \$1.5 million lower than the \$44.3 million increase proposed in the Supplemental Direct Case.

### **C. Terms of the Settlement**

31. The Settlement, attached to this Decision as Attachment A, explains that the parties propose a negotiated resolution of the disputed issues in the case. It further explains that the agreements are all compromises of the filed positions of the parties, are in the public interest, and provide a balanced approach to intergenerational equity. Based on the Settlement,

the total increase in annual depreciation and amortization expense is \$27.2 million. Below is a summary of the terms agreed to by the parties.

### **I. Net Salvage Percentages for Certain Mass Property Accounts**

32. The parties agree the net salvage percentages for mass property accounts should be approved except for Federal Energy Regulatory Commission (FERC) Transmission Account 352, Structures and Improvements; Transmission Account 354, Towers and Fixtures; and Transmission Account 358, Underground Conductors & Devices.

33. The Parties agree to the following net salvage ratios for these accounts:

<u>Account</u>	<u>Net Salvage Ratio</u>
352	-5%
354	-20%
358	0%

### **II. Average Service Lives for Certain Mass Property Accounts**

34. The parties agree the asset lives for mass property accounts should be approved except for FERC Transmission Account 352 Structures and Improvements; Transmission Account 353, Station Equipment; Transmission Account 354, Towers and Fixtures; Distribution Account 364, Poles, Towers and Fixtures; Distribution Account 373, Street Lighting and Signal Systems; and Electric and Common General Plant Account 390, Structure & Improvements.

35. The Parties agree to the following net salvage ratios for these accounts:

<u>Account</u>	<u>Asset Lives</u>
352	88/S2
353	58/R2
354	81/R4

364	54/S0
373	41/R0.5
390	45

### III. Account 303 – Intangible Plant (Computer Software)

36. The Parties agree that routine software be amortized over seven years.

37. Further, in its next electric Phase I rate case, for Intangible Plant - Account 303, the Company will determine which asset(s) should be physically retired prior to setting the beginning balance in the 2018 rate case. With respect to the term “physically retired,” the FERC Uniform System of Accounts defines “property retired:” “as applied to electric plant, means property which has been removed, sold, abandoned, destroyed, or which for any cause has been withdrawn from service.” For software that is physically retired, the Company agrees that it will establish and support which portions and corresponding costs of the individual software assets have been replaced by later additions either fully or partially and will retire the portion that has been replaced and is no longer in use. The retired portions of the asset would include those portions replaced due to subsequent upgrades to current systems, replacement of current systems with new ones, or the removal of a system from our computer hardware assets.

38. Also, in its next electric Phase I rate case, for Intangible Plant - Account 303, the Company will present and provide supporting data for: (1) the Company’s current accounting method for software, which amortizes software individually; and (2) a group method of accounting for the amortization of software. The Company and any intervenor in the next

Electric Phase I rate case are free to advocate for their preferred accounting method for software in Intangible Plant - Account 303.

#### **IV. Decommissioning Costs for Production Plant**

39. The Parties agree that Public Service's estimated decommissioning costs for Production Plant, as set forth in the 2016 Decommissioning Cost Study should be approved except as modified below.

- a. Contingency costs, which represent unspecified but expected additional costs to be incurred by Public Service during the execution of decommission and demolition activities be set at 15 percent of direct costs;
- b. Indirect costs which represent costs expected to be incurred by Public Service during the decommissioning process in addition to the direct costs paid to a demolition contractor, be set at 10 percent of direct costs.
- c. Scrap metal pricing included in the decommissioning cost estimates will be the average of the heavy metal price composite values for October 2014, 2015, and 2016 after removal of transportation costs on a per ton basis.

#### **V. Retired Generating Units and Craig Unit 1 Regulatory Assets**

40. The Parties agree none of the \$157 million of depreciation reserve from the Steam Production units will be reallocated to the regulatory asset for Retired Generating Units.

41. The Parties also agree on a seven-year amortization period for the resulting balances of the Retired Generating Units regulatory assets, as well as the Craig Unit 1 regulatory asset.

42. The parties have also requested a number of approvals.

## II. STANDARD OF REVIEW

43. The parties have the burden of proving by a preponderance of the evidence that the Settlement is just and reasonable.<sup>2</sup> In reviewing the terms, the ALJ applied the Commission's direction and policy with respect to review of settlement agreements as found in, *e.g.*, Decision No. C06-0259.<sup>3</sup>

44. Section 40-3-101, C.R.S., contains the standard against which the Commission judges proposed rates and charges: All rates and charges must be "just and reasonable." In addition, the Colorado Supreme Court lists these factors:

Those charged with the responsibility of prescribing rates have to consider the interests of both the investors and the consumers. Sound judgment in the balancing of their respective interests is the means by which a decision is reached rather than by the use of a mathematical or legal formula. After all, the final test is whether the rate is "just and reasonable." And, of course, this test includes the constitutional question of whether the rate order "has passed beyond the lowest limit of the permitted zone of reasonableness into the forbidden reaches of confiscation."

*Public Utilities Commission v. Northwest Water Corporation*, 168 Colo. 154, 173, 451 P.2d 266, 276 (Colo. 1969) (*Northwest Water*) (citations omitted).

45. Further, the Commission must consider whether the rates and charges, taken together, are likely to generate sufficient revenue to ensure a financially viable public utility, which is in both the ratepayers' interest and the investors' interest. Finally, the Commission must consider the ratepayers' interest in avoiding or minimizing rate shock because the monopoly which a utility enjoys cannot be exerted, to the public detriment, to impose oppressive rates.

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<sup>2</sup> Section 13-25-127(1), C.R.S., and Rule 4 *Code of Colorado Regulations* 723-1-1500 of the Commission's Rules of Practice and Procedure, establish the burden of proof for a party which asks the Commission to adopt its advocated position. Decision No. C06-0786 issued July 3, 2006 in Proceeding No. 05A-072E, at ¶ 40 & n.23.

<sup>3</sup> Decision No. C06-0259 was issued on March 20, 2006 in Proceeding No. 05S-264G.

*Northwest Water*, 168 Colo. at 181, 451 P.2d at 279. The Commission balances these factors and considerations when reviewing proposed rates and charges.

46. Public Service bears the burden of proving by a preponderance of the evidence that the proposed rates meet this standard.

### **III. CONCLUSIONS AND FINDINGS**

47. Based upon the recitations made in the Joint Motion and testimony presented in the hearing conducted on November 18, 2016, the undersigned ALJ finds that the Settlement is in the public interest.

48. Based on the entire record, the ALJ finds that the parties have established by a preponderance of the evidence that the Settlement is just, is reasonable, and should be accepted by the Commission. The record supports each aspect of the Settlement without modification.

49. The following approvals have been requested by the parties and shall be granted:

- a) Approval of the depreciation rates as reflected in Exhibit A of the settlement agreement;
- b) Approval of the reserve reallocation within the functional classes that is derived from the approval of the individual lives, curves, and net salvage rates and amounts. The regulatory assets for the Retired Generating Units are excluded from this reserve reallocation;
- c) Except as modified above, a determination that it is reasonable to use estimated decommissioning costs from periodically updated decommissioning studies – such as the study sponsored by Mr. Kopp in this proceeding – to derive the net salvage component of Public Service’s depreciation rates for owned generating units;
- d) Approval of an effective date for these proposed depreciation rates as reflected in Exhibit A of the Settlement Agreement coincident with the date that new rates are implemented pursuant to the 2017 Rate Case;
- e) Approval of the amortization of the regulatory asset balances associated with the Retired Generating Units, as revised above, over seven (7) years for both accounting and ratemaking purposes;

- f) Approval of the amortization of the regulatory asset balances associated with the Retired Generating Units, as revised above, over seven (7) years for both accounting and ratemaking purposes;
- g) Approval to begin this amortization on the date that new rates are implemented pursuant to the 2017 Rate Case;
- h) Approval of a new 15-year amortization group for large backbone-type software systems and the inclusion of the Company's new General Ledger and Work Asset Management software systems in this new amortization group;
- i) Approval to establish a regulatory asset to account for deferred accruals equal to the difference between (i) the depreciation expense for Craig Unit 1 as required under Generally Accepted Accounting Principles beginning on September 1, 2016, and (ii) the depreciation expense under regulatory accounting based on the current depreciation rates previously approved by the Commission -- consistent with the deferred accounting authorized for certain of the Retired Generating Units in Decision No. C09-1446 in Proceeding No. 09AL-299E and Decision No. C10-1328 in Proceeding No. 10M-245E; and
- j) Approval to amortize and recover the resulting Craig Unit 1 deferred amounts over the same seven-year amortization period being proposed for the Retired Generating Units, commencing with the effective date of new general electric rates to be approved in the Company's upcoming 2017 electric rate case

#### **IV. ORDER**

##### **A. The Commission Orders That:**

1. The Joint Motion to Approve the Unopposed Comprehensive Settlement Agreement is granted.
2. The Settlement Agreement, attached to and incorporated in this Decision is accepted.
3. The Application of Public Service Company of Colorado filed on April 1, 2016 that seeks Commission approval of a revised depreciation rate for its Electric and Common Utility Plant and its proposed plan to amortize and recover the regulatory assets associated with 13 (now 14) recently retired or soon-to-be retired electric generating plants, is approved as modified by the Settlement Agreement.

4. This Recommended Decision shall be effective on the day it becomes the Decision of the Commission, if that is the case, and is entered as of the date above.

5. As provided by § 40-6-106, C.R.S., copies of this Recommended Decision shall be served upon the parties, who may file exceptions to it.

6. Responses to exceptions shall be due within seven calendar days from the filing of exceptions.

7. If no exceptions are filed within 20 days after service or within any extended period of time authorized, or unless the recommended decision is stayed by the Commission upon its own motion, the recommended decision shall become the decision of the Commission and subject to the provisions of § 40-6-114, C.R.S.

8. If a party seeks to amend, modify, annul, or reverse a basic finding of fact in its exceptions, that party must request and pay for a transcript to be filed, or the parties may stipulate to portions of the transcript according to the procedure stated in § 40-6-113, C.R.S. If no transcript or stipulation is filed, the Commission is bound by the facts set out by the administrative law judge; and the parties cannot challenge these facts. This will limit what the Commission can review if exceptions are filed.



9. If exceptions to this Recommended Decision are filed, they shall not exceed 30 pages in length, unless the Commission for good cause shown permits this limit to be exceeded.

THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO

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Administrative Law Judge

**Exhibit No. XES - 300 - Impact of Electric Depreciation Rates**

## Transmission

	Depr change Ex B of Settlement	Allocation to Transmission	Transmission	Wholesale Customer Impact 18.08%
Electric Distribution Plant	\$ (4,770,940)	0.00%	\$ -	\$ -
Electric General Plant	\$ (3,879,727)	12.72%	\$ (493,579)	\$ (89,246.71)
Electric Hydro Production Plant	\$ 3,038,832	0.00%	\$ -	\$ -
Electric Intangible Plant	\$ (3,036,657)	12.72%	\$ (386,324)	\$ (69,853.28)
Electric Other Production Plant	\$ 3,009,869	0.00%	\$ -	\$ -
Electric Steam Production Plant	\$ 33,093,443	0.00%	\$ -	\$ -
Electric Transmission Plant	\$ 5,100,190	100.00%	\$ 5,100,190	\$ 922,193.44
Total depreciation	\$ 32,555,010		\$ 4,220,288	\$ 763,093
Amortization of CACJA Early Retirements	\$ 11,304,196	0.00%	\$ -	
Amortization of Craig Unit 1	\$ 172,658	0.00%	\$ -	
<b>Grand Total</b>	<b>\$ 44,031,864</b>		<b>\$ 4,220,288</b>	<b>\$ 763,093</b>

### Allocators

2020 Transmission Wages and Salary Allocator (W/S)	12.72%
2020 Transmission Customers as a % of ATRR	18.08%