

AVERY SUBSTATION AND TRANSMISSION LINE PROJECT

Avery Substation Project Overview

Xcel Energy is a major U.S. electric and natural gas company with regulated operations in eight Western and Midwestern states. Xcel Energy provides a comprehensive portfolio of energy-related products and services to 3.4 million electric customers and 1.9 million natural gas customers. As a point of clarification, the Company name may be confusing since our utility company name is “branded” as Xcel Energy; however, the legal owner and operator of the utility facilities in Colorado is Public Service Company of Colorado. All utility facilities and related land rights, including fee property, easements, permits, etc, are owned and operated by, and held in the name of, Public Service Company of Colorado (PSCo), a Colorado Corporation.



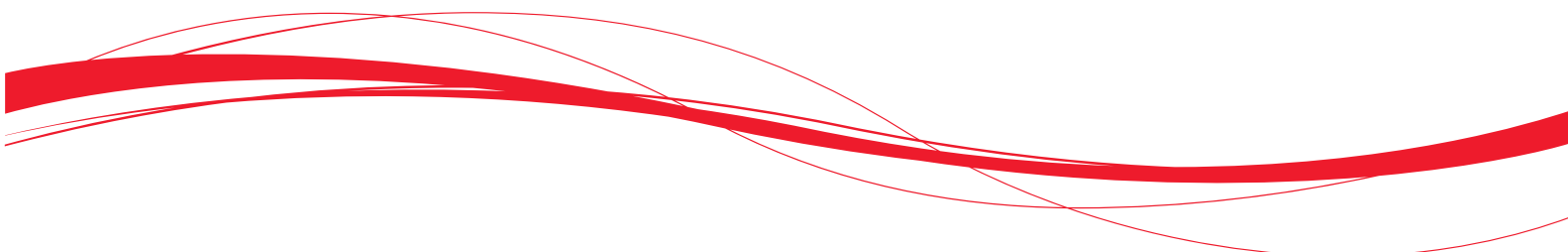
We are proposing to construct the Avery Substation and Transmission Line project. The project consists of:

- A new electric distribution substation
- An associated overhead double-circuit 230,000-volt (230-kV) electric transmission line
- Overhead distribution feeder lines near the towns of Windsor, Severance and Timnath, Colo.

Power for the new 230-kV transmission line will be provided by interconnecting the existing Platte River Power Authority’s (PRPA) Timberline-Ault 230-kV transmission line. We are evaluating alternatives for this interconnection. This connection will supply the Avery Substation with the electrical supply needed to power the distribution feeders serving the immediate communities. The Avery Substation will occupy approximately four acres and contain an equipment enclosure, transformer, capacitor bank and switches to support the distribution feeders.

Anticipated Project Schedule

Conduct public outreach—summer 2012 – fall 2015
 Begin local permitting—summer 2015
 Outreach to property owners—continuing
 Environmental resource studies—
 spring 2014 – summer 2015
 Local permits completed—fall/winter 2015
 Land/easement acquisition—early 2016
 Substation construction start—summer 2016
 Transmission construction start—fall 2016
 Target in-service date—May 31, 2017



Avery Substation Project Purpose and Need

Construction of new businesses and homes increases the need for electricity, as do changes in the market for power driven by advanced technologies with new power requirements. Most new high technology customers require not only more power per square foot of space, but also higher reliability. It is our goal to provide reliable electrical service to the area for both safety and everyday activities. Power consumption trends and requirements have also changed at the residential level as a result of personal computers, electronics and home offices. Substations play a key role in helping ensure a high quality power supply for existing and future customers.

The system in this area, as it exists today, does not have the capability to reliably serve the additional load growth anticipated for the future. Additional substation facilities are required to deliver the electricity to the load centers where energy needs are the greatest. The new Avery Substation will enable us to serve existing and new load in the vicinity of Timnath, Severance and Windsor caused by growth of these communities along the Interstate 25 corridor. Avery Substation will assist in providing back up to the existing Cobb Lake and Windsor Substations, which are reaching their capacity. It also will provide reliability to our existing and future customer load.

