

Comparison of PSCo and OCC Proposed Increases for Representative Customer, (final position)

One-hour Notice Primary Customer Unconstrained, no minimum hours of interruption						
Maximum Annual Hours	Current	PSCo		OCC		
		Proposed	Increase	Proposed	Increase	
40	2.04	4.88	139%	\$ 3.77	85%	
80	2.85	5.63	98%	\$ 4.36	53%	
160	3.45	6.18	79%	\$ 4.81	39%	
10-minute Notice Primary Customer Unconstrained, no minimum hours of interruption						
Maximum Annual Hours	Current	PSCo		OCC		
		Proposed	Increase	Proposed	Increase	
40	5.16	9.39	82%	\$ 7.43	44%	
80	6.85	10.78	57%	\$ 8.54	25%	
160	7.63	11.74	54%	\$ 9.32	22%	

Note: current and proposed credits are annual average numbers based on Exhibit No. SBB-4

**Comparison of Foundation Value Calculation Taylor vs OCC
(final position) basis for calculating credits for 10-minute notice customers**

	AST-7 as filed	OCC Proposed
1 PSCo estimate LMS100 CT (\$M, '08\$)	84.9	84.9
2 Transmission (\$M, '08\$)	4.7	4.7
3 Total (\$M, '08\$) (line 2 + line 3)	89.6	89.6
4 Normalized (\$/kW) Note 1	1163.1	1057.4
5 Fixed Charge Rate Note 2	13.83%	12.06%
6 Annual (\$/kW-yr) (line 5 * line 6)	160.86	127.53
7 Monthly (\$/kW-yr) (line 7 / 12)	13.40	10.63
8 Energy Benefit (\$/kW-mo)	0.46	0.46
9 Net cost (line 8 + line 9)	12.94	10.17
10 Adj reactive power	0.25	0.25
11 Adj AGC	0.25	0.25
12 Net cost (line10 + line 11 + line 12)	12.44	9.67
13 Transmission loss	2.56%	2.56%
14 Net cost (line 13 * (line 14 + 1))	12.76	9.92
15 Target Reserve	16%	16%
16 Net cost (line 15 * (line 16 + 1))	14.80	11.50
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Note 1: Taylor based on 77 MW Summer capacity, OCC based on 84.5 weighted average of year-round capacity.

Note 2: Taylor and Senger used Real Levelized Carrying Charge with different escalation rate and rate period assumptions.

**Comparison of Foundation Value Calculation Taylor vs OCC
(final position) basis for calculating credits for one-hour notice customers**

	AST-5 as filed	OCC Proposed
1 EIA estimate (\$M, '05\$)	67.2	67.2
2 Escalated to 2008	76.3	76.3
3 Transmission (\$M, '08\$)	4.7	4.7
4 Total (\$M, '08\$) (line 2 + line 3)	80.9	80.9
5 Normalized (\$/kW) Note 1	627.7	572.2
6 Fixed Charge Rate Note 2	13.83%	12.06%
7 Annual (\$/kW-yr) (line 5 * line 6)	86.81	69.02
8 Monthly (\$/kW-yr) (line 7 / 12)	7.23	5.75
9 Energy Benefit (\$/kW-mo)	0.30	0.30
10 Net cost (line 8 + line 9)	6.93	5.45
11 Adj reactive power	0.25	0.25
12 Adj AGC	0.25	0.25
13 Net cost (line10 + line 11 + line 12)	6.43	4.95
14 Transmission loss	2.56%	2.56%
15 Net cost (line 13 * (line 14 + 1))	6.60	5.08
16 Target Reserve	16%	16%
17 Net cost (line 15 * (line 16 + 1))	7.65	5.89

Note 1: Taylor based on 128.9 MW Summer capacity, OCC based on 141.4 weighted average of year-round capacity.

Note 2: Taylor and Senger used Real Levelized Carrying Charge with different escalation rate and rate period assumptions.