

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

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IN THE MATTER OF THE APPLICATION OF)
PUBLIC SERVICE COMPANY OF)
COLORADO FOR AN ORDER APPROVING)
EXPENSES INCURRED FOR THE PERIOD)
JANUARY 2022 THROUGH DECEMBER 2022)
THAT ARE RECOVERED THROUGH THE) PROCEEDING NO. 23A-0394E
ELECTRIC COMMODITY ADJUSTMENT AND)
PURCHASED CAPACITY COSTS)
RECOVERED THROUGH THE PURCHASED)
CAPACITY COST ADJUSTMENT FOR THE)
SAME PERIOD AND APPROVING OF THE)
CALCULATION OF 2022 SHORT TERM)
SALES MARGINS)

UNOPPOSED REVISED COMPREHENSIVE SETTLEMENT AGREEMENT

CONTENTS

INTRODUCTION AND IDENTIFICATION OF PARTIES 2
SETTLEMENT AGREEMENT 2
 I. Company-Owned Community Solar Garden (“CSG”) Operations in 2022.. 2
 II. Cherokee 4 Operations in 2022 2
 III. Comanche 3 Replacement Power Modeling 3
 IV. Additional Reporting 4
GENERAL PROVISIONS 5

INTRODUCTION AND IDENTIFICATION OF PARTIES

This Unopposed Revised Comprehensive Settlement Agreement (“Revised Settlement Agreement” or “Agreement”) is filed on behalf of Public Service Company of Colorado (“Public Service” or the “Company”) and Trial Staff of the Commission (“Staff”) (each a “Settling Party” and collectively the “Settling Parties”), pursuant to Rule 1408 of the Commission’s Rules of Practice and Procedure, 4 CCR 723-1. The only other party to this proceeding, the Office of the Utility Consumer Advocate (“UCA”), takes no position on the Agreement and it is therefore unopposed.

This Revised Settlement Agreement is intended to resolve all issues raised by the Settling Parties in this proceeding with respect to the Company’s Verified Application for approval of its Electric Commodity Adjustment (“ECA”) and Purchased Capacity Cost Adjustment (“PCCA”) costs for calendar year 2022 (“Application”).

REVISED SETTLEMENT AGREEMENT

The Settling Parties agree that the Commission should approve the Company’s Application, subject to the following modifications and conditions:

I. Company-Owned Community Solar Garden (“CSG”) Operations in 2022

1. The Settling Parties agree that the Company will make a one-time credit to customers of \$112,000 through the ECA associated with Company-owned CSG operations in 2022. The credit shall be applied in the first quarterly ECA after the Commission's final decision.

II. Cherokee 4 Operations in 2022

2. The Settling Parties agree that the operation of Cherokee 4 in 2022 was prudent and no associated disallowance is in the public interest.

3. Public Service, Staff, and UCA commit to discuss the long-term modeling of existing unit operations as part of the modeling conferral required by Decision No. C24-0052 in Proceeding No. 21A-0141E.

4. Public Service, Staff, and UCA commit to have a discussion on the retirement of Cherokee 4 scheduled for the end of 2027 and the anticipated potential impacts of that retirement on system operations. These discussions will commence before the end of 2024 and occur in an ECA quarterly stakeholder meeting or another appropriate forum.

III. Comanche 3 Replacement Power Modeling

5. The Settling Parties agree that the Company will provide a credit of \$1,400,000 to customers through the ECA to resolve issues regarding the modeling adjustments performed to reach the replacement power value for the Comanche 3 outage in 2022. The credit shall be applied in the first quarterly ECA after the Commission's final decision.

6. The Settling Parties agree that Public Service, Staff, and UCA will commence a series of discussions on replacement power cost modeling approaches and tools. The discussions may expound on the evolution of such modeling to date and are designed to attempt to reach alignment on currently known issues to be accounted for as a starting point should similar future modeling be conducted, with such discussions commencing following a final decision approving a Revised Settlement Agreement in this proceeding.

- a. The Company will file a status report regarding these discussions with the Commission in this proceeding or another appropriate proceeding by December 31, 2024.
- b. The Company and Staff will discuss whether additional status reports are required as discussions move forward.

IV. Additional Reporting

7. The Settling Parties agree that the Company will:
 - a. Provide monthly curtailment costs for renewable resources on purchase power agreements, including workpapers, as part of future ECA and PCCA Annual Prudence Review direct case filings and for the year subject to the prudence review.
 - b. Retain unreconciled curtailment data that is in the Company's possession until the applicable prudence review proceeding is complete. The specifics of the information to be provided pursuant to this term are subject to further discussion with Staff, following the final approval of this Revised Settlement Agreement, with the objective of reaching agreement on the scope of data subject to this commitment in a manner that is manageable to the Company and useful to Staff.
 - c. Provide additional reporting in quarterly ECA filings, specifically with regard to Exhibit 10A and Exhibit 10B, as set forth in the Answer Testimony of Erin T. O'Neill.
 - d. Provide the detailed Generation Table for Rush Creek, similar to the information provided for Cheyenne Ridge, in all future Rush Creek Annual

Reports in Proceeding No. 16A-0117E. This information will include a comparison of actual versus forecast generation and details regarding the drivers of any shortfall or over-production.

- e. Provide strategies for enhancing data regarding curtailment drivers and investment strategies to manage curtailments in the Company's Pueblo Just Transition Plan filing.

GENERAL PROVISIONS

8. Except as expressly set forth herein, nothing in this Revised Settlement Agreement is intended to have precedential effect or bind the Settling Parties with respect to positions they may take in any other proceeding regarding any of the issues addressed in this Revised Settlement Agreement. No Settling Party concedes the validity or correctness of any regulatory principle or methodology directly or indirectly incorporated in this Revised Settlement Agreement. Furthermore, this Revised Settlement Agreement does not constitute agreement, by any Settling Party, that any principle or methodology contained within or used to reach this Revised Settlement Agreement may be applied to any situation other than the above-captioned proceeding, except as expressly set forth herein.

9. The Settling Parties agree the provisions of this Revised Settlement Agreement, as well as the negotiation process undertaken to reach this Revised Settlement Agreement, are just, reasonable, and consistent with and not contrary to the public interest, and should be approved and authorized by the Commission.

10. The discussions among the Settling Parties that produced this Revised Settlement Agreement have been conducted in accordance with Rule 408 of the Colorado Rules of Evidence.

11. Nothing in this Revised Settlement Agreement shall constitute a waiver by any Settling Party with respect to any matter not specifically addressed in this Revised Settlement Agreement.

12. The Settling Parties agree to use good faith efforts to support all aspects of the Revised Settlement Agreement embodied in this document in any hearing conducted to determine whether the Commission should approve this Revised Settlement Agreement, and/or in any other hearing, proceeding, or judicial review relating to this Revised Settlement Agreement or the implementation or enforcement of its terms and conditions. Each Settling Party also agrees that, except as expressly provided in this Revised Settlement Agreement, it will take no formal action in any administrative or judicial proceeding that would have the effect, directly or indirectly, of contravening the provisions or purposes of this Revised Settlement Agreement. However, except as expressly provided herein, each Settling Party expressly reserves the right to advocate positions different from those stated in this Revised Settlement Agreement in any proceeding other than one necessary to obtain approval of, or to implement or enforce, this Revised Settlement Agreement or its terms and conditions.

13. The Settling Parties do not believe any waiver or variance of Commission rules is required to effectuate this Revised Settlement Agreement but agree jointly to apply to the Commission for a waiver of compliance with any requirements of the

Commission's Rules and Regulations if necessary to permit all provisions of this Settlement Agreement to be approved, carried out, and effectuated.

14. This Revised Settlement Agreement is an integrated agreement that may not be altered by the unilateral determination of any Settling Party. There are no terms, representations or agreements among the parties which are not set forth in this Settlement Agreement.

15. This Revised Settlement Agreement shall not become effective until the Commission issues a final decision addressing the Revised Settlement Agreement. In the event the Commission modifies this Revised Settlement Agreement in a manner unacceptable to any Settling Party, that Settling Party may withdraw from the Revised Settlement Agreement and shall so notify the Commission and the other Settling Parties in writing within ten (10) days of the date of the Commission order. In the event a Settling Party exercises its right to withdraw from the Revised Settlement Agreement, this Revised Settlement Agreement shall be null and void and of no effect in this or any other proceeding.

16. There shall be no legal presumption that any specific Settling Party was the drafter of this Revised Settlement Agreement.

17. This Revised Settlement Agreement may be executed in counterparts, all of which when taken together shall constitute the entire Agreement with respect to the issues addressed by this Revised Settlement Agreement. This Revised Settlement Agreement may be executed and delivered electronically and the Settling Parties agree that such electronic execution and delivery, whether executed in counterparts or collectively, shall have the same force and effect as delivery of an original document with

original signatures, and that each Settling Party may use such facsimile signatures as evidence of the execution and delivery of this Revised Settlement Agreement by the Settling Parties to the same extent that an original signature could be used.

Dated this 12th day of April, 2024.

Agreed on behalf of:

PUBLIC SERVICE COMPANY OF COLORADO

By: /s/ Steven P. Berman
Steven P. Berman
Regional Vice President
Regulatory and Pricing
Public Service Company of Colorado

Approved as to form:

**ATTORNEY FOR PUBLIC SERVICE COMPANY OF
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By: /s/ Christopher M. Irby
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Agreed on behalf of:

**TRIAL STAFF OF THE COLORADO PUBLIC
UTILITIES COMMISSION**

By: /s/ Erin T. O'Neill
Erin T. O'Neill
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