

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

* * * *

IN THE MATTER OF THE APPLICATION OF)
PUBLIC SERVICE COMPANY OF)
COLORADO FOR AN ORDER APPROVING)
EXPENSES INCURRED FOR THE PERIOD)
JANUARY 2023 THROUGH DECEMBER 2023)
THAT ARE RECOVERED THROUGH THE) **PROCEEDING NO. 24A-0327E**
ELECTRIC COMMODITY ADJUSTMENT AND)
PURCHASED CAPACITY COSTS)
RECOVERED THROUGH THE PURCHASED)
CAPACITY COST ADJUSTMENT FOR THE)
SAME PERIOD AND APPROVING OF THE)
CALCULATION OF 2023 SHORT TERM)
SALES MARGINS)

NON-UNANIMOUS COMPREHENSIVE SETTLEMENT AGREEMENT

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INTRODUCTION AND IDENTIFICATION OF PARTIES

This Non-Unanimous Comprehensive Settlement Agreement (“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 *Code of Colorado Regulations* 723-1. The only other party to this proceeding, the Office of the Utility Consumer Advocate (“UCA”), opposes the Settlement Agreement.

This 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 2023 (“Application”).

SETTLEMENT AGREEMENT

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

I. Company-Owned Community Solar Garden (“CSG”) Operations in 2023

1. The Settling Parties agree that Public Service will provide a one-time \$140,000 credit to customers through the ECA associated with Company-owned CSG operations in 2023. The credit shall be applied in the first quarterly ECA after the Commission's final decision.

II. Brush Outages in 2023 and 2024

2. The Company agrees to provide in its quarterly ECA stakeholder meetings information regarding the status of the Brush 1-3 and Brush 4 facilities until the Company files its 2024 ECA and PCCA Annual Prudence Review on August 1, 2025. In those quarterly ECA stakeholder meetings, the Company will include information regarding the operational status of the Brush 1-3 and Brush 4 facilities and, as applicable and to the extent any unit continues to be out of service, the status of discussions with the facility owners, to the extent the Company is able to under the confidentiality clauses of the applicable Purchase Power Agreement (“PPA”) for those facilities, and to the extent that information is not subject to legal privileges.

3. The Company agrees to include in its 2024 ECA and PCCA Annual Prudence Review application to be filed on August 1, 2025, information regarding unit operations and any additional payment refunds, liquidated damages, or other compensation associated with the outages at the Brush 1-3 and Brush 4 facilities in 2023 and 2024, and to explain how those funds were credited to customers. If no refunds, liquidated damages, or other compensation was obtained, the Company will explain why it was unable to recover such funds under the terms of the PPAs.

4. The Settling Parties agree that there shall be no disallowance related to the status of Brush 1-3 or Brush 4 (for replacement power costs or otherwise) for purposes of this prudence review proceeding. Parties reserve the right to review the Brush outages for calendar year 2023 and raise concerns limited to factors within the Company’s control

for both 2023 and 2024 in the 2024 ECA and PCCA Annual Prudence Review that will commence on or about August 1, 2025.

III. Generation Fleet Performance

5. The Settling Parties agree to discuss potential generation fleet performance metrics in the Company's quarterly ECA stakeholder meetings. The Company agrees to present a potential generation fleet performance metric(s) in the next electric rate case proceeding or another appropriate proceeding by April 30, 2026, and either to ask for approval of one or more metrics or explain why any potential metric(s) would not be feasible or appropriate at this time. The Settling Parties agree that the performance incentive mechanism ("PIM") principles established by the Commission (see *e.g.*, Decision No. C22-0270 and Decision No. C22-0459) shall establish the boundaries for the scope, purpose, and content of any PIM under discussion. The Settling Parties reserve the right to request that options for fleet performance metric(s) be included in a proceeding before April 30, 2026, if an acceptable proceeding is filed before that date.

IV. Wind Resource Reliability

6. The Settling Parties agree that the Company's ongoing Just Transition Solicitation in Proceeding No. 24A-0442E is the appropriate forum to consider and assess wind resource reliability for purposes of resource planning, as well as capacity accreditation methodologies for other technology types.

GENERAL PROVISIONS

7. Except as expressly set forth herein, nothing in this 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 Settlement Agreement. No Settling Party concedes the validity or correctness of any regulatory principle or methodology directly or indirectly incorporated in this Settlement Agreement. Furthermore, this Settlement Agreement does not constitute agreement, by any Settling Party, that any principle or methodology contained within or used to reach this Settlement Agreement may be applied to any situation other than the above-captioned proceeding, except as expressly set forth herein.

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

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

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

11. The Settling Parties agree to use good faith efforts to support all aspects of the Settlement Agreement embodied in this document in any hearing conducted to determine whether the Commission should approve this Settlement Agreement, and/or in any other hearing, proceeding, or judicial review relating to this Settlement Agreement or the implementation or enforcement of its terms and conditions. Each Settling Party also

agrees that, except as expressly provided in this 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 Settlement Agreement. However, except as expressly provided herein, each Settling Party expressly reserves the right to advocate positions different from those stated in this Settlement Agreement in any proceeding other than one necessary to obtain approval of, or to implement or enforce, this Settlement Agreement or its terms and conditions.

12. The Settling Parties do not believe any waiver or variance of Commission rules is required to effectuate this Settlement Agreement, but they 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.

13. This 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.

14. This Settlement Agreement shall not become effective until the Commission issues a final decision addressing the Settlement Agreement. In the event the Commission modifies this Settlement Agreement in a manner unacceptable to any Settling Party, that Settling Party may withdraw from the 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's order. In the event a Settling Party exercises its right to

withdraw from the Settlement Agreement, this Settlement Agreement shall be null and void and of no effect in this or any other proceeding.

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

16. This 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 Settlement Agreement. This 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 electronic or facsimile signatures as evidence of the execution and delivery of this Settlement Agreement by the Settling Parties to the same extent that an original signature could have been used.

Dated this 6th day of December, 2024.

Agreed on behalf of:

PUBLIC SERVICE COMPANY OF COLORADO

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Agreed on behalf of:

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