



2008 NOV 14 PM 2:11

P.O. Box 840
Denver, Colorado 80201-0840

DISK FILED

November 14, 2008

Advice No. 1522 - Electric

Public Utilities Commission
of the State of Colorado
1560 Broadway, Suite 250
Denver, Colorado 80202

The accompanying tariff sheets issued by Public Service Company of Colorado are sent to you for filing in compliance with the requirements of the Public Utilities Law:

COLORADO P.U.C. NO. 7 - ELECTRIC

and the following sheets are attached:

<u>Colorado P.U.C. Sheet No.</u>		<u>Title of Sheet</u>	<u>Cancels</u>	<u>Colorado P.U.C. Sheet No.</u>
2nd Sub. Thirty-eighth Revised	20	Rate Schedule Summation Sheet	Thirty-seventh Revised	20
Sub. Forty-second Revised	22	Rate Schedule Summation Sheet	Forty-first Revised	22
2nd Sub. Forty-eighth Revised	23	Rate Schedule Summation Sheet	Forty-seventh Revised	23
Fifth Revised	106	General Rate Schedule Adjustment	Sub. Fourth Revised	106
Sub. Eighth Revised	109B	Transmission Cost Adjustment	Seventh Revised	109B

The principal proposed change is: to revise the General Rate Schedule Adjustment ("GRSA") rider applicable to all electric base rate schedules in the Company's Colorado P.U.C. No. 7 - Electric Tariff, and a corresponding change to the Transmission Cost Adjustment ("TCA") rider as required by Sheet No. 109A in the Company's Colorado P.U.C. No. 7 - Electric Tariff to become effective December 15, 2008.

The Company is proposing to increase the current GRSA of 12.70 percent to 32.50 percent. The proposed 32.50 percent GRSA will be an increase of 19.80 percent above the currently effective GRSA of 12.70 percent. The effect of the proposed 19.80 percent on the annual base rate electric revenue is an increase of \$174,719,832 based on the forecasted

The Public Utilities Commission
of the State of Colorado

Advice No. 1522 - Electric

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cost of providing electric service for the twelve months ending December 31, 2009. The overall retail base rate revenue requirement is \$1,171,748,182. The requested increase is based on the Company's revenue deficiency for calendar year 2009, using forecasted 2009 costs and revenues collected under current rates. The cost of service developed based on the 2009 forecasted test year better matches the incurrence of costs with their recovery from customers, mitigates the impact of regulatory lag on the Company's ability to earn its authorized return, and allows the Company to attract the capital necessary to provide reliable service. The increased revenue requirement includes increased expenses and capital expenditures associated with expanding and maintaining the Company's electric system including O&M expense and capital costs for Fort St. Vrain units 5 and 6; Comanche 3 generating unit; Comanche 1 and 2 pollution control equipment; incremental transmission necessitated by the addition of Comanche 3, and investment in distribution plant.

In conjunction with the increase in base rates pursuant to the revised GRSA, a corresponding decrease in the TCA will be implemented simultaneously. The TCA is a rider to reflect recovery of investments in transmission facilities. On the effective date of a change in electric base rates, the TCA rider shall be reduced to the extent that transmission costs that are being recovered in the TCA prior to the effective date have been moved into base rates. The Company proposes to reduce its TCA rider from \$0.00019/kwh to \$0.00006/kwh for residential customers and from \$0.00020/kwh to \$0.00006/kwh for commercial customers with similar reductions for other rate classes.

Implementation of the revised tariffs contained in this filing would allow the Company to increase its electric revenues and provide it with the opportunity to earn an 11.0 percent return on equity, based on a capital structure of 58.08 percent equity and 41.92 percent debt.

For informational purposes the Company is also providing its revenue requirements study for the twelve-months ending June 30, 2008.

The effect of this filing upon the Company's annual revenue for the twelve months ending December 31, 2009 is an increase of \$174,719,832. The percentage bill increases for a typical residential customer is \$5.13 (8.39 percent) and for a typical small commercial customer is \$7.84 (8.00 percent).

Contemporaneously filed with this advice letter are the testimony and exhibits of 15 witnesses in support of the request for an increase in electric base rates.

The Company requests that the changed tariffs accompanying this advice letter become effective December 15, 2008.

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The Public Utilities Commission
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Advice No. 1522 - Electric

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Customers of the Company receiving electric service as of the date of this filing will be notified of this filing by individual notice provided by first class mail, and by general notice published in the legal classified section of The Denver Post. A copy of the official notice is attached hereto.

Please send copies of all notices, pleadings, correspondence, and other documents regarding this filing to:

Scott B. Brockett
Director, Regulatory Administration
Xcel Energy Services Inc.
1225 17th Street, Suite 1000
Denver, Colorado 80202

and

Ann E. Hopfenbeck
Ducker, Montgomery, Aronstein & Bess, PC
Attorney for
Public Service Company of Colorado
1225 17th Street, Suite 900
Denver, Colorado 80202



Roy Palmer
Managing Director
Government and Regulatory Affairs

RP:kdw

Enclosures

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PUBLIC UTILITIES COMMISSION
STATE OF COLORADO

**NOTICE OF REVISION IN THE ELECTRIC RATES OF
PUBLIC SERVICE COMPANY OF COLORADO
1225 17TH STREET, DENVER, COLORADO 80202**

November 14, 2008

You are hereby notified that Public Service Company of Colorado has filed with the Public Utilities Commission of the State of Colorado to revise its base rates for electric service in its Colorado P.U.C. No. 7 – Electric tariff effective December 15, 2008, unless suspended by the Public Utilities Commission.

The Company is proposing to increase the current GRSA of 12.70 percent to 32.50 percent. The proposed 32.50 percent GRSA will be an increase of 19.80 percent above the currently effective GRSA of 12.70 percent. The effect of the proposed 19.80 percent on the annual base rate electric revenue is an increase of \$174,719,832 based on the forecasted cost of providing electric service for the twelve months ending December 31, 2009. The proposed increase includes increased expenses and capital expenditures associated with expanding and maintaining the Company's electric system including O&M expense and capital costs for Fort St. Vrain units 5 and 6; Comanche 3 generating unit; Comanche 1 and 2 pollution control equipment; incremental transmission necessitated by the addition of Comanche 3, and investment in distribution plant.

In conjunction with the increase in base rates pursuant to the revised GRSA, a corresponding decrease in the TCA will be implemented simultaneously. The TCA is a rider to reflect recovery of investments in transmission facilities. On the effective date of a change in electric base rates, the TCA rider shall be reduced to the extent that transmission costs that are being recovered in the TCA prior to the effective date have been moved into base rates. The Company proposes to reduce its TCA rider from \$0.00019/kwh to \$0.00006/kwh for residential customers and from \$0.00020/kwh to \$0.00006/kwh for commercial customers with similar reductions for other rate classes.

The effect on the Company's annual revenue will be an increase of \$174,719,832. The average monthly impact for customers by rate class is projected to be as follows:

TOTAL PROPOSED MONTHLY RATE IMPACTS ON CUSTOMERS:

<u>Rate Schedule</u>	<u>Monthly Average Usage</u>	<u>Monthly Existing Bill</u>	<u>Monthly Proposed Bill</u>	<u>Monthly Difference</u>	<u>Percentage Difference</u>
Schedule R	625 kWh	\$ 61.18	\$ 66.31	\$ 5.13	8.39%
Schedule C	1,025 kWh	\$ 97.99	\$ 105.83	\$ 7.84	8.00%
Schedule SG	27,000 kWh 72 KW	\$ 2,099.79	\$ 2,239.01	\$ 139.22	6.63%
Schedule PG	450,000 kWh 950 KW	\$ 29,193.65	\$ 30,812.14	\$ 1,618.49	5.54%
Schedule TG	9,000,000 kWh 18,338KW	\$515,745.66	\$538,339.50	\$22,593.84	4.38%

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The proposed and present tariffs are available for examination and explanation at the business office of Public Service Company located at 550 15th Street, Denver, Colorado 80202 and at the Public Utilities Commission of the State of Colorado, located at 1560 Broadway, Suite 250, Denver, Colorado 80202.

Anyone who desires may file written objection. The filing of a written objection by itself will not allow you to participate as a party in any proceeding on the proposed rate changes.

If you wish to participate as a party in any proceeding established in these matters, you must file written intervention documents under applicable rules.

Anyone who desires to file written objection to the proposed action, shall file it with the Colorado Public Utilities Commission, 1560 Broadway, Suite 250, Denver, Colorado, 80202, on or before 10 days before the proposed effective date of December 15, 2008.

The Public Utilities Commission may hold a hearing to determine what rates, rules and regulations will be authorized. If a hearing is held, the Commission may suspend the proposed rates, rules or regulations.

The rates, rules and regulations ultimately authorized may or may not be the same as those proposed and may include rates higher or lower than those proposed or currently in effect.

Anyone who desires to receive notice of any hearing shall file a written request for notice with the Public Utilities Commission, at the above address on or before 10 days before the proposed effective date of December 15, 2008.

If a hearing is held, any member of the public may attend and may make a statement under oath about the proposed increase, whether or not he or she has filed an objection or intervention.

Scott B. Brockett
Director, Regulatory Administration

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**PUBLIC UTILITIES COMMISSION
STATE OF COLORADO**

P.O. Box 840
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Thirty-Seventh Revised Sheet No. 20

ELECTRIC RATES

RATE SCHEDULE SUMMATION SHEET**

Total Effective Monthly Rate*

Rate Schedule	Sheet No.	Service & Facility Charge	Energy Charge per kWh		Demand Charge per kW		
R	30	8.40	Winter	0.09264	--	--	II
			Summer	0.09686	--	--	I
RD	33	9.75	Both Seasons	0.03802	Winter	13.96	II
					Summer	14.34	I
C	40	10.55	Winter	0.09296	--	--	II
			Summer	0.09803	--	--	I
SGL	43	33.61	Winter	0.15983	Both Seasons	6.64	III
			Summer	0.17953			I
***SG	44	33.61	Both Seasons	0.03802	Winter	16.38	III
					Summer	17.96	I
PG	52	174.76		0.03646			II
			On-Peak	0.04539	Winter	14.98	II
			Off-Peak	0.03068	Summer	16.57	II
TG	62	Varies		0.03563			I
			On-Peak	0.04501	Winter	11.18	II
			Off-Peak	0.03030	Summer	12.74	II

*The total effective monthly rates are the cumulative total of the applicable base rates and the applicable Electric Rate Adjustments. The Service and Facility Charge for all rate schedules is calculated by adding the applicable Service and Facility Charge plus the Base Rate Adjustments, plus the Total Rate Adjustments. The Energy Charges for Schedules R, RD, C, SGL, SG, are calculated by adding the applicable Energy Charge, plus the Base Rate Adjustments, plus the applicable Non-Base Rate Adjustments, plus the Total Rate Adjustments.

**The rates and charges included in the Rate Schedule Summation Sheets are for informational and billing estimation purposes only.

***A Time-Of-Use Electric Commodity Adjustment (ECA) rate is available as an option to Secondary General Customers with demands over 300kW.

(Continued on Sheet No. 21)

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Forty-first Revised

Cancels
Sheet No. 22

ELECTRIC RATES

RATE SCHEDULE SUMMATION SHEET

ELECTRIC RATE ADJUSTMENTS - SUMMARY

Base Rate Adjustments

General Rate Schedule Adjustment (GRSA) +32.50 % I

Non-Base Rate Adjustments

Demand Side Management Cost Adjustment (DSMCA)

Residential - Schedule R	\$0.00118	/kWh
Residential Demand - Schedule RD	0.31	/kW
Commercial - Schedule C	0.00124	/kWh
Secondary General Low Load Factor - Schedule SGL	0.00467	/kWh
Secondary General - Schedule SG	0.37	/kW
Primary General - Schedule PG	0.37	/kW
Transmission General - Schedule TG	0.36	/kW

Purchased Capacity Cost Adjustment (PCCA)

Residential - Schedule R	\$0.01464	/kWh
Residential Demand - Schedule RD	3.84	/kW
Commercial - Schedule C	0.01533	/kWh
Secondary General Low Load Factor - Schedule SGL	0.05777	/kWh
Secondary General - Schedule SG	4.62	/kW
Primary General - Schedule PG	4.54	/kW
Transmission General - Schedule TG	4.44	/kW

Electric Commodity Adjustment Factors (ECAAF) (1)

Residential - Schedules R and RD	\$0.03303	/kWh
Small Commercial - Schedule C	0.03303	/kWh
Secondary General - Schedules SG, SGL, SST	0.03303	/kWh
Optional - On-Peak	0.04130	/kWh
Optional - Off-Peak	0.02670	/kWh
Primary General - Schedule PG and PST	0.03220	/kWh
On-Peak	0.04100	/kWh
Off-Peak	0.02650	/kWh
Transmission General - Schedules TG and TST	0.03146	/kWh
On-Peak	0.04070	/kWh
Off-Peak	0.02620	/kWh

(Continued on Sheet No. 23)

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ELECTRIC RATES

RATE SCHEDULE SUMMATION SHEETELECTRIC RATE ADJUSTMENTS - SUMMARY - Cont'dNon-Base Rate Adjustments - Cont'd

Air Quality Improvement Rider (AQIR)			
Group 1	\$0.00062	/kWh	
Group 2	0.28	/kW	
Group 3	0.00063	/kWh	
Standby Service	0.00150	/kWh	
Transmission Cost Adjustment (TCA)			
Residential - Schedule R	\$0.00006	/kWh	R
Residential Demand - Schedule RD	0.02	/kW	R
Commercial - Schedule C	0.00006	/kWh	R
Secondary General Low Load Factor - Schedule SGL	0.00025	/kWh	R
Secondary General - Schedule SG	0.02	/kW	R
Primary General - Schedule PG	0.02	/kW	R
Transmission General - Schedule TG	0.02	/kW	R

Total Rate Adjustments

Interim Renewable Energy Standard Adjustment	+1.46	%
(RESA)		

**The rates and charges included in the Rate Schedule Summation Sheets are for informational and billing estimation aid purposes only and not used by the Company to calculate any bills.

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ELECTRIC RATES

GENERAL RATE SCHEDULE ADJUSTMENT

The charge for electric service calculated under Company's electric base rate schedules shall be increased by the Rider amount as shown below. Said increase shall not apply to charges determined by Non-Base Rate Adjustments.

RIDER

General Rate Schedule Adjustment (GRSA)	+32.50%	I
TOTAL:	+32.50%	I

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P.O. Box 840
Denver, CO 80201-0840ELECTRIC RATES
TRANSMISSION COST ADJUSTMENTRATE TABLE

<u>Rate Schedule</u>	<u>Applicable Charge</u>	<u>Monthly Rider Rate</u>	
<u>Residential Service</u>			
R	Energy Charge	\$0.00006/kWh	R
RD	Demand Charge	\$0.02/kW-Mo	R
<u>Small Commercial Service</u>			
C	Energy Charge	\$0.00006/kWh	R
<u>Commercial & Industrial General Service</u>			
SGL	Energy Charge	\$0.00025/kWh	R
SG	Demand Charge	\$0.02/kW-Mo	R
PG	Demand Charge	\$0.02/kW-Mo	R
TG	Demand Charge	\$0.02/kW-Mo	R
<u>Special Contract Service</u>			
SCS-7	Production Demand Charge	\$0.02/kW-Mo	R
<u>Standby Service</u>			
SST	Gen Standby Capacity Reservation Fee	\$0.00/kW-Mo	R
	Usage Demand Charge	\$0.02/kW-Mo	R
PST	Gen Standby Capacity Reservation Fee	\$0.00/kW-Mo	R
	Usage Demand Charge	\$0.02/kW-Mo	R
TST	Gen Standby Capacity Reservation Fee	\$0.00/kW-Mo	R
	Usage Demand Charge	\$0.02/kW-Mo	R
<u>Lighting Service</u>			
RAL, CAL, PLL, SL, SSL			
SHL, SLU	Energy Charge	\$0.00006/kWh	R
TSL	Energy Charge	\$0.00003/kWh	R

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