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PUBLIC SERVICE COMPANY OF COLORADO

P.O. Box 840 Denver, CO 80201-0840 2nd Sub. Fourth Revised Sheet No. R34 Cancels Sub. Third Revised R34 Sheet No.

RULES AND REGULATIONS

NATURAL GAS SERVICE

SERVICE LATERAL EXTENSION AND DISTRIBUTION MAIN EXTENSION POLICY

CONSTRUCTION ALLOWANCE AND CONSTRUCTION PAYMENTS

PLAN A - PERMANENT SERVICE

Plan A is applicable to gas Distribution Main Extensions and to Service Lateral Extensions where the use of service is to be permanent and where a continuous return to Company of sufficient revenue to support the necessary investment is assured.

For gas service of a permanent character, the Company will install necessary Distribution Main Extension and Service Lateral facilities. The Company shall bear the expense up to the respective Construction Allowances set forth herein. For Commercial, Interruptible Transportation Services Distribution the Main Portion Construction Allowance shall be the product of the Company's estimate of the Applicant's annual volume times the Distribution Main System Portion of Construction Allowance. The Construction Allowances Distribution Main Extensions and Service Lateral Extensions are as shown on the Sheet entitled Construction Allowance by Service Class for each of the various categories of service listed.

The above allowances are subject to review and appropriate revision by filing of new Construction Allowances with the Commission within thirty (30) days or within such period of time as ordered by the Commission, following a final decision in a Company Phase I or Phase II proceeding, based on the appropriate revenue and commodity amounts included in that proceeding.

A Construction Allowance will be credited only when service physically connected, or in instances where the applicant incorporated city or town, county, state governmental entity, federal N governmental entity, or quasi-governmental entity as determined by Company.

Applicant or Applicants shall be required to pay to Company as a Construction Payment all estimated costs for gas Distribution Main Extension facilities necessary to serve Applicant or Applicants in excess of the Distribution Main Portion of the Construction Allowance. Construction Payment shall be refundable in part or in its entirety during a ten-year period commencing with the Extension Completion Date. end of said ten-year period any remaining Construction Payment becomes nonrefundable.

Applicant or Applicants shall be required to pay the Company as a nonrefundable Construction Payment all estimated costs for the Service Lateral Extension in excess of the Service Lateral Portion of the Construction Allowance.

ADVICE LETTER NUMBER

DECISION

NUMBER

Colorado PUC E-Filings System

799

VICE PRESIDENT Rates & Regulatory Affairs ISSUE DATE

April 6, 2011

FFFFCTIVE DATE

May 7, 2011