

P.O. Box 840

Denver, Colorado 80201-0840

May 31, 2006

Advice Letter 1459 - Electric

Public Utilities Commission of the State Of Colorado 1580 Logan Street, OL-2 Denver, Colorado 80203

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

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

and the following sheets are attached:

				Cancels
Colorado P.U.C.	Sheet No.	Title of	Sheet	Colorado P.U.C. Sheet No.
First Revised	90B	Schedule	ISOC	Sub. Original 90B
Second Revised	90C	Schedule	ISOC	First Revised 90C
First Revised	90D	Schedule	ISOC	Sub. Original 90D
First Revised	90E	Schedule	ISOC	Original 90E
First Revised	90F	Schedule	ISOC	Original 90F
Original	90G	Schedule	ISOC	
Original	90H	Schedule	ISOC	
Original	90I	Schedule	ISOC	
Original	90J	Schedule	ISOC	

The principal proposed change is to: revise the Interruptible Service Option Credit (ISOC) clause applicable to all electric interruptible schedules who elect interruptible service in the Company's Colorado P.U.C. No. 7 - Electric tariff.

The Company proposes several revisions to the electric tariff. First, the Company proposes to eliminate out of date language that pertained to the partial year when the tariff was initially put into place and the value under the Avoided Energy Cost has been eliminated to make the tariff more clear. Second, the proposed tariff clarifies the interruption processes that have been previously outlined in the ISOC contracts. Third, the proposed tariff outlines the process for less than ten-minute notice customers to join the rate by adding a new Physical Control section that establishes a time-line and process for installation of equipment necessary for the Company to have physical control of the customer's load.

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Finally, a new Four Hour Minimum Duration Waiver Option section has been added that allows very large customers to waive the four-hour minimum interruption duration, which was included at the request of customers.

This filing will not impact the Company's annual revenue. ISOC credits are recovered through the DSMCA filing and such credits are not being changed as a result of this filing.

Notice of this filing will be placed in U.S. first class mail to all customers eligible for service under the ISOC tariff and placed in the legal classified section of $\underline{\text{The Denver Post}}$. A copy of the notice is attached.

It is desired that the changed tariffs accompanying this Advice Letter become effective on July 1, 2006.

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

Ronald N. Darnell Director, Pricing & Planning Xcel Energy Services Inc. 1225 17th Street, Suite 1000 Denver, Colorado 80202

and

Ann E. Hopfenbeck Attorney at Law Xcel Energy Services Inc. 1225 17th Street, Suite 900 Denver, Colorado 80202

TLN: kjb

Enclosure

First Revised	Sheet No	90B
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Sub. Original _ Sheet No. ___

ELECTRIC RATES

RATE

INTERRUPTIBLE SERVICE OPTION CREDIT

SCHEDULE ISOC

DEFINITIONS

Number of Interruptible Hours (Ha). The number of hours in the year that each customer elects as interruptible as set forth in the Interruptible Service Option Agreement. The options for Ha are 40 hours, 80 hours, 160 hours, and 200 hours.

Capacity Availability (Ca). A percentage based on the Number of Interruptible Hours (Ha) set forth in the Interruptible Service Option Agreement. The Ca applicable to each Ha option is as follows:

Interruption Hours

	Ha_	Ca <10 Min.	Ca 1-hour	Ca 8 hours
40	hours	57%	40%	24%
80	hours	75%	55%	35%
160	hours	82%	64%	45%
200	hours	84%	67%	51%

Notice Factor (Nf). A percentage based on the amount of advance notice that each customer elects to receive prior to interruption, as set forth in the Interruptible Service Option Agreement. The Nf is as follows:

Advance Notice	Nf
Less than 10 minutes	182%
One hour	100%
Eight hours	68%

(Continued on Sheet No. 90C)

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Second Revised

Sheet No. __90C

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First Revised

Cancels Sheet No.

90C RATE

ELECTRIC RATES

INTERRUPTIBLE SERVICE OPTION CREDIT

SCHEDULE ISOC

System Loss Factors (Slf). The System Loss Factors are as follows:

Delivery LevelSlfSecondary Distribution Voltage1.0456Primary Distribution Voltage1.0229Transmission Voltage1.0000

Avoided Energy Cost (Av). The Avoided Energy Cost shall be updated annually on January 1 at the time the Company updates its Electric Commodity Adjustment ("ECA") to reflect gas prices in the ECA.

MONTHLY CREDIT

The Monthly Credit shall be calculated by multiplying the Monthly Credit Rate (MCR) by the lesser of the customer's Contract Interruptible Load or the actual Interruptible Demand during the billing month.

The MCR shall be revised effective January 1 each year, and shall remain in effect for the calendar year. The MCR shall vary by season. The summer season shall be June 1 through September 30, and the winter season shall be October 1 through May 31. The MCR shall be calculated separately for each customer using the following equation:

Summer Monthly Credit, per kW-month:

MCR = [(\$4.83 * Ca * Nf) + (\$0.00278 * Ha)] * Slf * 130%

Winter Monthly Credit, per kW-month:

MCR = [(\$4.83 * Ca * Nf) + (\$0.00278 * Ha)] * Slf * 85%]

SERVICE PERIOD

All contracts for service under this schedule shall be for an initial two-year term, with automatic one-year renewal terms. A customer must provide the Company written six months notice to cancel service under this schedule.

Any time during the first year of service under this schedule a customer may opt to cancel its contract by returning all monthly credits paid by the Company up until the date of cancellation. No additional payment will be assessed.

(Continued on Sheet No. 90D)

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First Revised Sheet No. 90D

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INTERRUPTIBLE SERVICE OPTION CREDIT

SCHEDULE ISOC

EARLY TERMINATION PENALTY

Any customer who cancels service without complying with the Service Period requirements under this schedule shall be required to pay the Company, as a penalty, an amount equal to the product of one hundred and ten percent (110%) times the customer's Contract Interruptible Load times the customer's MCR for each of the remaining months of the unexpired contract term.

In addition, the customer shall reimburse the Company for the direct cost incurred by the Company for equipment (including its installation cost, less salvage value) to measure the customer's Interruptible Demand and to interrupt the customer.

OBLIGATION TO INTERRUPT

When the Company asks the customer to interrupt its available Interruptible Load, the customer must reduce its load to the level of customer's Contract Firm Demand.

ECONOMIC INTERRUPTIONS

The Company reserves the right to call an Economic Interruption for one or more customers once per day when the Company believes, in its sole discretion, that calling an interruption will lower its overall system costs compared to what the overall system cost would be in the absence of the interruption. The duration of any Economic Interruption shall not be less than four hours. Customers under the less than 10-minute and 1-hour notice provisions will have at least 1-hour notice of an Economic Interruption. Customer under the 8-hour notice provision will have 8-hours notice of an Economic Interruption.

BUY THROUGH - ECONOMIC INTERRUPTIONS

Customers will have 15 minutes after being notified of an economic interruption to elect to buy-through all or a portion of their available interruptible load. Such notice shall advise customers of the Company's best estimate of the buy-through price. The buy-through price shall be the actual cost of buy-through energy incurred by the Company. The actual cost shall be calculated by taking the weighted average cost, as determined by the Company's Cost Calculator or its successor, plus 3 mils per kWh, for the block of electricity used to serve the customer(s) who elected to buy-through.

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INTERRUPTIBLE SERVICE OPTION CREDIT

SCHEDULE ISOC

BUY THROUGH - ECONOMIC INTERRUPTIONS - Cont'd For purposes of this calculation, the Company shall assume that the block of electricity used is the highest cost block of electricity consumed in each buy-through hour. Once the Company has called an Economic Interruption, the Company agrees to provide interruptible customers, by electronic mail delivered to the address as specified in the Interruptible Service Option Agreement, with the estimated buy-through price for each hour of the four-hour interruption period. Customers who elect to buy-through the Economic Interruption must continue to buy-through all hours of the interruption period unless the Company notifies customers of an updated buythrough price for any hour of the interruption that exceeds the original estimated buy-through price for the hour in question, whereupon any customer that elected initially to buy-through the Economic Interruption will have 15 minutes after being notified of the updated estimated price to advise the Company that such customer desires to be interrupted at the start of the next hour. Once a customer chooses to interrupt, the customer will be interrupted for the remainder of the interruption period as determined by the Company. minimum duration of any Economic Interruption under this Paragraph shall be four (4) hours from the time that the Company designated when it first called for the Economic Interruption.

If the Company chooses to extend an Economic Interruption from the original notification, all ISOC customers affected by Economic Interruption will be notified and given the opportunity to buy-through or interrupt for the duration of Interruption extension Economic period. Economic Interruption extensions may be less than four hours duration.

Customers may provide advance election to buy-though up to a specified price. Such election shall be made no later than the last business day prior to the first day of the month to which the election will apply and shall be delivered to the customer's service representative by electronic mail provided in the customer's Interruptible Service Agreement. Any customer with a standing buy-though order shall have the option, within, the 15 minute notice period, to advise the Company that it desires to be interrupted. Further, in the event that the buy-though price exceeds the customer-specified price, the customer may nevertheless elect to buy-though the interruption by providing the Company with the required notice within 15 minutes.

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INTERRUPTIBLE SERVICE OPTION CREDIT

SCHEDULE ISOC

FAILURE TO INTERRUPT - ECONOMIC INTERRUPTIONS

In the event that any customer fails to interrupt during an Economic Interruption, the customer will be deemed by the Company to have failed to interrupt for all demand that the customer was obligated to interrupt but did not interrupt. The failure-to-interrupt charge shall be equal to the highest incremental price for power during the Economic Interruption, plus 3 mills, as determined by the Company after the fact, including market costs, unit start-up cost, spinning reserve costs and reserve penalty cost, if any. The charge will only apply to the portion of the load the customer fails to interrupt.

CAPACITY INTERRUPTIONS

The Company reserves the right to call a Capacity Interruption for one or more customers at any time when the Company believes, in its sole discretion, that generation or transmission capacity is not sufficiently available to serve its firm load obligations other than obligations to make intra-day energy sales. The duration of any Capacity Interruption shall not be less than four hours, except that provision shall not apply to that portion of the customer's interruptible load for which customer has waived the four-hour minimum duration as set forth herein.

CONTINGENCY INTERRUPTION

The Company reserves the right Contingency Interruption for one or more customers receiving service under the less than 10-minute notice provision at any time when the Company believes, in its sole discretion, that interruption is necessary for the Company to be able to meet its disturbance control standard (DCS) criteria. The duration of any Contingency Interruption shall not be less than four hours, except that this provision shall not apply to that portion of the Customer's interruptible load for which customer has waived the four-hour minimum duration as set forth herein.

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SCHEDULE ISOC

FOUR-HOUR MINIMUM DURATION WAIVER OPTION

Any interruptible customer under the less than 10-minute notice option may waive the four (4) hour minimum duration for a portion of their load of at least five thousand (5000) kW by notifying the Company in writing of such waiver prior to January 1 of each year at the time the Customer advises the Company of its Contract Interruptible Load for the following year. The customer's waiver shall be effective for twelve calendar months commencing January 1 following the Company's receipt of written notice of the waiver. This waiver only applies to Contingency and Capacity Interruptions. The portion of the customer's load that is subject to this waiver shall be designated in kilowatts and referred to as the "Waiver Load".

A customer who has waived the four-hour minimum duration for all or a portion of its load may request permission to restart its equipment and/or for the Company to re-institute electric service to the Waived Load after twenty (20) minutes following the start of a Capacity or Contingency Interruption by calling the Company at the phone number designated in the customer's ISOC Agreement. Company has sole discretion to determine whether it still requires interruption of the Waiver Customer shall not take any action to restart its equipment that is subject to the waiver until the earlier of 1) Company granting permission for the start-up or 2) the end of the Capacity or Contingency Interruption Period. In the event a customer restarts its equipment without Company approval, the customer is subject to the provisions under Failure to Interrupt Capacity & Contingency Interruptions.

Whenever the Company gives permission to restore the Waiver Load before the end of the called Capacity or Contingency Interruption period as set forth herein, Company shall advise the customer whether the remainder of the called period will be considered to be an Economic Interruption period or a No Interruption period with respect to the Waiver Load. If Company determines that the remainder of the period shall be considered to be an Economic Interruption, Company shall advise customer of the buy-through price.

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b.	If the Company conside called Capacity or Contito be a No Interruption Waiver Load, then custo	ngency Interruption per period with respect to	iod the	

If the Company conside b. called Capacity or Conti to be a No Interruption Waiver Load, then cust tariff rate for energy used during the remainder of the called interruption period. The Hours of Interruption that will be charged to the customer shall be prorated such that the Waiver Load that is no longer interrupted shall not count toward the maximum Hours of Interruption selected by customer under the ISOC Tariff. By way of example, assuming that 50% of the Customer's Contract Interruptible Load is subject to the waiver, then only 50% of an Hour of Interruption will be counted for each hour the remainder of the called Capacity or Contingency Interruption.

Before a customer may avail itself of the Four-Hour Minimum Duration Waiver Option, the customer must install equipment as necessary to permit the Company to monitor the customer's load in real-time. Any additional equipment required to accomplish this shall be at the customer's expense. The Company at its sole discretion may call Capacity or Contingency Interruptions of less than four (4) hours at any time for the portion of the load under this provision.

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INTERRUPTIBLE SERVICE OPTION CREDIT

SCHEDULE ISOC

FAILURE TO INTERRUPT - CAPACITY & CONTINGENCY INTERRUPTIONS

In the event the customer fails to interrupt during a capacity or contingency interruption, the customer shall pay the Company fifty percent (50%) percent of the customer's expected annual credit for all demand that the customer was obligated to interrupt but did not interrupt. The penalty will apply only to the portion of the load that the customer fails to interrupt. After the customer fails to interrupt twice, the Company shall have the option to cancel the Interruptible Service Option Agreement. If the contract is cancelled, the customer shall not be eligible for service under this rate schedule for a minimum of one year.

violates a capacity or a customer interruption while using Company-owned equipment to effect said interruption, the customer shall not be penalized unless evidence of tampering or bypassing the direct load control of the Company is in evidence. If tampering or bypassing the direct load control of the Company is evident, the Company may remove the customer from the less than 10-minute notice option and place the customer on the one-hour notice option rate for a minimum one-year period. The customers' credits shall be adjusted accordingly. In addition, the customer shall pay 50% of the annual credit times the amount of load that the customer failed to remove as a penalty.

PHONE LINE REQUIREMENTS

All ISOC customers will be required to install dedicated analog phone line to the meter location. Less than 10-minute notice option customers must also provide dedicated analog phone line with the 'distinctive ring' Phone line and distinctive ring feature must be installed and working before the customer may join the rate.

Customers shall be notified by email when their phone line used to communicate interruptions to the Company's Remote Terminal Unit is not working. Customers must repair the phone line within 2 weeks of notification. If the customer does not repair the phone line within 2 weeks of notification by the Company, the customer shall be moved to the one-hour notice option until the phone line is repaired and tested. customer's credits shall be adjusted accordingly. In the event that the Company issues a capacity or contingency interruption during a time in which the customer's phone line is not working, all applicable penalties shall apply if the customer fails to comply with the interruption.

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INTERRUPTIBLE SERVICE OPTION CREDIT

SCHEDULE ISOC

PHYSICAL CONTROL

For those customers who select the less than 10-minute notice ISOC option, the Company must have remote and automatic control over the customer's entire interruptible load. customers selecting the less than 10-minute notice option for which the Company does not have remote and automatic control over their entire interruptible load, must pay for the cost of a remote terminal unit that will receive the interruption and restore signals via phone line, and lock the customer's load out during a capacity or contingency interruption. terminal unit shall be designed, purchased, installed and tested by the Company at the customer's expense. A \$1000 nonrefundable deposit is required to perform the engineering and design work need to determine the costs associated with providing the Company physical control over the customer's A minimum of 6 months is required to design, order, install and test the required equipment to give the Company complete and physical control over the customer's During a capacity or contingency interruption, the Company shall lock out the customer's load to prevent the customer from terminating the interruption before release. Customers who select the less than 10-minute notice option shall submit to equipment testing at least once per year. Before joining the rate the customer must complete a verification test to prove their load will drop off in less than 10 minutes notice and must also demonstrate that their load is physically locked out by the Company's remote terminal unit to prevent their interruptible load from restoring before restore signal is received.

LIMITATION OF LIABILITY

Customers who elect to take service under the ISOC program shall agree to indemnify and save harmless the Company from all claims or losses of any sort due to death or injury to person or property resulting from interruption of electric service under the ISOC program or from the operation of the interruption signal and switching equipment.

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