Public Service Company of Colorado Transmission Loss Filing Docket No. ER15-266-000

Holy Cross Energy, Intermountain Rural Electric Association and Tri-State Generation & Transmission Association, Inc. First Set Served December 4, 2014

DISCOVERY REQUEST COOP 1-1

The questions below address both the development of the Loss Study and the rate implications of the calculated loss values. Customers recognize that the application of the Xcel Energy Open Access Transmission Tariff ("OATT") may have had an impact on the development of the losses. For example, under the OATT, Fixed Costs are allocated to firm transmission service and revenues received from non-firm transmission service are treated as revenue credits. If the reason a particular treatment in the Loss Study relates to how the OATT Transmission Formula Rate ("TFR") operates, please provide an appropriate explanation.

To the extent that the TFR transmission loss values result in charges under the OATT that are credited to the Production Formula Rate ("PFR"), please explain how those credits will be applied.

RESPONSE:

See response to question 1-2.b.

Sponsor: Debbie Blair Xcel Energy Services Inc. Response Date: December 17, 2014

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DISCOVERY REQUEST COOP 1-2.b

The 2013 PFR true-up shows that the loss factors in the PFR are hard-wired at 2.56 percent for transmission level losses and 2.3 percent for primary line level losses. Does PSCo intend to file changes to the PFR to reflect whatever losses are ultimately adopted as a result of its OATT filing?

RESPONSE: Yes. PSCo intends to file changes to the Production Formula Rate to reflect the changes in the primary line level losses approved in FERC Docket No. ER15-266-000. Certain transmission level losses are highlighted in yellow in the Production Formula Rate, and will therefore reflect the updated loss transmission factors and do not require a section 205 filing to change the loss factor used in the formula calculation. To the extent the Production Formula Rate does not track the revisions to the transmission loss factors approved in this proceeding, PSCo will update such loss factors in an FPA Section 205 filing.

Sponsor: Debbie Blair Xcel Energy

Debbie Blair Xcel Energy Services Inc.

Response Date: December 17, 2014