

The Company has listed below any material changes that have taken effect since January 1, 2015. For additional information, please refer to the Public Service Company of Colorado FERC Form 3-Q for Q2 2015, Notes to Financial Statements.

I. FERC Uniform System of Accounts Changes

There were no material changes

II. FERC Form No. 1 Reporting Requirements Changes

There were no material changes

III. Accounting Policy/Practice Changes

There were no material changes

IV. GAAP-Related Items

There were no material changes

V. FERC Ratemaking Orders Applicable to the Formula Rate

There were no material changes

VI. Service Company Statistical Change to Specific Allocators

There were no material changes

VII. Other

Proration of Accumulated Deferred Income Taxes – The Company is assessing its calculation of the Federal and State portion of FERC Accounts 281, 282, 283 and 190, Accumulated Deferred Income Taxes (ADIT), a net offset to rate base to assure it is calculated in accordance with the proration formula in IRS regulation section 1.167(1)-1(h)(6). No estimate of the potential impact, if any, to the 2016 estimated annual transmission or production revenue requirements is known at this time. If the Company determines the IRS regulation affects the 2016 estimated revenue requirements, the Company will provide a revised estimate to the Customers. In addition, if necessary, the Company will post a revised 2016 estimated ATRR prior to January 1, 2016 on OASIS.

Direct Assignment of Generator Interconnection Costs – As noted in the FERC's audit of PSCo's OATT in Docket No. PA13-14-000, PSCo has in previous years improperly billed costs associated with owning, operating, maintaining, repairing, and replacing interconnection facilities to its transmission customers through its formula rate mechanism instead of directly charging specific interconnection customers during the audit period. PSCo considered the administrative costs to conduct those billing activities to be burdensome compared to the O&M charges to be collected on relatively few facilities.

Based on PSCo's estimates, the impact of charging generation interconnection customers for O&M on interconnection facilities would be \$510 per year for each interconnection. In 2015, PSCo's had fourteen Generation Interconnection Agreements. The total O&M charges would be approximately \$7,140 per year for all interconnection customers. PSCo believes the administrative costs to invoice and collect these O&M fees would exceed \$7,140 per year. PSCo will review and reassess the OATT language as it relates to the TOIF O&M charges and may pursue a waiver or tariff change, such as an annual O&M fee. In the meantime, PSCo will credit the transmission formula rate template revenue requirement at the rate of \$510 per year for each generation interconnection pending a change to the PSCo OATT.

Affected years prior to 2015 will be corrected and refunded through prior period corrections to the 2016 ATRR.