

Thank you for the opportunity to review the Tierra Azul PUD Preliminary Development Plan. We appreciate being able to take part in the review process.

For future planning and to ensure that adequate utility easements are available within this development and per state statutes, PSCo requests the following utility easements within all lots:

- -6-feet wide for natural gas facilities with a minimum 5-foot clearance from any structure and where there is drivable pavement with plowing in snowy conditions and space for service truck access
- -8-feet wide for electric facilities including space for transformers, pedestals, and cabling
- -if gas and electric are within the same trench, a 10-foot wide utility easement is required, not to overlap any wet utility easement
- -bear in mind that these utility easements must have 5-feet of separation from gravity-fed wet utilities and 10-feet of separation from forced-fed water utilities.

Space consideration must also be given to locate pad mount transformers and pedestals on this property.

To ensure that adequate utility easements are available within this development and per state statutes, Public Service Company requests that the following language or plat note be placed on the preliminary and final plats for the subdivision:

Six-foot (6') wide dry utility easements are hereby dedicated on private property adjacent to the front lot lines and eight-foot (8') on the rear lot lines of each lot in the subdivision. In addition, eight-foot (8') wide dry utility easements are hereby dedicated around the <u>perimeter</u> of tracts, parcels and/or open space areas. These easements are dedicated to the City/County for the benefit of the applicable utility providers for the installation, maintenance, and replacement of electric, gas, television, cable, and telecommunications facilities (Dry Utilities). Utility easements shall also be granted within any access easements and private streets in the subdivision. Permanent structures, improvements, objects, buildings, wells, water meters and other objects that may interfere with the utility facilities or use thereof (Interfering Objects) shall not be permitted within said utility easements and the utility providers, as grantees, may remove any Interfering Objects at no cost to such grantees, including, without

limitation, vegetation. Public Service Company of Colorado (PSCo) and its successors reserve the right to require additional easements and to require the property owner to grant PSCo an easement on its standard form.

Public Service Company also requests that all utility easements be **depicted graphically** on the preliminary and final plats. While these easements should accommodate the majority of utilities to be installed in the subdivision, some additional easements may be required as planning and building progresses.

In addition, 31-23-214 (3), C.R.S., requires the subdivider, at the time of subdivision platting, to provide for major utility facilities such as electric substation sites, gas or electric transmission line easements and gas regulator/meter station sites as deemed necessary by PSCo. While this provision will not be required on every plat, when necessary, PSCo will work with the subdivider to identify appropriate locations. This statute also requires the subdivider to submit a letter of agreement to the municipal/county commission that adequate provision of electrical and/or gas service has been provided to the subdivisions.

The property owner/developer/contractor must complete the application process for any new natural gas or electric service, or modification to existing facilities via <u>Building and Remodeling | Partner Resources | Xcel Energy</u>. The Builder's Call Line is 1-800-628-2121. It is then the responsibility of the developer to contact the Designer assigned to the project for approval of design details. Additional easements may need to be acquired by separate document for new facilities – be sure to contact the Designer and request that they connect with a Right-of-Way and Permits Agent in this event.

As a safety precaution, PSCo would like to remind the developer to call the Utility Notification Center by dialing 811 for utility locates prior to construction.

DISTRIBUTION LINE EXTENSION POLICY CHANGES

FREQUENTLY ASKED QUESTIONS



When do these changes take effect?

Applications will be subject to the new policy if received for design and assessed a notification date by Xcel Energy on or after October 1, 2019.

Why are these changes being made?

Xcel Energy-Colorado's existing extension policies were developed roughly 40 years ago. While some updates were made over time, evolving practices within our industry, coupled with builder and developer market trends in our Colorado service territory, presented a significant opportunity for these improvements. We appreciate the partnership and guidance from our industry partners — notably the Colorado Association of Homebuilders, Colorado BUILDS and the Home Builders Association of Metro Denver — in developing these policy enhancements.

Xcel Energy believes the comprehensive revisions in its newly approved tariff, along with systems and process improvements, will provide our customers more transparency into the progress of their projects and predictability of cost. It's part of Xcel Energy's ongoing commitment to improve the customer experience.

How do these changes differ from Xcel Energy's previous policy?

Under the previous policy, most construction costs were design estimated on a project-by-project basis. Depending on the project, both on-site and off-site project components could be included in a single estimate. In addition to customer service enhancements, the new policy provides a more transparent breakdown of costs among major project components and includes a schedule of standard construction costs for residential natural gas and electric service lots and service laterals.

All customers requesting an off-site extension will now receive an upfront credit of 35% for electric service and 28% for gas service, creating cost certainty and administrative efficiency.

This policy replaces the 10-year open extension period, under which developers would pay the entire amount of an off-site extension up front and receive refunds if future customers connect to that extension over the next 10 years.

What other notable changes will be implemented?

Real estate subdivisions, development of land for sale, electric vehicle charging stations, gas compressor stations and data centers have been re-classified to a "permanent" load status. This means that these projects will be eligible for both an off-site line extension credit and an on-site construction allowance, consistent with changes for other applicants.

What process was undertaken to arrive at these changes?

These policy changes resulted from multiple proceedings and years of work. The Colorado Legislature approved Senate Bill 17-271 which instructed the Colorado Public Utilities Commission to open a non-adjudicatory stakeholder process to examine line extension policies in the state. Xcel Energy worked with other utilities, developers and stakeholders to determine the need for a change in policy. In December 2018, the company initiated formal proceedings to amend its electric and gas tariffs, which will be effective October 1, 2019 and are the impetus of the change discussed in this document and the result of many parties working together to improve critical policies.

How did the company determine standard construction costs for residential on-site and service lateral extensions?

A published standardized cost will be applied to both natural gas and electric service, for single-family or townhome lots with an average service frontage or rear lot line of 60 feet or less. A standardized cost also will be applied to residential service laterals up to 100 feet. These lengths reflect Xcel Energy-Colorado's average cost of construction for standard conditions, apply to most residential construction within our service territory and will be re-evaluated periodically. These changes are intended to provide greater cost transparency and more efficient processing for standard construction. Costs for nonstandard load and construction requirements, as well as commercial facilities, will continue to be estimated on a per-facility or per-project basis.

What methodology did Xcel Energy use to arrive at the on-site and service lateral construction allowance(s)?

As directed by the Colorado Public Utilities Commission, Xcel Energy determines construction allowances using an "average embedded cost" formula that reflects an average of distribution system costs, allocated among customer classes. Under this direction, the method provides construction allowances at the same level of current gas and electric system cost, to keep our investment for new load the same as existing load.

What methodology did Xcel Energy use to arrive at the off-site credit?

The company reviewed line extension projects initiated from 2001–2008 and calculated the net present value (NPV) average of refunds issued to customers under the open extension policy. Xcel Energy may, from time to time, evaluate this credit and request permission to make adjustments from the Public Utilities Commission.

What happens if I have an existing line extension agreement, subject to the open 10-year period?

If an extension agreement is executed before October 1, 2019, the extension agreement will be grandfathered under the old tariff, and the 10-year open extension will be valid for the life of the agreement.

What other improvements is Xcel Energy making to its line extension policy?

Along with new personnel, internal resources and processes to serving the growing needs of our region, Xcel Energy-Colorado has proposed new performance metrics to evaluate the effectiveness of these new policies.

Are there any changes to commercial line extensions?

Yes. Commercial facilities, as well as commercial and mixed-use developments, will fall under the new unbundled agreement structure and construction costs for new off-site line or natural gas main extensions will be reduced by an upfront credit. Due to the varying nature of these projects, all on-site construction costs will continue to be estimated on a per-facility or per-project basis.

For commercial projects requiring electric service, a construction allowance will be awarded based on anticipated load when a transformer is set. For commercial projects requiring gas service, Xcel Energy will award a construction allowance based on anticipated load. If the applicant does not its anticipated load, a construction allowance will be based on annual average usage for its customer class.

What are the new costs and credits for standard residential line extensions?*

STANDARD RI	ESIDENTIAL ELI	ECTRIC ON-SIT	E
	Per Lot Standard Cost	Construction Allowance	Customer Responsibility
Electric	\$2,511 ¹	\$(1,070)2	\$1,441

- Standard Construction Costs and Credits On-Site Distribution Extension Per Lot Cost
- ² Electric Residential Construction Allowance Distribution Portion Schedules R, RE-TOU......\$1,070 Schedules RD, RD-TDR.....\$260/kW

ST	STANDARD RESIDENTIAL ELECTRIC SERVICE LATERAL				
	esidential Service Lateral o to 100ft.	Service Lateral Standard Cost	Construction Allowance	Customer Responsibility	
	Electric	\$517¹	\$(150) ²	\$367	

- ¹ Standard Construction Costs and Credits Service Lateral Extension < 100 ft.
- ² Electric Residential Construction Allowance Service Lateral Portion

STANDARD RESIDENTIAL GAS ON-SITE					
	Per Lot Standard Cost	Construction Allowance	Customer Responsibility		
Gas	\$1,663 ¹	\$(266)2	\$1,397		

- ¹ Standard Construction Costs and Credits On-Site Distribution Extension
- ² Gas Residential Construction Allowance Distribution Main Portion

STANDARD RE	STANDARD RESIDENTIAL GAS SERVICE LATERAL				
Residential Service Lateral up to 100 ft.	Service Lateral Standard Cost	Construction Allowance	Customer Responsibility		
Gas	\$999¹	\$(283)2	\$716		

- ¹ Standard Construction Costs and Credits Service Lateral Extension < 100 ft.
- ² Gas Residential Construction Allowance Service Lateral Portion
- *Tables do not include a summary of total costs or credits that a customer may be responsible for or eligible to receive.

Please refer to the gas and electric tariffs on file at the Public Utilities Commission for a full schedule of costs and credits.

Is it possible that I will have multiple agreements for my project?

Yes. There will now be separate agreements for off-site extensions, on-site extensions and service laterals. This new structure allows for cost standardization and faster processing for residential construction. It enables our customers to better identify the potential costs associated with specific portions of their projects.

DISTRIBUTION LINE EXTENSION POLICY CHANGES

Will municipalities and other government entities have a separate agreement?

Yes. Due to provisions of Xcel Energy's tariff on file with the Public Utilities Commission, municipalities and other government agencies will be subject to a separate agreement, which may differ from these new policy changes.

Will there be any changes to the application process for a new line extension?

No. These changes will not impact the existing process to apply for service. We encourage all builders, developers or homeowners to visit our online resources before submitting an application.

What if I have questions about a potential development, but don't have a final plat?

Xcel Energy has added policies to encourage early discussion, and identify potential design and construction needs and estimated cost before a customer submits a final plat for design. If your project is in active pre-planning phases, or you have general questions before applying for service, please contact Xcel Energy's Builder Developer Representative team at BDRCO@xcelenergy.com.

INFORMATION RESOURCES

Installing and Connecting Service – Overview Design, Construction, Scheduling and Service Installation:

https://www.xcelenergy.com/InstallAndConnect

Planning Your Project:

https://www.xcelenergy.com/start,_stop,_transfer/installing_and_connecting_service/planning_your_project

(Please note total project duration is typically three to six months.)

Applying for Service:

https://www.xcelenergy.com/start,_stop,_transfer/installing_and_connecting_service/applying_for_service

(Please note it can take up to three business days to process an application.)

Contact Us:

Builders Call Line P.O. Box 569 Denver, CO 80201 Phone: 800.628.2121

Hours: 7 a.m. – 5 p.m.

BCLCO@xcelenergy.com



DISTRIBUTION EXTENSION POLICY CHANGES

WE'VE MADE IT SIMPLER TO REQUEST
NEW NATURAL GAS OR ELECTRIC CONNECTIONS



To streamline our processes and standardize costs for natural gas and electric service in new construction, Xcel Energy—Colorado has updated line extension policies for residential, commercial and mixed-use development. We believe these tariff revisions, along with new systems and process improvements, will provide our customers more transparency into the progress of their projects and predictability of cost. It's part of Xcel Energy's ongoing commitment to improve the customer experience.

These changes will take effect October 1, 2019. We appreciate our building industry partners' support and guidance as we developed these policies to make it easier to do business with us, meet our customers' growing energy needs, and power the local economy.

Here is what's new

Line Extension Policy Unbundled into Major Project Components

This new structure allows for standardization of costs for residential construction and faster processing. It also enables our customers to better identify the potential costs associated with specific portions of their project

Off-Site Distribution Line/Gas Main Extension

System construction or upgrades needed to serve a facility or development that does not currently have access to electricity or natural gas service.

On-Site Extension

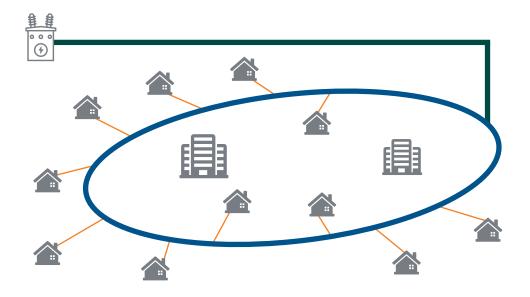
Commonly, the "backbone" required to provide electricity or natural gas service within the boundaries of a new facility or development.

Residential Service Laterals

Service connections from the on-site source to the meter

Commercial Service Laterals

Service connections from the on-site source to the meter



DISTRIBUITION EXTENSION POLICY CHANGES

New Off-Site Line/Gas Main Extension Credits

Construction costs for new off-site line or gas main extensions will now be reduced by an upfront credit of 35% for electric service and 28% for gas service. This policy replaces the 10-year open extension period, under which developers would pay the entire amount of an off-site extension upfront and receive refunds if future customers connected to that extension over the next 10 years.

New Standardized Costs for On-Site Extensions

A published standardized cost will be applied to both natural gas and electric service, for single-family or townhome lots with an average service frontage or rear lot line of 60 feet or less. This change is intended to provide greater cost transparency and more efficient processing for standard construction. Costs for nonstandard load and construction requirements, as well as commercial facilities, will continue to be estimated on a per-facility or per-project basis.

New Standardized Costs for Residential Service Laterals

A published standardized cost will be applied to residential service laterals up to 100 feet.

New Customer Service Enhancements

Along with policy changes included in the tariff, Xcel Energy has committed to work with builders, developers, municipal customers and public works staff to make it easier to do business with us.

Improved scheduling transparency

Under Xcel Energy's new policies, a current or potential customer may receive status updates on their new connection request, and estimated timelines for service installation.

New preliminary plat estimates

Xcel Energy has added policies to encourage early discussion, and identify potential design and construction needs and estimated costs before a customer submits a final plat for design.

Specialists to assist you

The company has added staff to help customers with preplanning and provide internal support throughout the process. This proceeding also prompted the hiring of additional Builder and Developer Representatives to provide faster and more efficient service.

Industry representatives in pre-planning phases or who have questions in advance of applying for service are encouraged to email us at **BDRCO@xcelenergy.com**.

For general questions, contact:

Builders' Call Line

Hours: 7 am – 5 pm Phone: 800.628.2121

Email: BCLCO@xcelenergy.com

Find resources for installing and connecting service and submit an online application for service at **xcelenergy.com/InstallAndConnect**.



BUILDING AND REMODELING SERVICES

WE'RE EXCITED TO SUPPORT YOUR NEW PROJECT AND LOOK FORWARD TO BECOMING YOUR ENERGY PROVIDER



WHAT TO EXPECT

Service requests can take anywhere from 4 weeks to 6+ months to complete. The wide range is dependent on several factors, including:

- A project's design complexity
- Accuracy and completeness of the service request submission
- Receipt of payment (if applicable)
- Scheduling and availability of construction crews
- Site readiness
- Weather

We recommend submitting your service request at least 90 days before your desired completion date to accommodate for these factors.

INSTALLING AND CONNECTING SERVICE

5 key steps for installing and connecting new service:

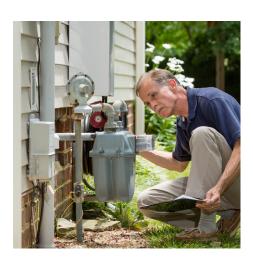
- 1. Service Request Application (5% of project)
- 2. Design (50% of project)
- 3. Payment (10% of project)
- 4. **Scheduling** (10% of project)
- 5. Construction and Meter Installation (25% of project)

TIPS FOR A SUCCESSFUL DESIGN MEETING

When you are ready to speak with an Xcel Energy representative, be prepared to share the following details:

- Confirm your service needs
- Provide your Site Plan or Plat
- Include any additional services
- Consider landscaping plans

• Discuss renewable energy options



QUESTIONS?

Call the Builders Call Line, Monday through Friday, 7 a.m. to 5 p.m. at 800-628-2121 or email: BCLCO@xcelenergy.com.

NOT READY TO APPLY?

Our Builder Developer Representatives are here to help you with planning during the concept phase of a project. Please contact us at

BDRCO@xcelenergy.com.

FIND MORE ONLINE:

xcelenergy.com > Partner Resources > Building & Remodeling

2021 Xcel Energy Service Guide for Colorado: Natural Gas and Electric **Installation Information for Residential Contractors**