

PUBLIC SERVICE CO OF COLORADO

Form 8-K

December 23, 2010

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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of

the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) Dec. 17, 2010

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| Commission File<br>Number | Exact Name of Registrant as Specified in its Charter; State of<br>Incorporation; Address of Principal Executive Offices; and<br>Telephone Number | IRS Employer<br>Identification<br>Number |
|---------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|
| 001-3034                  | XCEL ENERGY<br>(a Minnesota corporation)<br>414 Nicollet Mall<br>Minneapolis, Minnesota 55401<br>(612) 330-5500                                  | 41-0448030                               |
| 001-3280                  | PUBLIC SERVICE COMPANY OF COLORADO<br>(a Colorado corporation)<br>1800 Larimer Street Suite 1100<br>Denver, Colorado 80202<br>(303) 571-7511     | 84-0296600                               |

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 8.01.

Other Events.

On Dec. 17, 2010, Public Service Company of Colorado (PSCo), a Colorado Corporation and a wholly owned subsidiary of Xcel Energy Inc., filed a request with the Colorado Public Utilities Commission (CPUC) to increase Colorado retail gas rates by \$27.5 million, effective in summer 2011. The request was based on a 2011 forecast test year, a 10.90 percent return on equity (ROE), a rate base of \$1.1 billion and an equity ratio of 57.10 percent.

The increase in natural gas rates are to recover capital and operating and maintenance (O&M) expenses associated with several pipeline integrity programs, plus amortization of similar costs that have been deferred since the last rate case in 2006 and increased O&M expenses related to pension and benefit expenses and property taxes.

In addition to the requested recovery of test year pipeline integrity management costs in base rates, PSCo is requesting recovery of annual changes to those costs through a new rider mechanism, the Pipeline System Integrity Adjustment. PSCo proposed to eliminate an existing rider, the Partial Decoupling Rate Adjustment, which is scheduled to expire in 2011 and currently collects no additional revenue. As part of a settlement with CPUC Staff in a complaint proceeding earlier in the year, PSCo proposes to begin collecting the return on gas in underground storage through the Gas Cost Adjustment, rather than continuing to recover these costs through base rates. The result of this change is that PSCo will collect these costs dollar for dollar as the value of that inventory changes over time. PSCo estimates this revenue requirement at \$10 million for the test year.

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Except for the historical statements contained in this 8-K, the matters discussed herein, including the expected impact of rate cases, are forward-looking statements that are subject to certain risks, uncertainties and assumptions. Such forward-looking statements may be identified in this document by the words “would,” “believe,” “estimate,” “expect,” “likely,” “may,” “possible,” “potential,” “should” and similar expressions. Actual results may vary materially. Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update them to reflect changes that occur after that date. Factors that could cause actual results to differ materially include, but are not limited to: general economic conditions, including the availability of credit and its impact on capital expenditures and the ability of Xcel Energy and its subsidiaries to obtain financing on favorable terms; business conditions in the energy industry; actions of credit rating agencies; competitive factors, including the extent and timing of the entry of additional competition in the markets served by Xcel Energy and its subsidiaries; unusual weather; effects of geopolitical events, including war and acts of terrorism; state, federal and foreign legislative and regulatory initiatives that affect cost and investment recovery, have an impact on rates or have an impact on asset operation or ownership; structures that affect the speed and degree to which competition enters the electric and natural gas markets; costs and other effects of legal and administrative proceedings, settlements, investigations and claims; actions of accounting regulatory bodies; and the other risk factors listed from time to time by Xcel Energy and PSCo in reports filed with the Securities and Exchange Commission (SEC), including Risk Factors in Item 1A and Exhibit 99.01 of each of Xcel Energy’s and PSCo’s Annual Report on Form 10-K for the year ended Dec. 31, 2009 and Quarterly Reports on Form 10-Q for the quarters ended June 30, 2010 and Sept. 30, 2010.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dec. 23, 2010

Xcel Energy Inc.  
(a Minnesota corporation)  
Public Service Company of Colorado  
(a Colorado corporation)

/s/ DAVID M. SPARBY  
David M. Sparby  
Vice President and Chief Financial Officer

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