Notification Date: September 10, 2026

Summary of 60-Day Notice: Beneficial Electrification and Gas Energy Efficiency Flex Budget

Public Service Company of Colorado (the "Company") submits this 60-Day Notice to inform stakeholders and customers that the Company anticipates utilizing the Colorado Public Utilities Commission (the "Commission") approved Demand Side Management budget flexibility for Beneficial Electrification ("BE") and Gas Energy Efficiency ("Gas EE") under the Company's 2024-2026 Demand Side Management and Beneficial Electrification Plan (the "DSM and BE Plan").

A copy of this 60-Day Notice is available on the Company's website at the following link: https://www.xcelenergy.com/company/rates_and_regulations/filings/colorado_demand-side_management

A. Anticipated Use of Budget Flexibility

Pursuant to Decision No. C23-0413, issued in Proceeding No. 22A-0309EG, and Decision No. C24-0671, issued in Proceeding No. 23A-0589EG, the Commission authorized budget flexibility of up to 20 percent for BE and up to 25 percent for Gas EE in the Company's 2024-2026 DSM and BE Plan. The Company will utilize the applicable BE and Gas EE base budgets before drawing on the corresponding flexibility budgets.

Based on current expenditures and forecasted spending, the Company anticipates utilizing the Commission-authorized budget flexibility of up to 20 percent for BE during the third and fourth quarters of 2026. The Company anticipates utilizing the Commission-authorized budget flexibility for Gas EE in the fourth quarter of 2026. The use of budget flexibility will support BE and Gas EE measures and programs approved under the DSM and BE Plan.[1]

The use of the budget flexibility to support BE primarily arises due to the companion needs associated with Clean Heat programs that provide rebates for heat pumps. Because BE rebate volumes exceed anticipated levels, budgets are being expended at a level that requires use of budget flexibility to meet customer needs. The Company is working to mitigate impacts to its budgets through its lowering of bonus rebates offered under the Clean Heat Plan, effective October 1, 2026, which the Company expects to lower rebate demand in the latter half of Q4 2026.

The Company anticipates using budget flexibility for Gas EE in the latter part of Q4 2026 to enable the gas portfolio to complete projects necessary to increase gas achievement. Gas achievement has struggled in recent years, but 2026 has several substantial Business New Construction projects coming to fruition this year, along with significant growth in Residential and Income Qualified program participation. This growth is leading to the need to use budget flexibility to support these productive projects.

[1] The Company notes that while working with parties to address the Commission's "order of spend" requirement in the Company's Clean Heat Plan and replace it with a proportional approach to savings, it agreed to provide notice when it expects to access flexibility budgets for DSM Gas EE and BE measures, similar to its Clean Heat Plan notice requirements.