UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2025 or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

001-03280

(Commission File Number)

Public Service Company of Colorado

(Exact name of registrant as specified in its charter)

Colorado	**84-0296600**
(State or Other Jurisdiction of Incorporation or Organization)	(IRS Employer Identification No.)
3500 Blake Street, Denver Colorado	**80205**
(Address of Principal Executive Offices)	(Zip Code)

303 571-7511

(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
N/A	N/A	N/A

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☒ Yes ☐ No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. ☐ Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act. ☐ Large accelerated filer ☐ Accelerated filer ☒ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C.7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). ☐ Yes ☒ No

As of Feb. 25, 2026, 100 shares of common stock, par value $0.01 per share, were outstanding, all of which were held by Xcel Energy Inc., a Minnesota corporation.

DOCUMENTS INCORPORATED BY REFERENCE

The information required by Item 14 of Form 10-K is set forth under the heading "Independent Registered Public Accounting Firm – Audit and Non-Audit Fees" in Xcel Energy Inc.'s definitive Proxy Statement for the 2026 Annual Meeting of Shareholders which definitive Proxy Statement is expected to be filed with the SEC on or about April 7, 2026. Such information set forth under such heading is incorporated herein by this reference hereto.

Public Service Company of Colorado meets the conditions set forth in General Instructions I(1)(a) and (b) of Form 10-K and is therefore filing this form with the reduced disclosure format permitted by General Instruction I(2).

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This Form 10-K is filed by PSCo. PSCo is a wholly owned subsidiary of Xcel Energy Inc. Additional information on Xcel Energy is available in various filings with the SEC. This report should be read in its entirety.

PART I

ITEM 1 — BUSINESS

Definitions of Abbreviations

Xcel Energy Inc.'s Subsidiaries and Affiliates (current and former)	
NSP-Minnesota	Northern States Power Company, a Minnesota corporation
NSP-Wisconsin	Northern States Power Company, a Wisconsin corporation
PSCo	Public Service Company of Colorado
SPS	Southwestern Public Service Company
Utility subsidiaries	NSP-Minnesota, NSP-Wisconsin, PSCo and SPS
WYCO	WYCO Development, LLC
Xcel Energy	Xcel Energy Inc. and its subsidiaries

Federal and State Regulatory Agencies	
CPUC	Colorado Public Utilities Commission
DOT	United States Department of Transportation
EPA	United States Environmental Protection Agency
FERC	Federal Energy Regulatory Commission
IRS	Internal Revenue Service
NERC	North American Electric Reliability Corporation
NIST	National Institute of Standards and Technology
PHMSA	Pipeline and Hazardous Materials Safety Administration
SEC	Securities and Exchange Commission

Electric, Purchased Gas and Resource Adjustment Clauses	
DSM	Demand side management
GCA	Gas cost adjustment
GMAC	Grid modernization adjustment clause
RES	Renewable energy standard

Other	
AFUDC	Allowance for funds used during construction
ALJ	Administrative law judge
ARO	Asset retirement obligation
ARRR	Application for rehearing, reargument or reconsideration
ASC	Financial Accounting Standards Board Accounting Standards Codification
ASU	Accounting standards update
C&I	Commercial and Industrial
CCR	Coal combustion residuals
CCR Rule	Final rule (40 CFR 257.50 - 257.107) published by the EPA regulating the management, storage and disposal of CCRs as a nonhazardous waste
CEO	Chief executive officer
CERCLA	Comprehensive Environmental Response, Compensation, and Liability Act
CFO	Chief financial officer
CIG	Colorado Interstate Gas Company, LLC
CO_2	Carbon dioxide
COD	Commercial operation date
CWIP	Construction work in progress
CPCN	Certificate of public convenience and necessity
ETR	Effective tax rate
FASB	Financial Accounting Standards Board
GAAP	Generally accepted accounting principles
GHG	Greenhouse gas
IPP	Independent power producing entity
ISO	Independent system operator
ITC	Investment tax credit
MGP	Manufactured gas plant
Native load	Customer demand of retail and wholesale customers whereby a utility has an obligation to serve under statute or long-term contract
NAV	Net asset value
NOL	Net operating loss
O&M	Operating and maintenance
OBBB	One Big Beautiful Bill Act
ONES	Operations, Nuclear, Environmental and Safety
PIM	Performance incentive mechanism
PFAS	Per- and polyfluoroalkyl Substances
Post-65	Post-Medicare
PPA	Power purchase agreement
Pre-65	Pre-Medicare
PTC	Production tax credit
REC	Renewable energy credit
RFP	Request for proposal
ROE	Return on equity
ROU	Right-of-use
RTO	Regional transmission organization
S&P	Standard & Poor's Global Ratings
SIP	State implementation plan
SPP	Southwest Power Pool, Inc.
TCJA	2017 federal tax reform enacted as Public Law No: 115-97, commonly referred to as the Tax Cuts and Jobs Act
VaR	Value at risk
VIE	Variable interest entity

Measurements	
Bcf	Billion cubic feet
KV	Kilovolts
KWh	Kilowatt hours
MMBtu	Million British thermal units
MW	Megawatts
MWh	Megawatt hours

Where to Find More Information

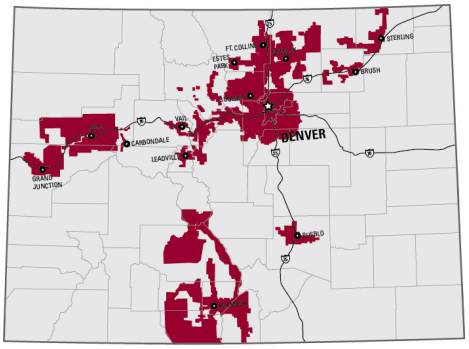
PSCo is a wholly owned subsidiary of Xcel Energy Inc., and Xcel Energy's website address is www.xcelenergy.com. Xcel Energy makes available, free of charge through its website, its annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and all amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 as soon as reasonably practicable after the reports are electronically filed with or furnished to the SEC. The SEC maintains an internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically at http://www.sec.gov. The information on Xcel Energy's website is not a part of, or incorporated by reference in, this annual report on Form 10-K.

Forward-Looking Statements

Except for the historical statements contained in this report, the matters discussed herein are forward-looking statements that are subject to certain risks, uncertainties and assumptions. Such forward-looking statements, including those relating to future sales, future expenses, future tax rates, future operating performance, estimated base capital expenditures and financing plans, projected capital additions and forecasted annual revenue requirements with respect to rider filings, expected rate increases to customers, expectations and intentions regarding regulatory proceedings, expected pension contributions and expected impact on our results of operations, financial condition and cash flows of interest rate changes, increased credit exposure and legal proceeding outcomes, as well as assumptions and other statements are intended to be identified in this document by the words “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “objective,” “outlook,” “plan,” “project,” “possible,” “potential,” “should,” “will,” “would” and similar expressions. Actual results may vary materially. Forward-looking statements speak only as of the date they are made, and we expressly disclaim any obligation to update any forward-looking information. The following factors, in addition to those discussed elsewhere in this Annual Report on Form 10-K for the fiscal year ended Dec. 31, 2025 (including risk factors listed from time to time by PSCo in reports filed with the SEC, including “Risk Factors” in Item 1A of this Annual Report on Form 10-K), could cause actual results to differ materially from management expectations as suggested by such forward-looking information: operational safety; successful long-term operational planning; risks associated with wildfires; commodity risks associated with energy markets and production; rising energy prices and fuel costs; qualified employee workforce and third-party contractor factors; reputational impacts of actions by employees, directors, and third-parties; our ability to recover costs; risks associated with the growth in large load customers; changes in regulation; reductions in our credit ratings and the cost of maintaining certain contractual relationships; general economic conditions, including recessionary conditions, inflation rates, monetary fluctuations, supply chain constraints and their impact on capital expenditures and/or the ability of PSCo to obtain financing on favorable terms; availability or cost of capital; our customers’ and counterparties’ ability to pay their debts to us; assumptions and costs relating to funding our employee benefit plans and health care benefits; tax laws; uncertainty regarding epidemics; effects of geopolitical events, including war and acts of terrorism; cybersecurity threats and data security breaches; seasonal weather patterns; changes in environmental laws and regulations; climate change and other weather events; natural disaster and resource depletion, including compliance with any accompanying legislative and regulatory changes; costs of potential regulatory penalties and wildfire damages in excess of liability insurance coverage; regulatory changes and/or limitations related to the use of natural gas as an energy source; challenging labor market conditions and our ability to attract and retain a qualified workforce; and our ability to execute on our strategies or achieve expectations related to environmental, social and governance matters including as a result of evolving legal, regulatory and other standards, processes, and assumptions, the pace of scientific and technological developments, increased costs, the availability of requisite financing, and changes in carbon markets.

Company Overview

Electric customers	1.6 million
Natural gas customers	1.5 million
Total assets	$31.8 billion
Rate Base (estimated)	$23.8 billion
GAAP ROE	5.66%
Ongoing ROE (See Item 7)	7.55%
Electric generating capacity (owned)	6,500 MW
Gas storage capacity	32.1 Bcf
Electric transmission lines (conductor miles)	27,000 miles
Electric distribution lines (conductor miles)	84,000 miles
Natural gas transmission lines	2,000 miles
Natural gas distribution lines	24,000 miles



PSCo was incorporated in 1924 under the laws of Colorado. PSCo conducts business in Colorado and generates, purchases, transmits, distributes and sells electricity in addition to purchasing, transporting, distributing and selling natural gas to retail customers and transporting customer-owned natural gas.

Electric Operations

Electric operations consist of energy supply, generation, transmission and distribution activities. PSCo had electric sales volume of 34,369 (millions of KWh), 1.6 million customers and electric revenues of $4,127 million for 2025.

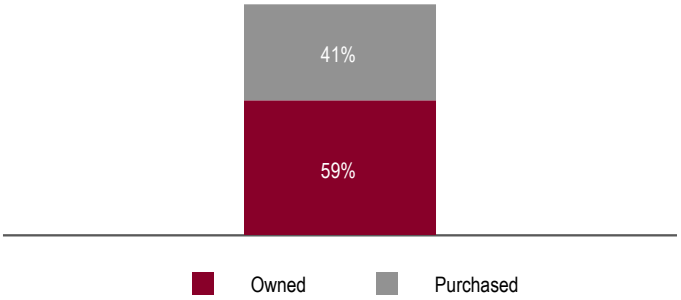
Electric Operations (percentage of total)	Sales Volume	Number of Customers	Revenues
Residential	28 %	86 %	33 %
C&I	53	11	44
Other	19	3	23

Retail Sales/Revenue Statistics [(a)]

	2025	2024
KWH sales per retail customer	17,579	17,767
Revenue per retail customer	$ 2,011	$ 1,984
Residential revenue per KWh	14.27 ¢	13.82 ¢
C&I revenue per KWh	9.81 ¢	9.61 ¢
Total retail revenue per KWh	11.44 ¢	11.17 ¢

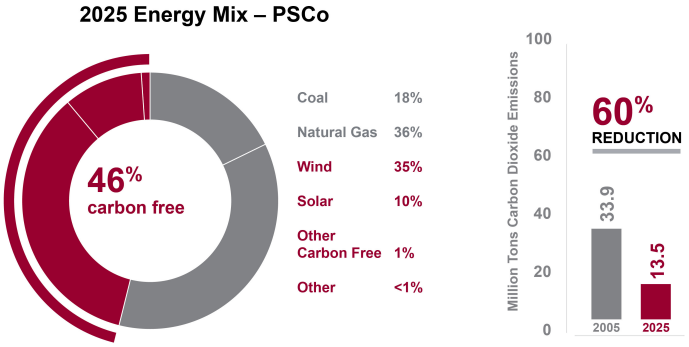
(a) See Note 6 to the consolidated financial statements for further information.

Owned and Purchased Energy Generation — 2025



Electric Energy Sources

Total electric energy generation by source for the year ended Dec. 31:



Carbon–Free

PSCo's carbon–free energy portfolio includes wind, hydroelectric and solar power from both owned generating facilities and PPAs. Carbon–free percentages will vary year over year based on system additions, commodity costs, weather, system demand and transmission constraints.

See Item 2 — Properties for further information.

Wind

Wind capacity is shown as net maximum capacity. Net maximum capacity is attainable only when wind conditions are sufficiently available

Owned — Owned and operated wind farms with corresponding capacity:

2025		2024	
Wind Farms	Capacity (MW)	Wind Farms	Capacity (MW)
2	1,059	2	1,059

PPAs — Number of PPAs with capacity range:

2025		2024	
PPAs	Range (MW)	PPAs	Range (MW)
16	23 — 301	16	23 — 301

Current contracted wind capacity for PPAs was 2,996 MW in 2025 and 2024.

In 2025, the average cost of wind energy was $2 per MWh for owned generation and $44 per MWh under existing PPAs. In 2024, the average cost of wind energy was $4 per MWh for owned generation and $43 per MWh under existing PPAs. The cost of owned wind includes the impact of PTCs.

Solar

Owned — Owned and operated solar projects with corresponding capacity:

2025		2024	
Solar Projects [a]	Capacity (MW)	Solar Projects	Capacity (MW)
1	325	—	—

(a) PSCo placed in service Rocky Mountain Solar in 2025. Average cost per MWh will be available after a full year of operations.

PPAs — Solar PPAs capacity by type:

Type	Capacity (MW)
Distributed Generation	1,184
Utility-Scale [a]	1,530
Total	2,714

(a) Includes battery storage capacity of 225 MW.

The average cost of solar energy under existing distributed and utility-scale generation PPAs was $31 per MWh in both 2025 and 2024.

Other

PSCo's other carbon-free energy portfolio includes hydro from owned generating facilities.

See Item 2 — Properties for further information.

Fossil Fuel

PSCo's fossil fuel energy portfolio includes coal and natural gas power from both owned generating facilities and PPAs.

See Item 2 — Properties for further information.

Coal

PSCo owns and operates coal units with approximately 1,650 MW of total 2025 net summer dependable capacity. This amount includes the coal unit at Pawnee, which is in the process of being converted to natural gas (net summer dependable capacity of 505 MW).

Approved early coal plant retirements:

Year	Plant Unit	Capacity (MW)	
2026	Craig 1 [a]	42	[b]
2026	Comanche 2 [c]	330	
2027	Hayden 2	98	[b]
2028	Hayden 1	135	[b]
2028	Craig 2	40	[b]
2030	Comanche 3	500	[b]

(a) In December 2025, the DOE issued an emergency order pursuant to section 202(c) of the Federal Power Act to Tri-State Generation and Transmission Association and other co-owners – including Xcel Energy – directing the co-owners to take all measures necessary to ensure that Unit 1 at the Craig Station in Craig, Colorado is available to operate. This order is in effect from December 30, 2025 through March 30, 2026. PSCo is working with Tri-State and the other partners in complying with the order.

(b) Based on PSCo's ownership interest.

(c) In December 2025, the CPUC issued a decision approving a variance that allows for the continued operation of Comanche Unit 2 in 2026, past the previously established retirement date of Dec. 31, 2025. The decision was issued in response to a joint petition filed by the trial staff of the CPUC, the Colorado Energy Office, the Colorado Office of the Utility Consumer Advocate, and PSCo seeking to modify the Comanche Unit 2 retirement date. PSCo also entered into an agreement with the Colorado Department of Public Health and Environment that establishes compliance obligations for continued operation of the unit through 2026.

Coal Fuel Cost — Delivered cost per MMBtu of coal consumed for owned electric generation and the percentage of total fuel requirements (coal and natural gas):

	Coal	
	Cost	Percent
2025	$ 1.71	42 %
2024	1.91	44

Natural Gas

PSCo owns and operates natural gas plants with approximately 3,300 MW of total 2025 net summer dependable capacity.

Natural gas supplies, transportation and storage services for power plants are procured to provide an adequate supply of fuel. Remaining requirements are procured through a liquid spot market. Generally, natural gas supply contracts have variable pricing that is tied to natural gas indices. Natural gas supply and transportation agreements include obligations for the purchase and/or delivery of specified volumes or payments in lieu of delivery.

Natural Gas Cost — Delivered cost per MMBtu of natural gas consumed for owned electric generation and the percentage of total fuel requirements (coal and natural gas):

	Natural Gas	
	Cost	Percent
2025	$ 3.63	58 %
2024	2.77	56

Capacity and Demand

Uninterrupted system peak demand and occurrence date:

2025		2024	
MW	Date	MW	Date
7,010	July 28	7,084	Aug. 1

Transmission

Transmission lines deliver electricity over long distances from power sources to substations closer to customers. A strong transmission system ensures continued reliable and affordable service, ability to meet state and regional energy policy goals, and support for a diverse generation mix, including renewable energy. PSCo owns approximately 27,000 conductor miles of transmission lines across its service territory.

See Item 2 - Properties for further information.

Distribution

Distribution lines allow electricity to travel at lower voltages from substations directly to customers. PSCo has a vast distribution network, owning and operating approximately 84,000 conductor miles of distribution lines across our service territory.

See Item 2 - Properties for further information.

Natural Gas Operations

Natural gas operations consist of purchase, transportation and distribution of natural gas to end-use residential, C&I and transport customers. PSCo had natural gas deliveries of 282,999 (thousands of MMBtu), 1.5 million customers and natural gas revenues of $1,499 million for 2025.

Natural Gas (percentage of total)	Deliveries	Number of Customers	Revenues
Residential	32 %	93 %	60 %
C&I	16	7	25
Transportation and other	52	<1	15

Sales/Revenue Statistics [(a)]

	2025	2024
MMBtu sales per retail customer	90	93
Revenue per retail customer	$ 847	$ 853
Residential revenue per MMBtu	9.85	9.57
C&I revenue per MMBtu	8.50	8.31
Transportation and other revenue per MMBtu	1.08	0.98

(a) See Note 6 to the consolidated financial statements for further information.

Capability and Demand

Natural gas supply requirements are categorized as firm or interruptible.

Maximum daily output (firm and interruptible) and occurrence date:

2025		2024	
MMBtu	Date	MMBtu	Date
2,148,039	Jan. 20	2,357,931	Jan.15

Natural Gas Supply and Cost

PSCo seeks natural gas supply, transportation and storage alternatives to yield a diversified portfolio, which increases flexibility and decreases interruption, financial risks and customer rates. In addition, PSCo conducts natural gas price hedging activities approved by its state's commissions.

Average delivered cost per MMBtu of natural gas for regulated retail distribution:

2025	2024
$ 3.68	$ 3.36

PSCo has natural gas supply transportation and storage agreements that include obligations for purchase and/or delivery of specified volumes or to make payments in lieu of delivery.

General

General Economic Conditions

Economic conditions may have a material impact on PSCo's operating results. Management cannot predict the impact of fluctuating energy or commodity prices, pandemics, terrorist activity, war or the threat of war. We could experience a material impact to our results of operations, future growth or ability to raise capital resulting from a sustained general slowdown in economic growth or a significant increase in interest rates or inflation.

Seasonality

Demand for electric power and natural gas is affected by seasonal differences in the weather. In general, peak sales of electricity occur in the summer months and peak sales of natural gas occur in the winter months. As a result, the overall operating results may fluctuate substantially on a seasonal basis. Additionally, PSCo's operations have historically generated less revenues and income when weather conditions are warmer in the winter and cooler in the summer. Decoupling mechanisms mitigate the impacts of weather in certain jurisdictions. PSCo's electric decoupling mechanism expired in September.

Competition

PSCo is subject to public policies that promote competition and development of energy markets. PSCo's industrial and large commercial customers have the ability to generate their own electricity. In addition, customers may have the option of substituting other fuels or relocating their facilities to a lower cost region.

Customers have the opportunity to supply their own power with distributed generation including solar generation and can currently avoid paying for most of the fixed production, transmission and distribution costs incurred to serve them.

Colorado has incentives for the development of rooftop solar, community solar gardens and other distributed energy resources. Distributed generating resources are potential competitors to PSCo's electric service business with these incentives and federal tax subsidies.

The FERC has continued to promote competitive wholesale markets through open access transmission and other means. PSCo's wholesale customers can purchase energy from other generation resources and transmission services from other service providers to serve their native load.

FERC Order No. 1000 established competition for ownership of certain new electric transmission facilities under Federal regulations. Some states have state laws that allow the incumbent a Right of First Refusal to own these transmission facilities.

FERC Order 2222 requires that RTO and ISO markets allow participation of aggregations of distributed energy resources. This order is expected to incentivize distributed energy resource adoption, however implementation is expected to vary by RTO/ISO and the near, medium, and long-term impacts of Order 2222 remain unclear.

PSCo has franchise agreements with cities subject to periodic renewal; however, a city could seek alternative means to access electric power or gas, such as municipalization. No municipalization activities are occurring presently.

While facing these challenges, PSCo believes its rates and services are competitive with alternatives currently available.

Governmental Regulations

Public Utility Regulation

See Item 7 for discussion of public utility regulation.

Environmental Regulation

Our facilities are regulated by federal and state agencies that have jurisdiction over air emissions, water quality, wastewater discharges, solid and hazardous wastes or substances. Certain PSCo activities require registrations, permits, licenses, inspections and approvals from these agencies.

PSCo has received necessary authorizations for the construction and continued operation of its generation, transmission and distribution systems. Our facilities strive to operate in compliance with applicable environmental standards and related monitoring and reporting requirements.

There are significant environmental regulations to encourage use of clean energy technologies and regulate emissions of GHGs. PSCo has undertaken numerous initiatives to meet current requirements and prepare for potential future regulations, reduce GHG emissions and respond to state renewable and energy efficiency goals. Future environmental regulations may result in substantial costs. However, costs to comply with past environmental regulations have largely been recoverable through rates.

Emerging Environmental Regulation

Throughout 2025, the EPA has announced various regulatory actions addressing a wide range of environmental regulations. PSCo will continue to monitor these proposed rules as they move toward final action. Additionally, any other amendments and changes to rules will be evaluated as proposed by the EPA.

Clean Air Act

Power Plant Greenhouse Gas Regulations — In April 2024, the EPA published final rules addressing control of CO_2 emissions from the power sector. The rules regulate new natural gas generating units and emission guidelines for existing coal and certain natural gas generation.

Based on current estimates and assumptions, PSCo has determined that due to scheduled plant retirements, there is minimal financial or operational impact associated with these requirements and believes that the cost of these initiatives or replacement generation would be recoverable through rates based on prior state commission practices.

In June 2025, the EPA proposed to repeal these and all other GHG emissions standards for the power sector. In the alternative, the EPA proposed to repeal a narrower subset of the 2024 regulations.

In February 2026, the EPA issued a final rule repealing the 2009 Endangerment Finding and associated regulations addressing GHG emissions from the transportation sector under the Clean Air Act. PSCo will monitor any additional proposed rules and evaluate the impacts of any final rule on the utility sector.

Regional Haze — In July 2025, the EPA proposed to partially approve and partially disapprove the 2022 Colorado SIP revision implementing the Regional Haze rule in Colorado. The proposal sought to remove mandatory retirement dates as enforceable provisions in the SIP.

In January 2026, the EPA issued a final rule fully disapproving the 2022 Colorado SIP revision, thereby removing the mandatory retirement dates. The removal of the retirement dates from a federally approved SIP would only impact whether the SIP provisions become federally enforceable. Colorado has a state regulation that reflects the SIP requirements, including retirement dates for Cherokee Unit 4, Comanche Unit 2, Craig Units 1 and 2, and Hayden Units 1 and 2 at a state level and would require amendment to modify or remove retirement dates.

Emerging Contaminants of Concern

PFAS are man-made chemicals that are widely used in consumer products and can persist and bio-accumulate in the environment. PSCo does not manufacture PFAS, but because PFAS are so ubiquitous in products and the environment, it may impact our operations.

In June 2024, the EPA finalized a rule that designated certain PFAS as hazardous substances under CERCLA. In July 2024, the EPA finalized another rule that set enforceable drinking water standards for certain PFAS.

Potential costs for these rules and any additional proposed regulations related to PFAS are uncertain and will be determined on a site specific basis where applicable. If costs are incurred, PSCo believes the costs will be recoverable through rates based on prior state commission practices.

Effluent Limitation Guidelines

In April 2024, the EPA published final rules under the Clean Water Act, setting Effluent Limitations Guidelines and Standards for steam generating coal plants. This rule establishes more stringent wastewater discharge standards for bottom ash transport water, flue-gas desulfurization wastewater, and combustion residuals leachate from steam electric power plants, particularly coal-fired power plants. Based on current estimates and assumptions, PSCo has determined that there is minimal financial or operational impact associated with these requirements and that any costs would be recoverable through rates based on prior state commission practices.

Other

Our operations are subject to workplace safety standards under the Federal Occupational Safety and Health Act of 1970 ("OSHA") and comparable state laws that regulate the protection of worker health and safety. In addition, the Company is subject to other government regulations impacting such matters as labor, competition, data privacy, etc. Based on information to date and because our policies and business practices are designed to comply with all applicable laws, we do not believe the effects of compliance on our operations, financial condition or cash flows are material.

Employees

As of Dec. 31, 2025, PSCo had 2,224 full-time employees and 14 part-time employees, of which 1,691 were covered under collective-bargaining agreements.

ITEM 1A — RISK FACTORS

Xcel Energy, which includes PSCo, is subject to a variety of risks, many of which are beyond our control. Risks that may adversely affect the business, financial condition, results of operations or cash flows are described below. Although the risks are organized by heading, and each risk is described separately, many of the risks are interrelated. These risks should be carefully considered together with the other information set forth in this report and future reports that PSCo files with the SEC.

While we believe we have identified and discussed below the key risk factors affecting our business, there may be additional risks and uncertainties that are not presently known or that are not currently believed to be significant that may adversely affect our business, financial condition, results of operations or cash flows in the future.

Risks Associated with Our Business

Operational Risks

Our natural gas and electric generation/transmission and distribution operations involve numerous risks that may result in accidents and other operating risks and costs.

Our natural gas transmission and distribution activities include inherent hazards and operating risks, such as leaks, explosions, outages and mechanical problems. Our electric generation, transmission and distribution activities include inherent hazards and operating risks such as contact, fire and outages. These risks could result in loss of life, significant property damage, environmental pollution, impairment of our operations and substantial financial losses to customers, the public, employees or third-party contractors. We maintain insurance against most, but not all, of these risks and losses.

The occurrence of these events, if not fully covered by insurance, could have a material effect on our financial condition, results of operations and cash flows as well as potential reputational impact.

Additionally, compliance with existing and potential new regulations related to the operation and maintenance of our natural gas infrastructure could result in significant costs. The PHMSA is responsible for administering the DOT's national regulatory program to assure the safe transportation of natural gas, petroleum and other hazardous materials by pipelines. The PHMSA continues to develop regulations and other approaches to risk management to assure safety in design, construction, testing, operation, maintenance and emergency response of natural gas pipeline infrastructure. We have programs in place to comply with these regulations, however, a significant incident or material finding of non-compliance could result in penalties and higher costs of operations.

Our natural gas and electric transmission and distribution operations are dependent upon complex information technology systems and network infrastructure, the failure of which could disrupt our normal business operations, which could have a material adverse effect on our ability to process transactions and provide services.

Other uncertainties and risks inherent in operating and maintaining PSCo's facilities include, but are not limited to:

- Risks associated with facility start-up operations, such as whether the facility will achieve projected operating performance on schedule and otherwise as planned.
- Failures in the availability, acquisition or transportation of fuel or other supplies.
- Impact of adverse weather conditions and natural disasters, including, wildfires, tornadoes, avalanches, icing events, floods, high winds, droughts and the availability or changes to wind patterns.
- Performance below expected or contracted levels of output or efficiency.
- Availability of replacement or new equipment.
- Availability of adequate water resources and ability to satisfy water intake and discharge requirements.
- Inability to identify, manage properly or mitigate equipment defects.
- Use of new or unproven technology.
- Inability to use information effectively given the rapidly increasing volume of data.
- Risks associated with dependence on a specific type of fuel or fuel source, such as commodity price risk, availability of adequate fuel supply and transportation and lack of available alternative fuel sources.
- Risks associated with increased reliance on natural gas generation, including gas price volatility and supply constraints during extreme weather events.
- Increased competition due to, among other factors, new facilities, excess supply, shifting demand and regulatory changes.
- Risks of thermal runaway incidents associated with large battery storage facilities
- Risks associated with aging infrastructure.
- Risks associated with failures of other business processes and systems.
- Risks associated with regulatory requirements that may extend the operation of our coal facilities beyond planned retirement dates and require additional investments.
- Inability to deliver energy across transmission facilities, including due to congestion, outages, extreme weather, physical or cyber events, delays in construction or upgrades, permitting or siting challenges, or interconnection constraints.

Our utility operations, resource adequacy and system reliability are subject to long-term planning and project risks.

Our ability to reliably serve customer demand depends on the availability of sufficient generation and capacity resources. Changes in load growth, resource retirements, accreditation of resources, generation performance, extreme weather events, or delays in development or delivery of new resources, including the necessary transmission infrastructure, could affect resource adequacy and system reliability.

Most utility investments are planned to be used for decades. Transmission and generation investments typically have long lead times and are planned well in advance of in-service dates and typically subject to long-term resource plans. These plans are based on numerous assumptions such as: sales growth, customer usage, commodity prices, economic activity, costs, regulatory mechanisms, customer behavior, available technology, equipment availability and public policy. Our long-term resource plan is dependent on our ability to obtain required approvals, develop necessary technical expertise, allocate and coordinate sufficient resources and adhere to budgets and timelines.

In addition, the long-term nature of both our planning processes and our asset lives are subject to risk. The utility sector is undergoing significant change (e.g., the addition of large loads, increases in energy efficiency, wider adoption of distributed generation and shifts away from fossil fuel generation to renewable generation). Customer adoption of these technologies and increased energy efficiency or other reductions in expected sales growth could result in excess transmission and generation resources, downward pressure on sales growth, and potentially stranded costs if we are not able to fully recover costs and investments. Additionally, increasing uncertainty surrounding federal policy to renewable deployment could negatively impact wind, solar and storage development.

The magnitude and timing of resource additions and changes in customer demand may not coincide with evolving customer preference for generation resources and end-uses, which introduces further uncertainty into long-term planning. Efforts to electrify the transportation and building sectors to reduce GHG emissions may result in higher electric demand and lower natural gas demand over time. New data centers and crypto mining facilities could generate significant increase in demand. Higher electric demand may require us to adopt new technologies and make significant generation, transmission and distribution investments including advanced grid infrastructure, which increases exposure to overall grid instability and technology obsolescence. Enterprise level financial and customer billing technology systems may be unable to support the increasing customer complexity. Evolving stakeholder preference for lower emissions from generation sources and end-uses, like heating, may impact our resource mix and put pressure on our ability to recover capital investments in natural gas generation and delivery. Multiple states may not agree as to the appropriate resource mix, which may lead to costs to comply with one jurisdiction that are not recoverable across all jurisdictions served by the same assets.

We require inputs such as coal, natural gas and water. Lack of availability of these resources could jeopardize long-term operations of our facilities or make them uneconomic to operate.

Our utility operations are highly dependent on suppliers to deliver components in accordance with short and long-term project schedules.

Our products contain components that are globally sourced from suppliers. A shortage of key components in which an alternative supplier is not identified could significantly impact operations and project plans for PSCo and our customers. Such impacts could include timing of projects and the potential for project cancellation. Failure to adhere to project budgets and timelines could adversely impact our results of operations, financial condition or cash flows.

We are subject to physical and financial risks associated with climate change and other weather, natural disaster and resource depletion impacts.

Climate change can create physical and financial risk. Physical risks include changes in weather conditions and extreme weather events. Our customers' energy needs vary with weather. To the extent weather conditions are affected by climate change, customers' energy use could increase or decrease. Increased energy use due to weather changes over the long-term may require us to invest in generating assets, transmission and infrastructure. Decreased energy use due to weather changes may result in decreased revenues.

Severe weather impacts our service territories, primarily when thunderstorms, flooding, tornadoes, wildfires, snow, ice storms or extreme temperatures (high heating/cooling days) occur. Extreme weather conditions in general require system backup and can contribute to increased system stress, including service interruptions. Extreme weather conditions creating high energy demand may raise electricity prices, increasing the cost of energy we provide to our customers.

To the extent the frequency of extreme weather events increases, this could increase our cost of providing service and result in more frequent service interruptions. Periods of extreme temperatures could also impact our ability to meet demand.

Drought or water depletion could adversely impact our ability to provide electricity to customers, cause early retirement of power plants that require water or increase the cost for energy.

Adverse events may result in increased insurance costs and/or decreased insurance availability. We may not recover all costs related to mitigating these physical and financial risks.

Our utilities have significant risks associated with wildfires.

In recent years, wildfires have impacted the utility industry. More frequent and severe drought conditions, extreme swings in amount and timing of precipitation, changes in availability of vegetation, unseasonably warm temperatures, very low humidity, stronger winds and other environmental factors have increased both the frequency and duration of fire weather conditions and the potential impact of an event. The expansion of the wildland urban interface increases the wildfire risk to surrounding communities and PSCo's electric and natural gas infrastructure. Also, wildfires could jeopardize PSCo's electric and gas infrastructure and third-party property and result in temporary power outages or shortages in our service territories. Our current wildfire mitigation initiatives may not be effective in preventing or reducing ignitions and wildfire-related losses.

Other potential risks associated with wildfires and other climate events include the inability to secure sufficient insurance coverage, increased costs of insurance, or ability for insurers to meet their obligations, regulatory recovery risk, and the potential for a credit downgrade and subsequent additional costs to access capital markets.

While we carry liability insurance, given an extreme event, damage amounts could exceed our coverage (as experienced with the Marshall Wildfire settlement in 2025) and negatively impact our results of operations, financial condition or cash flows.

We are subject to commodity risks and other risks associated with energy markets and energy production.

A significant increase in fuel costs could cause a decline in customer demand, adverse regulatory outcomes and an increase in bad debt expense which may have a material impact on our results of operations. Despite existing fuel cost recovery mechanisms, higher fuel costs could significantly impact our results of operations if costs are not recovered. Delays in the timing of the collection of fuel cost recoveries could impact our cash flows and liquidity.

A significant disruption in supply could cause us to seek alternatives at potentially higher costs. Additionally, supply shortages may not be fully resolved, which negatively impacts our ability to provide services to our customers. Failure to provide service due to disruptions may also result in fines, penalties or cost disallowances through the regulatory process.

We also engage in wholesale sales and purchases of electric capacity, energy and energy-related products as well as natural gas. In many markets, emission allowances and/or RECs are also needed to comply with various statutes and commission rulings. As a result, we are subject to market supply and commodity price risk.

Commodity price changes can affect the value of our commodity trading derivatives. We mark certain derivatives to estimated fair market value on a daily basis. Settlements can vary significantly from estimated fair values recorded and significant changes from the assumptions underlying our fair value estimates could cause earnings variability. The management of risks associated with hedging and trading is based, in part, on programs and procedures which utilize historical prices and trends.

Public perception often does not distinguish between pass through commodity costs and base rates. High commodity prices that are passed through to customer bills could impact our ability to recover costs for other improvements and operations.

Additionally, due to the uncertainty involved in price movements and potential deviation from historical pricing, our risk management programs may not be effective to protect against significant adverse market fluctuations and our results of operations, financial condition or cash flows could be materially impacted.

Failure to attract and retain a qualified workforce could have an adverse effect on operations.

The competition for talent has become increasingly prevalent, and we have experienced increased employee turnover due to the condition of the labor market and decisions related to strategic workforce planning. In addition, specialized knowledge and skills are required for many of our positions, which may pose additional difficulty for us as we work to recruit, retain and motivate employees in this climate.

Failure to hire, adequately train replacement employees, transfer knowledge/expertise or future availability and cost of contract labor may adversely affect the ability to manage and operate our business. Inability to attract and retain these employees could adversely impact our results of operations, financial condition or cash flows.

Our businesses have collective bargaining agreements with labor unions. Failure to renew or renegotiate these contracts could lead to labor disruptions, including strikes or boycotts. Such disruptions or any negotiated wage or benefit increases could have a material adverse impact to our results of operations, financial condition or cash flows.

National unionization efforts could affect our business, as an increase in unionized workers could challenge our operational efficiency and increase costs.

Our operations use third-party contractors in addition to employees to perform periodic and ongoing work.

We rely on third-party contractors to perform operations, maintenance and construction work. Poor vendor performance or contractor unavailability could impact ongoing operations, restoration operations, regulatory recovery and our reputation and could introduce financial risk or risks of fines. Also, suppliers of key assets critical to long-term planning may be limited, creating vendor concentration risk that could increase costs and negatively impact investment execution.

Actions of our employees, directors, third-party contractors or suppliers could expose us to reputational risks.

We could suffer negative impacts to our reputation as a result of actual or perceived fraud, misconduct, legal or regulatory violations, violations of corporate policies, inappropriate use of social media, or other actions by our employees, directors, third-party contractors or suppliers. Reputational damage could have a material adverse effect and could result in negative customer perception, litigation and increased regulatory oversight.

We are a wholly owned subsidiary of Xcel Energy Inc. Xcel Energy Inc. can exercise substantial control over our dividend policy and business and operations and may exercise that control in a manner that may be perceived to be adverse to our interests.

All of the members of our Board of Directors, as well as many of our executive officers, are officers of Xcel Energy Inc. Our Board of Directors makes determinations with respect to a number of significant corporate events, including the payment of our dividends.

We have historically paid quarterly dividends to Xcel Energy Inc. If Xcel Energy Inc.'s cash requirements increase, our Board of Directors could decide to increase the dividends we pay to Xcel Energy Inc. to help support Xcel Energy Inc.'s cash needs. This could adversely affect our liquidity. The most restrictive dividend limitation for PSCo is imposed by its credit facility, which limits the debt-to-total capitalization ratio.

See Note 5 to the consolidated financial statements for further information.

Financial Risks

Our profitability depends on our ability to recover costs and changes in regulation may impair our ability to recover costs from our customers.

We are subject to comprehensive regulation by federal and state utility regulatory agencies, including siting and construction of facilities, customer service and the rates that we can charge customers.

The profitability of our operations is dependent on our ability to recover the costs of providing energy and utility services and earn a return on capital investment. Our rates are generally regulated and are based on an analysis of our costs incurred in a test year. We are subject to both future and historical test years depending upon the regulatory jurisdiction. Thus, the rates we are allowed to charge may or may not match our costs at any given time. Rate regulation is premised on providing an opportunity to earn a reasonable rate of return on invested capital.

There can also be no assurance that our regulatory commissions will judge all our costs to be prudent, which could result in disallowances, or that the regulatory process will always result in rates that will produce full recovery.

Overall, management believes prudently incurred costs are recoverable given the existing regulatory framework. However, there may be changes in the regulatory environment that could impair our ability to recover costs historically collected from customers, or we could exceed caps on capital costs required by commissions and result in less than full recovery.

Changes in the long-term cost-effectiveness or to the operating conditions of our assets may result in early retirements of utility facilities. While regulation typically provides cost recovery for these types of changes, there is no assurance that regulators would allow full recovery of all remaining costs.

Higher than expected inflation, shortages of skilled labor, tariffs or federal policies may increase costs of construction and operations. Also, rising fuel costs could increase prices to consumers, all of which could increase the risk that we will not be able to fully recover their costs from our customers.

Regulators may challenge rate increases due to increased customer affordability pressures. Public policy developments, including legislative actions and electoral changes at the state level, may affect recovery mechanisms or allowed returns and may limit recovery timing or cost allocation, negatively impacting our results of operations, financial condition or cash flows.

Growth in large load customers, including data centers, may increase customer concentration, capital requirements and revenue variability risks.

Additional demand from a limited number of customers may increase our credit risk exposure and require incremental infrastructure investment. If anticipated load growth does not materialize as expected or regulatory cost allocation mechanisms evolve, it could negatively impact our results of operations, financial condition or cash flows.

Any reductions in our credit ratings could increase our financing costs and the cost of maintaining certain contractual relationships.

Our credit ratings are subject to change, and our credit ratings may be lowered or withdrawn by a rating agency. Significant events including disallowance of costs, use of historic test years, elimination of riders or interim rates, increasing depreciation lives, lower returns on equity, changes to equity ratios, impacts of tax policy and unfavorable litigation outcomes may impact our cash flows and credit metrics, potentially resulting in a change in our credit ratings. In addition, our credit ratings may change as a result of the differing methodologies or change in the methodologies used by the various rating agencies.

Any credit ratings downgrade could lead to higher borrowing costs or lower proceeds from equity issuances. It could also impact our ability to access capital markets. Also, we may enter into contracts that require posting of collateral or settlement if credit ratings fall below investment grade. The credit rating agencies may change their assessment or our regulatory or business risk, such as with the increase of climate events, which could negatively impact our credit ratings.

We are subject to capital market and interest rate risks.

Utility operations require significant capital investment. As a result, we frequently need to access capital markets. Any disruption in capital markets could have a material impact on our ability to fund our operations. Capital market disruption and financial market distress could prevent us from issuing commercial paper, issuing new securities or cause us to issue securities with unfavorable terms and conditions, such as higher interest rates or lower proceeds from equity issuances. Higher interest rates on short-term borrowings with variable interest rates could also have an adverse effect on our operating results.

We are subject to credit risks.

Credit risk includes the risk that our customers will not pay their bills, which may lead to a reduction in our cash flows and liquidity and an increase in bad debt expense. Credit risk is comprised of numerous factors including the price of products and services provided, the overall economy and unemployment rates.

Credit risk also includes the risk that counterparties that owe us money or product will become insolvent and may breach their obligations. Should the counterparties fail to perform, we may be forced to enter into alternative arrangements. In that event, our financial results could be adversely affected and we may incur losses. This could be particularly impactful for long-lead time equipment contracts that require significant deposits and milestone payments, for items that may be difficult to procure elsewhere in the event of non-performance.

We may have direct credit exposure in our short-term wholesale and commodity trading activity to financial institutions trading for their own accounts or issuing collateral support on behalf of other counterparties. We may also have some indirect credit exposure due to participation in organized markets, (e.g., SPP and California ISO), in which any credit losses are socialized to all market participants.

We have additional indirect credit exposure to financial institutions from letters of credit provided as security by power suppliers under various purchased power contracts. If any of the credit ratings of the letter of credit issuers were to drop below investment grade, the supplier would need to replace that security with an acceptable substitute. If the security were not replaced, the party could be in default under the contract.

As we are a subsidiary of Xcel Energy Inc., we may be negatively affected by events impacting the credit or liquidity of Xcel Energy Inc. and its affiliates.

If either S&P or Moody's Investor Services were to downgrade Xcel Energy Inc.'s debt securities below investment grade, it would increase Xcel Energy Inc.'s cost of capital and restrict its access to the capital markets. This could limit Xcel Energy Inc.'s ability to contribute equity or make loans to us or may cause Xcel Energy Inc. to seek additional or accelerated funding from us in the form of dividends. If such event were to occur, we may need to seek alternative sources of funds to meet our cash needs.

As of Dec. 31, 2025, Xcel Energy Inc. and its utility subsidiaries had approximately $31.8 billion of long-term debt and $2.1 billion of short-term debt and current maturities. Xcel Energy Inc. provides various guarantees and bond indemnities supporting some of its subsidiaries by guaranteeing the payment or performance by these subsidiaries for specified agreements or transactions.

Xcel Energy also has other contingent liabilities resulting from various tax disputes and other matters. Xcel Energy Inc.'s exposure under the guarantees is based upon the net liability of the relevant subsidiary under the specified agreements or transactions. The majority of Xcel Energy Inc.'s guarantees limit its exposure to a maximum amount that is stated in the guarantees.

As of Dec. 31, 2025, Xcel Energy had the following guarantees outstanding:

- $1,173 million for performance and payment of Capital Services, LLC contracts for wind and solar generating equipment, with immaterial exposure.
- $43 million for performance on operating lease agreements, with $43 million of exposure.
- $120 million for performance and payment of surety bonds for the benefit of itself and its subsidiaries, with total exposure that cannot be estimated at this time.

If Xcel Energy Inc. were to become obligated to make payments under these guarantees and bond indemnities or become obligated to fund other contingent liabilities, it could limit Xcel Energy Inc.'s ability to contribute equity or make loans to us, or may cause Xcel Energy Inc. to seek additional or accelerated funding from us in the form of dividends. If such event were to occur, we may need to seek alternative sources of funds to meet our cash needs.

Increasing costs of our defined benefit retirement plans and employee benefits may adversely affect our results of operations, financial condition or cash flows.

We have defined benefit pension and postretirement plans that cover most of our employees. Assumptions related to future costs, return on investments, interest rates and other actuarial assumptions have a significant impact on our funding requirements of these plans. Estimates and assumptions may change. In addition, the Pension Protection Act sets the minimum funding requirements for defined benefit pension plans. Therefore, our funding requirements and contributions may change in the future.

Also, the payout of a significant percentage of pension plan liabilities in a single year, due to high numbers of retirements or employees leaving PSCo, would trigger settlement accounting and could require PSCo to recognize incremental pension expense related to unrecognized plan losses in the year liabilities are paid. Changes in industry standards utilized in key assumptions (e.g., mortality tables) could have a significant impact on future obligations and benefit costs.

Increasing costs associated with health care plans may adversely affect our results of operations.

Increasing levels of large individual health care claims and overall health care claims could have an adverse impact on our results of operations, financial condition or cash flows. Health care legislation could also significantly impact our benefit programs and costs.

Federal tax law may significantly impact our business.

PSCo collects estimated federal, state and local tax payments through their regulated rates. Changes to federal tax law may benefit or adversely affect our earnings and customer costs. Tax depreciable lives and the value/ availability of various tax credits or the timeliness of their utilization may impact the economics or selection of resources. If tax rates are increased, there could be timing delays before regulated rates provide for recovery of such tax increases in revenues. In addition, certain IRS tax policies such as tax normalization may impact our ability to economically deliver certain types of resources relative to market prices. Changes to the availability of tax credit transferability could impact our cash flows and the cost of certain types of resources.

Macroeconomic Risks

Economic conditions impact our business.

Our operations are affected by economic conditions, which correlates to customers/sales growth (decline). Economic conditions may be impacted by recessionary factors, rising interest rates, inflation, the impacts of federal policy and insufficient financial sector liquidity leading to potential increased unemployment, which may impact customers' ability to pay their bills which could lead to additional bad debt expense.

PSCo faces competitive factors, which could have an adverse impact on our financial condition, results of operations and cash flows. Further, worldwide economic activity impacts the demand for basic commodities necessary for utility infrastructure, which may inhibit our ability to acquire sufficient supplies. We operate in a capital intensive industry and federal trade policy could significantly impact the cost of materials we use. There may be delays before these additional material costs can be recovered in rates.

The oil and gas industry represents our largest C&I customer base. Oil and natural gas prices are sensitive to market risk factors which may impact demand.

We face risks related to health epidemics and other outbreaks, which may have a material effect on our financial condition, results of operations and cash flows.

Health epidemics impact countries, communities, supply chains and markets. Uncertainty continues to exist regarding epidemics; the duration and magnitude of business restrictions including shutdowns (domestically and globally); the potential impact on the workforce including shortages of employees and third-party contractors due to quarantine policies, vaccination requirements or government restrictions; impacts on the transportation of goods, and the generalized impact on the economy.

We cannot ultimately predict whether an epidemic will have a material impact on our future liquidity, financial condition or results of operations. Nor can we predict the impact on the health of our employees, our supply chain or our ability to recover higher costs associated with managing an outbreak.

Operations could be impacted by war, terrorism or other events.

Our generation plants, fuel storage facilities, transmission and distribution facilities and information and control systems may be targets of terrorist activities. Any disruption could impact operations or result in a decrease in revenues and additional costs to repair and insure our assets. These disruptions could have a material impact on our financial condition, results of operations or cash flows. The potential for terrorism has subjected our operations to increased risks and could have a material effect on our business. We have incurred increased costs for security and capital expenditures in response to these risks. The insurance industry has also been affected by these events and the availability of insurance may decrease. In addition, insurance may have higher deductibles, higher premiums and more restrictive policy terms.

A disruption of the regional electric transmission grid, interstate natural gas pipeline infrastructure or other fuel sources, could negatively impact our business, brand and reputation. Because our facilities are part of an interconnected system, we face the risk of possible loss of business due to a disruption caused by the actions of a neighboring utility.

We also face the risks of possible loss of business due to significant events such as severe storms, temperature extremes, wildfires, widespread pandemic, generator or transmission facility outage, pipeline rupture, railroad disruption, operator error, sudden and significant increase or decrease in wind generation or a workforce disruption.

In addition, major catastrophic events throughout the world may disrupt our business. While we have business continuity plans in place, our ability to recover may be prolonged due to the type and extent of the event. PSCo participates in a global supply chain, which includes materials and components that are globally sourced. A prolonged disruption could result in the delay of equipment and materials that may impact our ability to connect, restore and reliably serve our customers.

A major disruption could result in a significant decrease in revenues, additional costs to repair assets, and an adverse impact on the cost and availability of insurance, which could have a material impact on our results of operations, financial condition or cash flows.

A cybersecurity incident or security breach could have a material effect on our business.

We operate in an industry that requires the continued operation of sophisticated information technology, control systems and network infrastructure. In addition, we use our systems and infrastructure to create, collect, use, disclose, store, dispose of and otherwise process sensitive information, including Company data, customer energy usage data, and personal information regarding customers, employees and their dependents, contractors and other individuals.

Our generation, transmission, distribution and fuel storage facilities, information technology systems and other infrastructure or physical assets, as well as information processed in our systems (e.g., information regarding our customers, employees, operations, infrastructure and assets) could be affected by cybersecurity incidents, including those caused by human error.

The utility industry has been the target of several attacks on operational systems and has seen an increased volume and sophistication of cybersecurity incidents from international activist organizations, other countries and individuals. We expect to continue to experience attempts to compromise our information technology and control systems, network infrastructure and other assets.

Cybersecurity incidents could harm our businesses by limiting our generation, transmission and distribution capabilities, delaying our development and construction of new facilities or capital improvement projects to existing facilities, disrupting our customer operations or causing the release of customer information, all of which would likely receive state and federal regulatory scrutiny and could expose us to liability.

Our generation, transmission systems and natural gas pipelines are part of an interconnected system. Therefore, a disruption caused by the impact of a cybersecurity incident on the regional electric transmission grid, natural gas pipeline infrastructure or other fuel sources of our third-party service providers' operations, could also negatively impact our business.

Advancements in artificial intelligence and large language models may increase cybersecurity threats and operational risks. Threat actors may use artificial intelligence to enhance their attacks, increasing the frequency, sophistication and potential impact of cyber incidents affecting our IT and OT environment.

Our supply chain for procurement of digital equipment and services may expose software or hardware to these risks and could result in a breach or significant costs of remediation. We are unable to quantify the potential impact of cybersecurity threats or subsequent related actions. Cybersecurity incidents and regulatory action could result in a material decrease in revenues and may cause significant additional costs (e.g., penalties, third-party claims, repairs, insurance or compliance) and potentially disrupt our supply and markets for natural gas, oil and other fuels.

We maintain security measures to protect our information technology and control systems, network infrastructure and other assets. However, these assets and the information they process may be vulnerable to cybersecurity incidents, including asset failure or unauthorized access to assets or information. A failure or breach of our technology systems or those of our third-party service providers could disrupt critical business functions and may negatively impact our business, our brand, and our reputation. The cybersecurity threat is dynamic and evolves continually, and our efforts to prioritize network protection may not be effective given the constant changes to threat vulnerability.

While the Company maintains insurance relating to cybersecurity events, such insurance is subject to a number of exclusions and may be insufficient to offset any losses, costs or damages experienced. Also, the market for cybersecurity insurance is relatively new and coverage available for cybersecurity events is evolving as the industry matures.

Our operating results may fluctuate on a seasonal and quarterly basis and can be adversely affected by milder weather.

Our electric and natural gas utility businesses are seasonal, and weather patterns can have a material impact on our operating performance. Demand for electricity is often greater in the summer and winter months associated with cooling and heating. Because natural gas is heavily used for residential and commercial heating, the demand depends heavily upon weather patterns. A significant amount of natural gas revenues are recognized in the first and fourth quarters related to the heating season. Accordingly, our operations have historically generated less revenues and income when weather conditions are milder in the winter and cooler in the summer. Unusually mild winters and summers could have an adverse effect on our financial condition, results of operations or cash flows.

Public Policy Risks

Increased risks of regulatory penalties could negatively impact our business.

The Energy Act increased civil penalty authority for violation of FERC statutes, rules and orders. FERC can impose penalties of up to $1.5 million per violation per day, particularly as it relates to energy trading activities for both electricity and natural gas. In addition, NERC electric reliability standards and critical infrastructure protection requirements are mandatory and subject to potential financial penalties. Also, the PHMSA, Occupational Safety and Health Administration and other federal agencies have the authority to assess penalties.

In the event of serious incidents, these agencies may pursue penalties. In addition, certain states have the authority to impose substantial penalties. If a serious reliability, cybersecurity or safety incident did occur, it could have a material effect on our results of operations, financial condition or cash flows.

The continued use of natural gas for both power generation and gas distribution have increasingly become a public policy advocacy target. These efforts may result in a limitation of natural gas as an energy source for both power generation and heating, which could impact our ability to reliably and affordably serve our customers.

In recent years, there have been various local and state agency proposals within and outside our service territories that would attempt to restrict the use and availability of natural gas. If such policies were to prevail, we may be forced to make new resource investment decisions which could potentially result in stranded costs if we are not able to fully recover costs and investments and impact the overall reliability of our service.

Environmental Policy Risks

We may be subject to legislative and regulatory responses to climate change, with which compliance could be difficult and costly.

Legislative and regulatory responses related to climate change may create financial risk as our facilities may be subject to additional regulation at either the state or federal level in the future. International agreements could additionally lead to future federal or state regulations.

In 2015, the United Nations Framework Convention on Climate Change reached consensus among 190 nations on an agreement (the Paris Agreement) that establishes a framework for GHG mitigation actions by all countries, with a goal of holding the increase in global average temperature to below 2º Celsius above pre-industrial levels and an aspiration to limit the increase to 1.5º Celsius. Although the United States has withdrawn from the Paris Agreement, many states and localities continue to pursue their own climate policies which could result in future additional GHG reductions.

The steps PSCo has taken to date to reduce GHG emissions, including energy efficiency measures, adding renewable generation and retiring or converting coal plants to natural gas, occurred under state-endorsed resource plans, renewable energy standards and other state policies.

We may be subject to climate change lawsuits. An adverse outcome could require substantial capital expenditures and possibly require payment of substantial penalties or damages. Defense costs associated with such litigation can also be significant and could affect results of operations, financial condition or cash flows if such costs are not recovered through regulated rates.

If our regulators do not allow us to recover the costs incurred to comply with the mandates, it could have a material effect on our results of operations, financial condition or cash flows.

We are subject to environmental laws and regulations, with which compliance could be difficult and costly.

We are subject to environmental laws and regulations that affect many aspects of our operations, including air emissions, water quality, wastewater discharges and the generation, transport and disposal of solid wastes and hazardous substances. Laws and regulations require us to obtain permits, licenses, and approvals and to comply with a variety of environmental requirements.

Environmental laws and regulations can also require us to restrict or limit the output of facilities or the use of certain fuels, shift generation to lower-emitting facilities, install pollution control equipment, clean up spills and other contamination and correct environmental hazards. Failure to meet requirements of environmental mandates may result in fines or penalties. We may be required to pay all or a portion of the cost to remediate sites where our past activities, or the activities of other parties, caused environmental contamination.

Changes in environmental policies and regulations or regulatory decisions may result in early retirements of our operational facilities. While regulation typically provides relief for these types of changes, there is no assurance that regulators would allow full recovery of all remaining costs.

We are subject to mandates to provide customers with clean energy, renewable energy and energy conservation offerings. It could have a material effect on our results of operations, financial condition or cash flows if our regulators do not allow us to recover the cost of capital investment or O&M costs incurred to comply with the requirements. Additionally, the impact of environmental laws and regulations may impact the economic health of consumers through higher prices of energy and purchased goods.

While we establish strategies and expectations related to climate change and other environmental matters, our ability to achieve any such strategies or expectations is subject to numerous factors and conditions, many of which are outside of our control. Examples of such factors include, but are not limited to, evolving legal, regulatory, and other standards, processes, and assumptions, the pace of scientific and technological developments, increased costs, the availability of requisite financing, and changes in carbon markets. The potential for unprecedented load growth and the need for additional generation resources to support such growth may further impact the timing or achievement of our climate goals. Failures or delays (whether actual or perceived) in achieving our strategies or expectations related to climate change and other environmental matters could adversely affect our business, operations, and reputation, and increase risk of litigation.

In addition, existing environmental laws or regulations may be revised and new laws or regulations may be adopted. We may also incur additional unanticipated obligations or liabilities under existing environmental laws and regulations.

ITEM 1B — UNRESOLVED STAFF COMMENTS

None.

ITEM 1C — CYBERSECURITY

PSCo is a wholly owned subsidiary of Xcel Energy. As such, its cybersecurity processes are maintained by Xcel Energy management and governed by its Board of Directors.

As described in Item 1A – Risk Factors, Xcel Energy operates in an industry that requires the continued operation of sophisticated information technology, control systems and network infrastructure, as such, our business is subject to the risk of interruption by cybersecurity incidents that range from attacks common to most industries, such as phishing and denial-of-service, to attacks from more sophisticated adversaries, including nation state actors, that target the critical infrastructure used in the operation of our business.

The Company has a security risk program in place to identify, assess, manage and report material risks from cybersecurity incidents. As a utility provider, Xcel Energy complies with reliability standards imposed by NERC, including critical infrastructure protection standards related to both cybersecurity and physical security. These standards imposed by NERC, in alignment with the NIST Cybersecurity Framework, are the basis for which Xcel Energy has designed the cybersecurity control framework within its security risk program.

Biennially, as part of Xcel Energy's enterprise risk program, an integrated cybersecurity risk identification and assessment is completed across Xcel Energy's business, including generation, transmission, distribution and fuel storage facilities, information technology systems and other infrastructure or physical assets as well as information processed in our systems (including systems hosted by third parties) that could be affected by cybersecurity incidents. This analysis includes the impact, likelihood, timeframe and controllability of cybersecurity risks and is presented to the Board of Directors. Management monitors and reviews the results of this analysis, integrating them into the enterprise risk assessment processes and implements appropriate mitigating actions as needed.

Xcel Energy's cybersecurity policies, standards, practices, annual cybersecurity training content and readiness are regularly assessed by third-party consultants. These partners are engaged to perform independent penetration testing and other security related services to assist in the prevention, detection, monitoring, mitigation and remediation of cybersecurity incidents and risks. The results of these assessments are communicated to management and the Board of Directors by the Chief Security Officer.

Xcel Energy employs a comprehensive risk based approach to assess the magnitude and significance of a vendor's risk to the Company. Certain third-party service providers are subject to vendor security risk assessments at the time of integration, contract execution/renewal, and upon detection of any increase in risk profile. Xcel Energy uses a variety of inputs in such risk assessments, including information supplied by providers and third parties (including information analysis centers that share daily threat intelligence and improve organizational agility associated with management of cybersecurity risks). In addition, the Company requires certain third-party service providers to meet appropriate security requirements, controls and responsibilities. The Company deploys periodic monitoring activities to assess compliance with our cybersecurity control framework and investigates security incidents that have impacted our third-party service providers as appropriate.

Management has assigned responsibility for the security risk program to the Chief Security Officer who has multiple years of experience in the Defense Industrial Base. The Chief Security Officer is informed about and monitors prevention, detection, mitigation and remediation efforts through a team of security professionals, many of whom are Certified Information Systems Security Professionals, Certified Information Security Managers or have received other cybersecurity certifications. The team has extensive experience selecting, deploying and operating cybersecurity technologies, initiatives and processes that aid in preventing, remediating and mitigating known and unknown security threats.

The Chief Security Officer or members of management brief the Board on routine and regular cybersecurity risk and threat updates, typically on an annual basis. In the event of a significant threat or incident, management and the Chief Security Officer leverage Xcel Energy's incident response processes to assess impacts and resolve incidents. When a significant cybersecurity incident occurs, management communicates with the Board of Directors and relevant committees.

The Board of Directors oversees the risks associated with cybersecurity and the physical security of our assets, with information security matters being discussed at board meetings as well as at the ONES and Audit Committee meetings throughout the year.

While the ONES Committee has primary committee responsibility for cybersecurity due to the operational issues involved, the Board of Directors has determined that the topic is of sufficient importance to warrant this comprehensive oversight approach. Augmenting such oversight efforts, the enterprise has the ability to notify and update the Board of Directors in the event of a possible crisis situation.

Cybersecurity risks are a part of Xcel Energy's normal course of business. To date, no cybersecurity incident or attack affecting us or our vendors has had a material impact on our business or results of operations. As of Feb. 25, 2026 there have been no material cybersecurity incidents to report.

ITEM 2 — PROPERTIES

Virtually all of the utility plant property of PSCo is subject to the lien of its first mortgage bond indenture.

Station, Location and Unit at Dec. 31, 2025	Fuel	Installed	MW [a]	
Steam:				
Comanche-Pueblo, CO				
Unit 2	Coal	1975	330	
Unit 3	Coal	2010	500	[b]
Craig-Craig, CO, 2 Units	Coal	1979 - 1980	82	[c]
Hayden-Hayden, CO, 2 Units	Coal	1965 - 1976	233	[d]
Pawnee-Brush, CO, 1 Unit	Coal	1981	505	[e]
Cherokee-Denver, CO, 1 Unit	Natural Gas	1968	310	
Combustion Turbine:				
Blue Spruce-Aurora, CO, 2 Units	Natural Gas	2003	264	
Cherokee-Denver, CO, 3 Units	Natural Gas	2015	576	
Fort St. Vrain-Platteville, CO, 6 Units	Natural Gas	1972 - 2009	1,022	
Manchief-Brush, CO, 2 Units	Natural Gas	2000	250	
Rocky Mountain-Keenesburg, CO, 3 Units	Natural Gas	2004	592	
Valmont-Boulder, CO, 3 units	Natural Gas	1973 - 2001	119	
Various locations, 5 Units	Natural Gas	Various	128	
Hydro:				
Cabin Creek-Georgetown, CO				
Pumped Storage, 2 Units	Hydro	1967	210	
Various locations, 6 Units	Hydro	Various	23	
Wind:				
Rush Creek, CO, 300 units	Wind	2018	582	[f]
Cheyenne Ridge, CO, 229 units	Wind	2020	477	[f]
Solar:				
Rocky Mountain Solar-Keenesburg, CO, 87 units	Solar	2025	325	[f]
		Total	6,528	

[a] Summer 2025 net dependable capacity. Wind and solar is presented as net maximum capacity.

[b] Based on PSCo's ownership of 67%.

[c] Based on PSCo's ownership of 10%.

[d] Based on PSCo's ownership of 76% of Unit 1 and 37% of Unit 2.

[e] Pawnee coal plant was retired in 2025 and completed conversion to natural gas in 2026.

[f] Net maximum capacity is attainable only when conditions are sufficiently available. Typical average capacity factors are 35-50% for wind facilities. For the year ended Dec. 31, 2025, wind facilities had a weighted-average capacity factor of 41%. For solar projects placed in service in 2025, factors will be available after a full year of operations.

Electric utility overhead and underground transmission and distribution lines (measured in conductor miles) at Dec. 31, 2025:

Conductor Miles	
Transmission	
345 KV	8,233
230 KV	12,393
138 KV	92
115 KV	5,004
Less than 115 KV	1,717
Total Transmission	27,439
Distribution	
Less than 115 KV	84,079
Total	**111,518**

PSCo had 236 electric utility transmission and distribution substations at Dec. 31, 2025.

Natural gas utility mains at Dec. 31, 2025:

Miles	
Transmission	2,022
Distribution	24,291

ITEM 3 — LEGAL PROCEEDINGS

PSCo is involved in various litigation matters in the ordinary course of business. The assessment of whether a loss is probable or is a reasonable possibility, and whether the loss or a range of loss is estimable, often involves a series of complex judgments about future events. Management maintains accruals for losses probable of being incurred and subject to reasonable estimation.

Management is sometimes unable to estimate an amount or range of a reasonably possible loss in certain situations, including but not limited to, when (1) the damages sought are indeterminate, (2) the proceedings are in the early stages, or (3) the matters involve novel or unsettled legal theories. In such cases, there is considerable uncertainty regarding the timing or ultimate resolution of such matters, including a possible eventual loss.

For current proceedings not specifically reported herein, management does not anticipate that the ultimate liabilities, if any, would have a material effect on PSCo's consolidated financial statements. Legal fees are generally expensed as incurred.

See Note 10 to the consolidated financial statements, Item 1 and Item 7 for further information.

ITEM 4 — MINE SAFETY DISCLOSURES

None.

PART II

ITEM 5 — MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

PSCo is a wholly owned subsidiary of Xcel Energy Inc. and there is no market for its common equity securities.

See Note 5 to the consolidated financial statements for further information.

The dividends declared during 2025 and 2024 were as follows:

(Millions of Dollars)	2025	2024
First quarter	$ 126	$ 164
Second quarter	120	106
Third quarter	41	164
Fourth quarter	74	200

ITEM 6 — [RESERVED]

ITEM 7 — MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Discussion of financial condition and liquidity for PSCo is omitted per conditions set forth in general instructions I(1)(a) and (b) of Form 10-K for wholly owned subsidiaries. It is replaced with management's narrative analysis and the results of operations for the current year as set forth in general instructions I(2)(a) of Form 10-K for wholly owned subsidiaries (reduced disclosure format).

Non-GAAP Financial Measures

The following discussion includes financial information prepared in accordance with GAAP, as well as certain non-GAAP financial measures such as ongoing earnings. Generally, a non-GAAP financial measure is a measure of a company's financial performance, financial position or cash flows that adjusts measures calculated and presented in accordance with GAAP.

PSCo's management uses non-GAAP measures for financial planning and analysis, for reporting of results to the Board of Directors, in determining performance-based compensation and communicating its earnings outlook to analysts and investors. Non-GAAP financial measures are intended to supplement investors' understanding of our performance and should not be considered alternatives for financial measures presented in accordance with GAAP. These measures are discussed in more detail below and may not be comparable to other companies' similarly titled non-GAAP financial measures.

Earnings Adjusted for Certain Items (Ongoing Earnings)

Ongoing earnings reflect adjustments to GAAP earnings (net income) for certain items.

We use this non-GAAP financial measure to evaluate and provide details of PSCo's core earnings and underlying performance. For instance, to present ongoing earnings, we may adjust the related GAAP amounts for certain items that are non-recurring in nature. We believe this measurement is useful to investors to evaluate the actual and projected financial performance and contribution of our subsidiaries. This non-GAAP financial measure should not be considered as an alternative to measures calculated and reported in accordance with GAAP.

The following table provides a reconciliation of GAAP earnings (net income) to ongoing earnings:

(Millions of Dollars)	2025	2024
GAAP net income	$ 678	$ 782
Marshall Wildfire litigation [(a)]	298	—
Less: tax effect of adjustment	(73)	—
Ongoing earnings [(b)]	$ 903	$ 782

(a) Includes $2 million of interest costs associated with short-term debt used to pay settlement, which is presented as interest expense on the consolidated statements of income.

(b) Amounts may not add due to rounding.

Marshall Wildfire Litigation — In the third quarter of 2025, PSCo recognized a non-recurring $287 million charge as a result of a settlement reached with the plaintiffs in the Marshall Wildfire litigation. In the fourth quarter of 2025, an additional $12 million was recognized for estimated remaining settlement costs as well as legal and other costs.

Results of Operations

2025 Comparison to 2024

PSCo's GAAP net income was $678 million for 2025, compared to $782 million for 2024. Ongoing net income was $903 million for 2025, compared to $782 million for 2024. Higher ongoing earnings primarily reflects higher recovery of electric and natural gas infrastructure investments and increased AFUDC which was partially offset by increased depreciation, interest and O&M charges.

Electric Revenues

Electric revenues are impacted by changing sales, fluctuations in the price of natural gas and coal, regulatory outcomes, market prices and seasonality. In addition, electric customers receive a credit for PTCs generated, which reduce electric revenue and income taxes.

(Millions of Dollars)	2025 vs. 2024
Non-fuel riders	$ 164
Recovery of higher cost of electric fuel and purchased power	89
Wholesale generation revenues	38
Sales and demand	25
Transmission revenues	23
Conservation and DSM (offset in expense)	19
Estimated impact of weather	(47)
Other, net	26
Total increase	$ 337

Natural Gas Revenues

Natural gas revenues vary with changing sales, the cost of natural gas and regulatory outcomes.

(Millions of Dollars)	2025 vs. 2024
Regulatory rate outcome	$ 88
Conservation revenue (offset in expenses)	28
Estimated impact of weather	4
Recovery of lower cost of natural gas	(50)
Retail sales growth	(13)
Other, net	(1)
Total increase	$ 56

Electric Fuel and Purchased Power — Expenses incurred for electric fuel and purchased power are impacted by fluctuations in market prices of natural gas and coal, as well as seasonality. These incurred expenses are generally recovered through various regulatory recovery mechanisms. As a result, changes in these expenses are largely offset in operating revenues and have minimal earnings impact.

Electric fuel and purchased power expenses increased $102 million in 2025. The increase was primarily due to increased commodity pricing, partially offset by timing of fuel recovery mechanisms and decreased volumes.

Cost of Natural Gas Sold and Transported — Expenses incurred for the cost of natural gas sold are impacted by market prices and seasonality. These costs are generally recovered through various regulatory recovery mechanisms. As a result, changes in these expenses are largely offset in operating revenues and have minimal earnings impact.

Natural gas sold and transported decreased $52 million in 2025. The decrease was primarily due to timing of fuel recovery mechanisms, partially offset by increased commodity prices.

Non-Fuel Operating Expenses and Other Items

O&M Expenses — O&M expenses increased $51 million in 2025. The increase was primarily due to wildfire mitigation (largely offset in non-fuel rider revenue) and benefits costs.

Depreciation and Amortization — Depreciation and amortization increased $108 million in 2025. The increase was primarily due to system investment.

Interest Charges — Interest expenses increased $59 million in 2025. The increase was largely due to increased long-term debt levels and higher interest rates.

AFUDC, Equity and Debt — AFUDC increased $99 million in 2025. The increase was largely due to system investment.

Public Utility Regulation

The FERC and state and local regulatory commissions regulate PSCo. PSCo is subject to rate regulation by state utility regulatory agencies, which have jurisdiction with respect to the rates of electric and natural gas distribution companies in Colorado.

Rates are designed to recover plant investment, operating costs and an allowed return on investment. PSCo requests changes in utility rates through commission filings. Changes in operating costs can affect PSCo's financial results, depending on the timing of rate cases and implementation of final rates. Other factors affecting rate filings are new investments, sales, conservation and DSM efforts, and the cost of capital.

In addition, the regulatory commissions authorize the ROE, capital structure and depreciation rates in rate proceedings. Decisions by these regulators can significantly impact PSCo's results of operations and credit quality.

See Rate Matters within Note 10 to the consolidated financial statements for further information.

Summary of Regulatory Agencies / RTO and Areas of Jurisdiction

Regulatory Body / RTO	Additional Information on Regulatory Authority
CPUC	Retail rates, accounts, services, issuance of securities and other aspects of electric, natural gas and steam operations. Reviews and approves Integrated Resource Plans for meeting future energy needs. Certifies the need and siting for generating plans greater than 50 MW. Pipeline safety compliance.
FERC	Wholesale electric operations, accounting practices, hydroelectric licensing, wholesale sales for resale, transmission of electricity in interstate commerce, compliance with the NERC electric reliability standards, asset transactions and mergers and natural gas transactions in interstate commerce. Wholesale electric sales at cost-based prices to customers inside PSCo's balancing authority area and at market-based prices to customers outside PSCo's balancing authority area. PSCo holds a FERC certificate that allows it to transport natural gas in interstate commerce without PSCo becoming subject to full FERC jurisdiction.
RTO	PSCo is not presently a member of an RTO and does not operate within an RTO energy market. However, PSCo does make certain sales to other RTO's, including SPP and participates in the SPP Western Energy Imbalance Service market, an energy imbalance market.
DOT	Pipeline safety compliance.

Recovery Mechanisms

Mechanism	Additional Information
Colorado Energy Plan Adjustment	Recovers the early retirement costs of Comanche Units 1 and 2 to a maximum of 1% of the customer's bill.
Clean Energy Plan Revenue	Recovers projects approved through the Clean Energy Plan to a maximum of 1.25% of the customer's bill.
DSM Cost Adjustment	Recovers electric and gas DSM and CHP, interruptible service costs and performance incentives for achieving energy savings goals.
Electric Commodity Adjustment	Recovers fuel, purchased energy costs and certain owned renewable generating assets. Short-term sales margins are shared with customers. PTCs earned for owned wind and solar generation are returned to customers.
Fuel Clause Adjustment	PSCo recovers fuel and purchased energy costs from wholesale electric customers through a fuel cost adjustment clause approved by the FERC. Wholesale customers pay production costs through a forecasted formula rate subject to true-up.
GCA	Recovers costs of purchased natural gas and transportation and is revised quarterly to allow for changes in natural gas rates. Gas Price Risk Management Plan reserves are also collected in this mechanism as gas prices permit.
GMAC	Recovers select categories of distribution costs.
Purchased Capacity Cost Adjustment	Recovers purchased capacity payments.
RES Adjustment	Recovers the incremental costs of compliance with the RES with a maximum of 1% of the customer's bill.
Steam Cost Adjustment	Recovers fuel costs to operate the steam system. The Steam Cost Adjustment rate is revised quarterly.
Transmission Cost Adjustment	Recovers costs between rate cases for transmission projects that result in a net increase in capacity or are part of an approved wildfire mitigation plan. Distribution projects are recoverable for 2024 and 2025, subject to a cap of 0.5% and 1.25% of electric distribution retail revenues, respectively.
Transportation Electrification Plan	Recovers costs associated with the investment in and adoption of transportation electrification infrastructure.
Wildfire Mitigation Adjustment	Recovers actual 2025-2027 costs associated with wildfire mitigation.

Pending and Recently Concluded Regulatory Proceedings

2025 Colorado Electric Rate Case — In November 2025, PSCo filed an electric rate case with the CPUC seeking an increase in revenue of $356 million (9.9%) ($526 million inclusive of rider roll-ins). The request is based on a 9.8% ROE, an equity ratio of 55% and a 2025 test year with a projected rate base of $13 billion.

PSCo's base rate request (millions of dollars):		
Distribution system investment	$	294
Liability insurance		65
Operating costs		51
Changes in cost of capital		49
Coal retirements [(a)]		(120)
Other		17
Rate request, net of rider roll-ins	$	356

(a) The case includes request for rider recovery of any costs associated with extending operations at Comanche Unit 2.

A CPUC decision and implementation of final rates is anticipated in the third quarter of 2026.

2025 Colorado Natural Gas Rate Case — In December 2025, PSCo filed a natural gas rate case with the CPUC seeking an increase in revenue of $190 million (11.6%). The request is based on a 10.75% ROE, an equity ratio of 55% and a 2025 test year with a projected rate base of $4.7 billion.

PSCo's base rate request (millions of dollars):		
Capital investments	$	90
Changes in cost of capital		53
Operating costs		42
Sales/revenue growth		(7)
Other		12
Total rate request	$	190

A CPUC decision and implementation of final rates is anticipated in the third quarter of 2026.

2024 Colorado Natural Gas Rate Case — In January 2024, PSCo filed a natural gas rate case with the CPUC. In October 2024, as modified on ARRR in January 2025, the CPUC issued an order including an annual revenue increase of approximately $125 million, inclusive of $15 million of accelerated depreciation.

In May 2025, PSCo filed an appeal with the Denver District Court seeking review of the CPUC's decisions related to recovery of certain operating expenses, cost of capital and capital structure, and the treatment of gas storage inventory costs. Briefing was completed in the fourth quarter of 2025. In the first quarter of 2026, the Denver District Court affirmed the CPUC's decision on all counts appealed by PSCo.

Colorado Resource Plan — In December 2023, the CPUC approved a portfolio of 5,835 MW, which includes approximately 3,100 MW of company owned resources and 2,700 MW of PPAs.

In September 2025, the CPUC authorized a process for company-owned and PPA resources to seek up to 15% relief for tariff impacts to projects. Relief requests are due by Dec. 31, 2025 or 18 months prior to COD. The CPUC will ultimately review and approve/deny requests.

PSCo has filed all generation CPCNs associated with company-owned generation from the Colorado Resource Plan and expects to continue filing transmission CPCNs throughout 2026.

2024 Colorado Electric Resource Plan — In October 2024, PSCo filed its Phase I electric resource plan with the CPUC. In November 2025, the CPUC approved a load forecast that reflects a 3% compound annual sales growth through 2031 and generation capacity need of approximately 5,400 MW.

PSCo filed a request for reconsideration of various aspects of the decision which were verbally approved in January 2026 (with a written decision related to those reconsideration requests expected in the first quarter of 2026). This decision is expected to initiate the Phase II competitive solicitation process with an RFP expected to be issued in the third quarter of 2026. This RFP will seek to acquire the balance of resource needs through 2031 (after consideration of any approved acquisitions from the Near-Term Procurement RFP).

Near-Term Procurement — In August 2025, PSCo filed a joint motion with state agencies to initiate a "fast-tracked" solution for tax-advantaged new generation resources. The CPUC approved the request in September 2025 with bids submitted in October 2025. The procurement seeks to accelerate development of up to 4,000 nameplate MW of clean energy resources, 200 accredited MW of firm, dispatchable resources, and up to 300 accredited MW of other dispatchable resources.

The table below summarizes the recommended portfolio of resources filed in December 2025 (a decision is expected in February 2026):

(Nameplate MW)	Company Owned	PPA	Total
Wind	1,600	1,100	2,700
Solar	—	1,100	1,100
Natural gas combustion turbine	200	—	200
Other storage	300	600	900
Total	2,100	2,800	4,900

In February 2026, the CPUC approved 3,200 MW of resources, which included PPAs and a 200 MW company-owned natural gas combustion turbine. Additionally, in March 2026 PSCo will file additional information related to 600-1,500 MW of company-owned wind, solar and storage resources that have been conditionally approved.

Grid Modernization Adjustment Clause (GMAC) — In December 2024, PSCo filed its 2025-2029 Distribution System Plan which included a request to implement the GMAC for recovery of distribution investments. The CPUC issued their decision in December 2025, as modified by an ARRR in February 2026, approving the inclusion of capacity expansion projects and certain other related costs. The CPUC indicated other categories of distribution costs may be considered for recovery within the GMAC in a future regulatory process, expected in late 2026 or 2027.

Colorado Senate Bill 23-291 — In May 2023, Colorado Senate Bill 23-291 was signed into law. The legislation included a number of topics including for the CPUC to adopt rules to establish fuel cost mechanisms to align the financial incentives of a utility with the interests of the utility's customers.

In December 2024, the CPUC adopted final rules applicable to PSCo's natural gas utility that would assign to the Company four percent of the change in the price per MMbtu of natural gas compared to the three-year average, subject to rolling 12-month cap based on a percentage of rate base, currently estimated at $7 million. PSCo made a filing in June 2025 to implement the mechanism and filed an unopposed settlement agreement in November 2025. In December 2025, a CPUC ALJ approved the settlement agreement, and PSCo implemented the gas fuel cost mechanism in January 2026.

In December 2024, the CPUC also adopted rules for electric utilities but did not adopt a specific PIM framework. PSCo made a filing in November 2025 to the CPUC to implement an electric fuel cost mechanism based on a current market-based index rather than a historical index as required for PSCo's natural gas utility, subject to a cap currently estimated at $3 million. PSCo expects to implement the electric fuel cost mechanism in the second quarter of 2026.

Purchased Power and Transmission Service Providers

PSCo meets its system capacity and energy requirements through its fleet of owned and purchased electric generation resources and, when required, the use of demand-side management programs.

Purchased Power — PSCo purchases power from other utilities, energy marketers and independent power producers. Long-term purchased power contracts for dispatchable resources typically require capacity and energy charges. Much of PSCo's long-term purchased power is for wind, solar and storage resources. PSCo makes short-term purchases to meet system load and energy requirements, replace generation out of service for maintenance, meet operating reserve obligations, or obtain energy at a lower cost.

Purchased Transmission Services — In addition to using its own transmission system, PSCo has contracts with regional transmission service providers to deliver energy to its customers.

Wholesale and Commodity Marketing Operations

PSCo conducts various wholesale marketing operations, including the purchase and sale of electric capacity, energy, ancillary services and energy related products. PSCo uses physical and financial instruments to minimize commodity price risk and hedge sales and purchases. PSCo also engages in trading activity unrelated to these hedging activities.

Sharing of any margin is determined through state regulatory proceedings as well as the operation of the FERC approved joint operating agreement.

Other

Supply Chain

PSCo's ability to meet customer energy requirements, growing customer demand, respond to storm-related disruptions, and execute our capital expenditure program are dependent on maintaining an efficient supply chain.

Large global demand for energy-related infrastructure has stretched equipment supply chains, extended delivery dates and increased prices for items like combustion turbines, transformers and other large electrical equipment. The labor market for skilled engineering and construction resources to build renewables and gas generation has also been strained, impacting cost and availability.

In addition, manufacturing processes have experienced disruptions related to the scarcity of certain raw materials and interruptions in production and shipping. The impact of inflationary pressures, geopolitical events and federal policies have exacerbated the situation. PSCo continues to monitor the situation as it remains fluid and seeks to mitigate the impacts by securing alternative suppliers and key vendor partners, increasing procurement lead times, modifying design standards, and adjusting the timing of work.

Tariffs, Trade Complaints and Federal Actions

Several trade cases related to anti-dumping and countervailing duty investigations are ongoing and we continue to monitor the potential impacts of these cases.

In 2025, several executive orders have been issued imposing new global and country-specific tariffs on many imports, which may impact our procurement and development activities. Additionally, executive orders and actions from government agencies may impact the permitting of wind and solar facilities and the retirement of coal facilities.

PSCo continues to assess the impacts of these tariffs, executive orders, trade complaints and federal policies on its business, including company owned projects and PPAs. PSCo may seek regulatory relief, if required, in its jurisdictions.

Continued and/or further policy actions or other restrictions, disruptions in imports from key suppliers, or any new trade complaint could impact viability, timelines and costs of various projects and PPAs.

Tax Law Changes

On July 4, 2025, the President signed into law Public Law No. 119-21 (the "OBBB"). The OBBB modifies certain clean energy tax provisions included in the Inflation Reduction Act. The provisions include:

- Eliminating production and investment tax credits for wind and solar facilities placed in service after 2027, for facilities that begin construction after July 4, 2026.
- The addition of foreign entity of concern rules that apply to projects commencing construction after 2025.

In August 2025, the U.S. Treasury issued further guidance related to the beginning of construction for clean energy projects. In February 2026, the U.S. Treasury and IRS released initial guidance regarding foreign entities of concern. The notice includes interim safe harbor guidance for the purposes of assessing material assistance from a prohibited foreign entity for wind, solar and storage tax credits. Further guidance is expected to be released throughout 2026 related to such rules.

PSCo does not expect these provisions to have an impact on our 2026-2030 base capital plan, as steps have been taken to begin construction under the IRS' safe harbor guidance.

ITEM 7A — QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Derivatives, Risk Management and Market Risk

PSCo is exposed to a variety of market risks in the normal course of business. Market risk is the potential loss that may occur as a result of adverse changes in the market or fair value for a particular instrument or commodity. All financial and commodity-related instruments, including derivatives, are subject to market risk.

PSCo is exposed to the impact of adverse changes in price for energy and energy-related products, which is partially mitigated by the use of commodity derivatives. In addition to ongoing monitoring and maintaining credit policies intended to minimize overall credit risk, management takes steps to mitigate changes in credit and concentration risks associated with its derivatives and other contracts, including parental guarantees and requests of collateral. While PSCo expects that the counterparties will perform on the contracts underlying its derivatives, the contracts expose PSCo to credit and non-performance risk.

Distress in the financial markets may impact counterparty risk and the fair value of the securities in the pension fund.

Commodity Price Risk — We are exposed to commodity price risk in our electric and natural gas operations. Commodity price risk is managed by entering into long and short-term physical purchase and sales contracts for electric capacity, energy and energy-related products and fuels used in generation and distribution activities.

Commodity price risk is also managed through the use of financial derivative instruments. Our risk management policy allows us to manage commodity price risk within each rate-regulated operation per commission approved hedge plans.

Wholesale and Commodity Trading Risk — PSCo conducts various wholesale and commodity trading activities, including the purchase and sale of electric capacity, energy, energy-related instruments and natural gas-related instruments, including derivatives. PSCo's risk management policy allows management to conduct these activities within guidelines and limitations as approved by its risk management committee.

Fair value of net commodity trading contracts as of Dec. 31, 2025:

	Futures / Forwards Maturity				
(Millions of Dollars)	Less Than 1 Year	1 to 3 Years	4 to 5 Years	Greater Than 5 Years	Total Fair Value
PSCo [a]	$ (1)	$ —	$ —	$ —	$ (1)

[a] Prices actively quoted or based on actively quoted prices.

Changes in the fair value of commodity trading contracts before the impacts of margin-sharing for the years ended Dec. 31:

(Millions of Dollars)	2025	2024
Fair value of commodity trading net contracts outstanding at Jan. 1	$ 6	$ 5
Contracts realized or settled during the period	(3)	(8)
Commodity trading contract additions and changes during the period	(4)	9
Fair value of commodity trading net contracts outstanding at Dec.31	$ (1)	$ 6

A 10% increase and 10% decrease in forward market prices for PSCo's commodity trading contracts would have likewise increased and decreased pretax income from continuing operations, by approximately $1 million at Dec. 31, 2025 and Dec. 31, 2024.

Xcel Energy's commodity trading operations measure the outstanding risk exposure to price changes on contracts and obligations using an industry standard methodology known as VaR. VaR expresses the potential change in fair value of the outstanding contracts and obligations over a particular period of time under normal market conditions.

The VaRs for PSCo commodity trading operations, excluding both non-derivative transactions and derivative transactions designated as normal purchases and normal sales, calculated on a consolidated basis using a Monte Carlo simulation with a 95% confidence level and a one-day holding period, were as follows:

(Millions of Dollars)	Year Ended Dec. 31	Average	High	Low
2025	$ —	$ —	$ 1	$ —
2024	—	—	1	—

Interest Rate Risk — PSCo is subject to interest rate risk. PSCo's risk management policy allows interest rate risk to be managed through the use of fixed rate debt, floating rate debt and interest rate derivatives.

A 100 basis point change in the benchmark rate on PSCo's variable rate debt would impact pretax interest expense annually by approximately $3 million and $1 million in 2025 and 2024, respectively.

The value of pension and postretirement plan assets and benefit costs are impacted by changes in discount rates and expected return on plan assets. PSCo's ongoing pension and postretirement investment strategy is based on plan-specific investment recommendations that seek to optimize potential investment risk and minimize interest rate risk associated with changes in the obligations as a plan's funded status increases over time. The impacts of fluctuations in interest rates on pension and postretirement costs are mitigated by pension cost calculation methodologies and regulatory mechanisms that minimize the earnings impacts of such changes.

Credit Risk — PSCo is also exposed to credit risk. Credit risk relates to the risk of loss resulting from counterparties' nonperformance on their contractual obligations. PSCo maintains credit policies intended to minimize overall credit risk and actively monitors these policies to reflect changes and scope of operations.

Credit exposure is monitored, and when necessary, the activity with a specific counterparty is limited until credit enhancement is provided. Distress in the financial markets could increase our credit risk.

PSCo's subsidiaries are subject to credit risk from contracts with generating equipment manufacturers and other suppliers that require deposits or milestone payments. In the event of non-performance by these counterparties, PSCo's subsidiaries could experience credit losses, increased costs or project delays. PSCo frequently seeks to mitigate this risk by requiring parent guarantees, letters of credit or other types of credit support.

PSCo is also subject to credit risk for all wholesale, trading and non-trading commodity counterparties and employs credit risk controls, such as letters of credit, parental guarantees, master netting agreements and termination provisions.

At Dec. 31, 2025, a 10% increase in commodity prices would have resulted in a decrease in credit exposure of $2 million, while a decrease in prices of 10% would have resulted in an increase in credit exposure of $2 million. At Dec. 31, 2024, a 10% increase in commodity prices would have resulted in an increase in credit exposure of $2 million, while a decrease in prices of 10% would have resulted in a decrease in credit exposure of $2 million.

Fair Value Measurements

Derivative contracts, with the exception of those designated as normal purchases and normal sales, are reported at fair value. PSCo's investments held in pension and other postretirement funds are also subject to fair value accounting. See Notes 8 and 9 to the consolidated financial statements for further information.

ITEM 8 — FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

See Item 15-1 for an index of financial statements included herein.

See Note 14 to the consolidated financial statements for further information.

Management Report on Internal Control Over Financial Reporting

The management of PSCo is responsible for establishing and maintaining adequate internal control over financial reporting. PSCo's internal control system was designed to provide reasonable assurance to Xcel Energy Inc.'s and PSCo's management and board of directors regarding the preparation and fair presentation of published financial statements.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

PSCo management assessed the effectiveness of PSCo's internal control over financial reporting as of Dec. 31, 2025. In making this assessment, it used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control — Integrated Framework (2013).* Based on our assessment, we believe that, as of Dec. 31, 2025, PSCo's internal control over financial reporting is effective at the reasonable assurance level based on those criteria.

/s/ ROBERT C. FRENZEL	/s/ BRIAN J. VAN ABEL
Robert C. Frenzel	Brian J. Van Abel
Chairman, Chief Executive Officer and Director	Executive Vice President, Chief Financial Officer and Director
Feb. 25, 2026	Feb. 25, 2026

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholder and the Board of Directors of Public Service Company of Colorado

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Public Service Company of Colorado and subsidiaries (the "Company") as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, common stockholder's equity, and cash flows for each of the three years in the period ended December 31, 2025, and the related notes and the schedule listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Regulatory Assets and Liabilities - Impact of Rate Regulation on the Financial Statements — Refer to Notes 4 and 10 to the consolidated financial statements.

Critical Audit Matter Description

The Company is subject to rate regulation by state utility regulatory agencies, which have jurisdiction with respect to the rates of electric and natural gas distribution companies in Colorado. The Company is also subject to the jurisdiction of the Federal Energy Regulatory Commission for its wholesale electric operations, hydroelectric generation licensing, accounting practices, wholesale sales for resale, transmission of electricity in interstate commerce, compliance with North American Electric Reliability Corporation standards, asset transactions and mergers and natural gas transactions in interstate commerce, (collectively with state utility regulatory agencies, the "Commissions"). Management has determined it meets the requirements under accounting principles generally accepted in the United States of America to prepare its financial statements applying the specialized rules to account for the effects of cost-based rate regulation. Accounting for the economics of rate regulation affects multiple financial statement line items and disclosures, including property, plant and equipment, regulatory assets and liabilities, operating revenues and expenses, and income taxes.

The Company is subject to regulatory rate setting processes. Rates are determined and approved in regulatory proceedings based on an analysis of the Company's costs to provide utility service and a return on, and recovery of, the Company's investment in assets required to deliver services to customers. Accounting for the Company's regulated operations provides that rate-regulated entities report assets and liabilities consistent with the recovery of those incurred costs in rates, if it is probable that such rates will be charged and collected. The Commissions' regulation of rates is premised on the full recovery of incurred costs and a reasonable rate of return on invested capital. Decisions by the Commissions in the future will impact the accounting for regulated operations, including decisions about the amount of allowable costs and return on invested capital included in rates and any refunds that may be required. In the rate setting process, the Company's rates result in the recording of regulatory assets and liabilities based on the probability of future cash flows. Regulatory assets generally represent incurred or accrued costs that have been deferred because future recovery from customers is probable. Regulatory liabilities generally represent amounts that are expected to be refunded to customers in future rates or amounts collected in current rates for future costs.

We identified the impact of rate regulation as a critical audit matter due to the significant judgments made by management to support its assertions about impacted account balances and disclosures and the high degree of subjectivity involved in assessing the impact of future regulatory orders on the financial statements. Management judgments include assessing the likelihood of recovery in future rates of incurred costs and requirements to refund amounts to

customers. Given that management's accounting judgments are based on assumptions about the outcome of future decisions by the Commissions, auditing these judgments required specialized knowledge of accounting for rate regulation and the rate setting process due to its inherent complexities.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the uncertainty of future decisions by the Commissions included the following, among others:

- We tested the effectiveness of management's controls over the evaluation of the likelihood of (1) the recovery in future rates of costs deferred as regulatory assets, and (2) a refund or a future reduction in rates that should be reported as regulatory liabilities. We also tested the effectiveness of management's controls over the recognition of regulatory assets or liabilities and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering costs in future rates or of a future reduction in rates.
- We evaluated the Company's disclosures related to the impacts of rate regulation, including the balances recorded and regulatory developments.
- We read relevant regulatory orders issued by the Commissions for the Company, other regulatory filings, legal decisions and recommendations being evaluated by the Commissions, and other publicly available information to assess the likelihood of recovery in future rates or of a future reduction in rates. We evaluated historic orders for precedents of the Commissions' treatment of similar costs under similar circumstances. We compared the regulatory orders, filings and other publicly available information to the Company's recorded regulatory assets and liabilities for completeness.
- We obtained management's analysis and correspondence from counsel, as appropriate, regarding regulatory assets or liabilities not yet addressed in a regulatory order to assess management's assertion that amounts are probable of recovery or a future reduction in rates.

/s/ DELOITTE & TOUCHE LLP
Minneapolis, Minnesota
February 25, 2026

We have served as the Company's auditor since 2002.

PUBLIC SERVICE CO. OF COLORADO AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(amounts in millions)

	Year Ended Dec. 31		
	2025	2024	2023
Operating revenues			
Electric	$ 4,127	$ 3,790	$ 3,731
Natural gas	1,499	1,443	1,734
Other	38	39	54
Total operating revenues	5,664	5,272	5,519
Operating expenses			
Electric fuel and purchased power	1,368	1,266	1,364
Cost of natural gas sold and transported	548	600	910
Cost of sales — other	6	9	17
Operating and maintenance expenses	977	926	865
Demand side management expenses	228	181	135
Depreciation and amortization	1,101	993	924
Taxes (other than income taxes)	284	275	287
Marshall Wildfire litigation	296	—	—
Loss on Comanche Unit 3 litigation	—	—	35
Workforce reduction expenses	—	—	20
Total operating expenses	4,808	4,250	4,557
Operating income	856	1,022	962
Other income, net	38	54	15
Allowance for funds used during construction — equity	145	75	39
Interest charges and financing costs			
Interest charges and other financing costs	434	375	312
Allowance for funds used during construction — debt	(60)	(31)	(20)
Total interest charges and financing costs	374	344	292
Income before income taxes	665	807	724
Income tax (benefit) expense	(13)	25	29
Net income	$ 678	$ 782	$ 695

See Notes to Consolidated Financial Statements

PUBLIC SERVICE CO. OF COLORADO AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(amounts in millions)

	Year Ended Dec. 31		
	2025	2024	2023
Net income	$ 678	$ 782	$ 695
Other comprehensive income			
Pension and retiree medical benefits:			
Reclassification of loss to net income, net of tax	—	—	1
Derivative instruments:			
Reclassification of loss to net income, net of tax	1	1	1
Total other comprehensive income	1	1	2
Total comprehensive income	$ 679	$ 783	$ 697

See Notes to Consolidated Financial Statements

PUBLIC SERVICE CO. OF COLORADO AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(amounts in millions)

	Year Ended Dec. 31		
	2025	2024	2023
Operating activities			
Net income	$ 678	$ 782	$ 695
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation and amortization	1,108	999	929
Deferred income taxes	199	(61)	(138)
Allowance for equity funds used during construction	(145)	(75)	(39)
Provision for bad debts	28	24	34
Changes in operating assets and liabilities:			
Accounts receivable	(44)	(6)	36
Accrued unbilled revenues	14	(10)	158
Inventories	(131)	(45)	(14)
Other current assets	(338)	(66)	22
Accounts payable	57	(62)	(107)
Net regulatory assets and liabilities	(86)	307	270
Other current liabilities	35	(9)	97
Pension and other employee benefit obligations	—	(3)	11
Other, net	4	128	—
Net cash provided by operating activities	1,379	1,903	1,954
Investing activities			
Utility capital/construction expenditures	(5,077)	(3,072)	(2,360)
Investments in utility money pool arrangement	(1,337)	(475)	(367)
Repayments from utility money pool arrangement	1,337	475	367
Net cash used in investing activities	(5,077)	(3,072)	(2,360)
Financing activities			
Proceeds (repayments) from short-term borrowings, net	175	(235)	26
Borrowings under utility money pool arrangement	979	422	781
Repayments under utility money pool arrangement	(993)	(432)	(730)
Proceeds from issuance of long-term debt	1,977	1,184	834
Repayments of long-term debt	(250)	—	(250)
Capital contributions from parent	2,176	859	400
Dividends paid to parent	(376)	(616)	(652)
Net cash provided by financing activities	3,688	1,182	409
Net change in cash and cash equivalents	(10)	13	3
Cash, cash equivalents and restricted cash at beginning of period	26	13	10
Cash, cash equivalents and restricted cash at end of period	$ 16	$ 26	$ 13
Supplemental disclosure of cash flow information:			
Cash paid for interest (net of amounts capitalized)	$ (335)	$ (323)	$ (271)
Supplemental disclosure of non-cash investing and financing transactions:			
Accrued property, plant and equipment additions	$ 594	$ 330	$ 248
Inventory transfers to property, plant and equipment	88	75	75
Operating lease right-of-use assets	185	78	18
Allowance for equity funds used during construction	145	75	39

See Notes to Consolidated Financial Statements

PUBLIC SERVICE CO. OF COLORADO AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(amounts in millions, except share and per share)

	Dec. 31	
	2025	2024
Assets		
Current assets		
Cash and cash equivalents	$ 16	$ 26
Accounts receivable, net	480	466
Accounts receivable from affiliates	—	21
Accrued unbilled revenues	356	370
Inventories	277	228
Regulatory assets	170	126
Prepayments and other	520	178
Total current assets	1,819	1,415
Property, plant and equipment, net	27,822	23,341
Other assets		
Regulatory assets	1,603	1,362
Operating lease right-of-use assets	389	268
Other	207	208
Total other assets	2,199	1,838
Total assets	$ 31,840	$ 26,594
Liabilities and Equity		
Current liabilities		
Current portion of long-term debt	$ —	$ 250
Borrowings under utility money pool arrangement	27	41
Short-term debt	260	85
Accounts payable	1,034	700
Accounts payable to affiliates	95	60
Regulatory liabilities	178	139
Taxes accrued	263	277
Accrued interest	101	77
Dividends payable to parent	75	90
Operating lease liabilities	65	94
Other	161	147
Total current liabilities	2,259	1,960
Deferred credits and other liabilities		
Deferred income taxes	2,191	1,904
Regulatory liabilities	2,719	2,630
Asset retirement obligations	473	448
Customer advances	82	99
Pension and employee benefit obligations	66	89
Operating lease liabilities	330	190
Other	138	148
Total deferred credits and other liabilities	5,999	5,508
Commitments and contingencies		
Capitalization		
Long-term debt	10,376	8,391
Common stock — 100 shares authorized of $0.01 par value; 100 shares outstanding at Dec. 31, 2025 and Dec. 31, 2024, respectively	—	—
Additional paid in capital	10,409	8,256
Retained earnings	2,815	2,498
Accumulated other comprehensive loss	(18)	(19)
Total common stockholder's equity	13,206	10,735
Total liabilities and stockholder's equity	$ 31,840	$ 26,594

See Notes to Consolidated Financial Statements

PUBLIC SERVICE CO. OF COLORADO AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMMON STOCKHOLDER'S EQUITY
(amounts in millions, except share data)

	Common Stock					
	Shares	Par Value	Additional Paid In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Common Stockholder's Equity
Balance at Dec. 31, 2022	100	$ —	$ 6,992	$ 2,260	$ (22)	$ 9,230
Net income				695		695
Other comprehensive income					2	2
Common dividends declared to parent				(605)		(605)
Contribution of capital by parent			420			420
Balance at Dec. 31, 2023	100	$ —	$ 7,412	$ 2,350	$ (20)	$ 9,742
Net income				782		782
Other comprehensive income					1	1
Common dividends declared to parent				(634)		(634)
Contribution of capital by parent			844			844
Balance at Dec. 31, 2024	100	$ —	$ 8,256	$ 2,498	$ (19)	$ 10,735
Net income				678		678
Other comprehensive income					1	1
Common dividends declared to parent				(361)		(361)
Contribution of capital by parent			2,153			2,153
Balance at Dec. 31, 2025	100	$ —	$ 10,409	$ 2,815	$ (18)	$ 13,206

See Notes to Consolidated Financial Statements

PUBLIC SERVICE COMPANY of COLORADO
Notes to Consolidated Financial Statements

1. Summary of Significant Accounting Policies

General — PSCo is engaged in the regulated generation, purchase, transmission, distribution and sale of electricity and the regulated purchase, transportation, distribution and sale of natural gas.

PSCo's consolidated financial statements include its wholly-owned subsidiaries. In the consolidation process, all intercompany transactions and balances are eliminated. PSCo has investments in several plants and transmission facilities jointly owned with nonaffiliated utilities.

Investments in certain plants and transmission facilities are jointly owned with nonaffiliated utilities. PSCo's proportionate share of jointly owned facilities is recorded as property, plant and equipment on the consolidated balance sheets, and PSCo's proportionate share of depreciation and other operating costs associated with these facilities is included in its consolidated statements of income.

PSCo's consolidated financial statements are presented in accordance with GAAP. All of PSCo's underlying accounting records also conform to the FERC uniform system of accounts. Certain amounts in the consolidated financial statements or notes have been reclassified for comparative purposes; however, such reclassifications did not affect net income, total assets, liabilities, equity or cash flows.

PSCo has evaluated events occurring after Dec. 31, 2025 up to the date of issuance of these consolidated financial statements. These statements contain all necessary adjustments and disclosures resulting from that evaluation.

Use of Estimates — PSCo uses estimates based on the best information available to record transactions and balances resulting from business operations.

Estimates are used for items such as plant depreciable lives or potential disallowances, AROs, certain regulatory assets and liabilities, tax provisions, uncollectible amounts, environmental costs, unbilled revenues, jurisdictional fuel and energy cost allocations, actuarially determined benefit costs and wildfire contingencies. Recorded estimates are revised when better information becomes available or actual amounts can be determined. Revisions can affect operating results.

Regulatory Accounting — PSCo accounts for income and expense items in accordance with accounting guidance for regulated operations. Under this guidance:

- Certain costs, which would otherwise be charged to expense or other comprehensive income, are deferred as regulatory assets based on the expected ability to recover the costs in future rates.
- Certain credits, which would otherwise be reflected as income or other comprehensive income, are deferred as regulatory liabilities based on the expectation the amounts will be returned to customers in future rates, or because the amounts were collected in rates prior to the costs being incurred.

Estimates and assumptions for recovery of deferred costs and refund of deferred credits are based on specific ratemaking decisions, precedent or other available information. Regulatory assets and liabilities are reversed or amortized consistent with the treatment in the rate setting process.

If changes in the regulatory environment occur, PSCo may no longer be eligible to apply this accounting treatment and may be required to eliminate regulatory assets and liabilities. Such changes could have a material effect on PSCo's results of operations, financial condition and cash flows.

See Note 4 for further information.

Income Taxes — PSCo accounts for income taxes using the asset and liability method, which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the consolidated financial statements. Income taxes are deferred for all temporary differences between pretax financial and taxable income and between the book and tax bases of assets and liabilities utilizing rates that are scheduled to be in effect when the temporary differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in the period that includes the enactment date.

Utility rate regulation has resulted in the recognition of regulatory assets and liabilities related to income taxes. The effects of PSCo's tax rate changes are generally subject to a normalization method of accounting. Therefore, the revaluation of most of its net deferred taxes upon a tax rate reduction results in the establishment of a net regulatory liability, refundable to utility customers over the remaining life of the related assets. PSCo anticipates that a tax rate increase would predominantly result in the establishment of a regulatory asset, subject to an evaluation of whether future recovery is expected.

Tax credits are recorded when earned unless there is a requirement to defer the benefit and amortize over the book depreciable lives of related property, as determined by tax regulations and Xcel Energy tax elections. For tax credits eligible to be recognized when earned, Xcel Energy considers the impact of rate regulation to determine if these credits and related adjustments should be deferred as regulatory assets or liabilities.

Deferred tax assets are reduced by a valuation allowance if it is more likely than not that some portion or all of the deferred tax asset will not be realized. This evaluation includes consideration of whether tax credits are expected to be sold at a discount and impact the realization of amounts presented as deferred tax assets. Transferable tax credits are accounted for under ASC 740, *Income Taxes*, and valuation allowances and any adjustments for discounts incurred on sales transactions are recorded to deferred tax expense, typically recovered in regulatory mechanisms.

PSCo measures and discloses uncertain tax positions that it has taken or expects to take in its income tax returns. A tax position is recognized in the consolidated financial statements when it is more likely than not that the position will be sustained upon examination based on the technical merits of the position. Recognition of changes in uncertain tax positions are reflected as a component of income tax expense.

Interest and penalties related to income taxes are reported within other income, net or interest charges in the consolidated statements of income.

Xcel Energy Inc. and its subsidiaries, including PSCo file consolidated federal income tax returns as well as consolidated or separate state income tax returns. Federal income taxes paid by Xcel Energy Inc. are allocated to its subsidiaries based on separate company computations. A similar allocation is made for state income taxes paid by Xcel Energy Inc. in connection with consolidated state filings. Xcel Energy Inc. also allocates its own income tax benefits to its direct subsidiaries.

See Note 7 for further information.

Property, Plant and Equipment and Depreciation in Regulated Operations — Property, plant and equipment is stated at original cost. The cost of plant includes direct labor and materials, contracted work, overhead costs and AFUDC. The cost of plant retired is charged to accumulated depreciation and amortization. Amounts recovered in rates for future removal costs are recorded as regulatory liabilities. Significant additions or improvements extending asset lives are capitalized, while repairs and maintenance costs and replacement of items determined to be less than a unit of property are charged to expense as incurred.

Property, plant and equipment is tested for impairment when it is determined that the carrying value of the assets may not be recoverable. A loss is recognized in the current period if it becomes probable that part of a cost of a plant under construction or recently completed plant will be disallowed for recovery from customers and a reasonable estimate of the disallowance can be made. For investments in property, plant and equipment that are abandoned and not expected to go into service, incurred costs and related deferred tax amounts are compared to the discounted estimated future rate recovery, and a loss is recognized, if necessary.

Depreciation expense is recorded using the straight-line method over the assets' commission approved useful lives. Actuarial life studies are performed and submitted to the state and federal commissions for review. Upon acceptance by the various commissions, the resulting lives and net salvage rates are used to calculate depreciation. Plant removal costs are typically recognized at the amounts recovered in rates as authorized by the applicable regulator. Accumulated removal costs are reflected in the consolidated balance sheet as a regulatory liability. Depreciation expense, expressed as a percentage of average depreciable property, was approximately 3.9% in 2025, 3.8% in 2024 and 3.6% in 2023.

See Note 3 for further information.

AROs — PSCo records AROs as a liability in the period incurred (if fair value can be reasonably estimated), with the offsetting/associated costs capitalized as a long-lived asset. The liability is generally increased over time by applying the effective interest method of accretion and the capitalized costs are typically depreciated over the useful life of the long-lived asset. Changes resulting from revisions to timing or amounts of expected asset retirement cash flows are recognized as an increase or a decrease in the ARO.

See Note 10 for further information.

Leases — PSCo evaluates contracts that may contain leases, including PPAs and arrangements for the use of office space and other facilities, as well as certain contracts for the use of land, vehicles and other equipment. A contract contains a lease if it conveys the exclusive right to control the use of a specific asset. A contract determined to contain a lease is evaluated further to determine whether the arrangement is an operating lease or a finance lease, including an assessment of whether the contract requires payments for substantially all of the value of the leased asset or whether the term of the contract is for substantially all of the expected remaining economic life of the leased asset, among other criteria for finance lease classification.

See Note 10 for further information.

Benefit Plans and Other Postretirement Benefits — PSCo maintains pension and postretirement benefit plans for eligible employees. Recognizing the cost of providing benefits and measuring the projected benefit obligation of these plans requires management to make various assumptions and estimates.

Certain unrecognized actuarial gains and losses and unrecognized prior service costs or credits are deferred as regulatory assets and liabilities, rather than recorded as other comprehensive income, based on regulatory recovery mechanisms.

See Note 9 for further information.

Environmental Costs — Environmental costs are recorded when it is probable PSCo is liable for remediation costs and the amount can be reasonably estimated. Costs are deferred as a regulatory asset if it is probable that the costs will be recovered from customers in future rates. Otherwise, the costs are expensed. For certain environmental costs related to facilities currently in use, such as for emission-control equipment, the cost is capitalized and depreciated over the life of the plant.

Estimated remediation costs are regularly adjusted as estimates are revised and remediation is performed. If other participating potentially responsible parties exist and acknowledge their potential involvement with a site, costs are estimated and recorded only for PSCo's expected share of the cost.

Estimated future expenditures to restore sites are generally treated as a capitalized cost of plant retirement. The depreciation expense levels recoverable in rates include a provision for removal expenses. Removal costs recovered in rates before the related costs are incurred are classified as a regulatory liability. When separate mechanisms are expected to provide cost recovery or when changes in projected costs occur near the end of a facility's useful life, regulatory accounting may be applied.

See Note 10 for further information.

Revenue from Contracts with Customers — Performance obligations related to the sale of energy are satisfied as energy is delivered to customers. PSCo recognizes revenue that corresponds to the price of the energy delivered to the customer. The measurement of energy sales to customers is generally based on the reading of their meters, which occurs systematically throughout the month. At the end of each month, amounts of energy delivered to customers since the date of the last meter reading are estimated, and the corresponding unbilled revenue is recognized.

A separate financing component of collections from customers is not recognized as contract terms are short-term in nature. Revenues are net of any excise or sales taxes or fees.

PSCo recognizes physical sales to customers (native load and wholesale) on a gross basis in electric revenues and cost of sales. PSCo participates in SPP WEIS. Revenues for short-term physical wholesale sales of excess energy transacted through the imbalance market are recorded on a gross basis. Other revenues and charges settled/facilitated through SPP WEIS are recorded on a net basis in cost of sales.

PSCo has various rate-adjustment mechanisms that provide for the recovery of natural gas, electric fuel and purchased energy costs. Cost-adjustment tariffs may increase or decrease the level of revenue collected from customers and are revised periodically for differences between the total amount collected under the clauses and the costs incurred.

When applicable, fuel cost over-recoveries (the excess of fuel revenue billed to customers over fuel costs incurred) are deferred as regulatory liabilities and under-recoveries (the excess of fuel costs incurred over fuel revenues billed to customers) are deferred as regulatory assets.

See Note 6 for further information.

Cash and Cash Equivalents — PSCo considers investments in instruments with a remaining maturity of three months or less at the time of purchase to be cash equivalents.

Accounts Receivable and Allowance for Bad Debts — Accounts receivable are stated at the actual billed amount net of an allowance for bad debts. PSCo establishes an allowance for uncollectible receivables based on a policy that reflects its expected exposure to the credit risk of customers.

As of Dec. 31, 2025 and 2024, the allowance for bad debts was $38 million and $50 million, respectively.

Inventory — Inventory is recorded at the lower of average cost or net realizable value and consisted of the following:

(Millions of Dollars)	Dec. 31, 2025	Dec. 31, 2024
Inventories		
Materials and supplies	$ 136	$ 99
Fuel	64	62
Natural gas	77	67
Total inventories	$ 277	$ 228

Fair Value Measurements — PSCo presents cash equivalents, interest rate derivatives, commodity derivatives and pension and postretirement plan assets at estimated fair values in its consolidated financial statements.

For interest rate derivatives, quoted prices based primarily on observable market interest rate curves are used to estimate fair value. For commodity derivatives, the most observable inputs available are generally used to determine the fair value of each contract. In the absence of a quoted price, quoted prices for similar contracts or internally prepared valuation models may be used to determine fair value.

For the pension and postretirement plan assets, published trading data and pricing models, generally using the most observable inputs available, are utilized to determine fair value for each security.

See Notes 8 and 9 for further information.

Derivative Instruments — PSCo uses derivative instruments in connection with its commodity trading activities, and to manage risk associated with changes in interest rates and utility commodity prices, including forward contracts, futures, swaps and options. Derivatives that have not been designated or do not qualify for the normal purchases and normal sales exception are recorded on the consolidated balance sheets at fair value as derivative instruments. Classification of changes in fair value for those derivative instruments is dependent on the designation of a qualifying hedging relationship.

Changes in fair value of derivative instruments not designated in a qualifying hedging relationship are reflected in current earnings or as a regulatory asset or liability. Classification as a regulatory asset or liability is based on commission approved regulatory recovery mechanisms.

Gains or losses on commodity trading transactions are recorded as a component of electric operating revenues.

Normal Purchases and Normal Sales — PSCo enters into contracts for purchases and sales of commodities for use and sale in its operations. At inception, contracts are evaluated to determine whether they contain a derivative, and if so, whether they may be exempted from derivative accounting if designated as normal purchases or normal sales.

See Note 8 for further information.

Commodity Trading Operations — All applicable gains and losses related to commodity trading activities are shown on a net basis in electric operating revenues in the consolidated statements of income.

Commodity trading activities are not associated with energy produced from PSCo's generation assets or energy and capacity purchased to serve native load. Commodity trading contracts are recorded at fair market value and commodity trading results include the impact of all margin-sharing mechanisms.

See Note 8 for further information

Other Utility Items

AFUDC — AFUDC represents the cost of capital used to finance utility construction activity and is computed by applying a composite financing rate to qualified CWIP. The amount of AFUDC capitalized as a utility construction cost is credited to other nonoperating income (for equity capital) and interest charges (for debt capital). AFUDC amounts capitalized are included in PSCo's rate base.

Alternative Revenue — Certain rate rider mechanisms (including transmission and distribution cost recovery and DSM programs) qualify as alternative revenue programs. These mechanisms arise from instances in which the regulator authorizes a future surcharge in response to past activities or completed events. When certain criteria are met, including expected collection within 24 months, revenue is recognized, which may include incentives and return on rate base items.

Billing amounts are revised periodically for differences between total amount collected and revenue earned, which may increase or decrease the level of revenue collected from customers. Alternative revenues arising from these programs are presented on a gross basis and disclosed separately from revenue from contracts with customers.

See Note 6 for further information.

Conservation Programs — The costs incurred for DSM programs are deferred if it is probable future revenue will be provided to permit recovery of the incurred cost. Revenues recognized for incentive programs designed for recovery of DSM program costs and/or conservation performance incentives are limited to amounts expected to be collected within 24 months from the annual period in which they are earned.

PSCo's DSM program costs are recovered through rider mechanisms. Regulatory assets are recognized to reflect the amount of costs or earned incentives that have not yet been collected from customers.

Emissions Allowances — Emissions allowances are recorded at cost, including broker commission fees. The inventory accounting model is utilized for all emissions allowances and any sales of these allowances are included in electric revenues.

RECs — Cost of RECs that are utilized for compliance is recorded as electric fuel and purchased power expense. An inventory accounting model is used to account for RECs.

Sales of RECs are recorded in electric revenues on a gross basis. Cost of these RECs and amounts credited to customers under margin-sharing mechanisms are recorded in electric fuel and purchased power expense.

2. Accounting Pronouncements

Recently Adopted

Income Taxes — In December 2023, the FASB issued ASU 2023-09 – *Income Taxes (Topic 740) – Improvements to Income Tax Disclosures*, with new disclosure requirements including presentation of prescribed line items in the ETR reconciliation and disclosures regarding state and local tax payments. PSCo retrospectively implemented this guidance in the year ended Dec. 31, 2025. The adoption impacts were not material.

See Note 7 for further information.

Recently Issued

Government Grants — In December 2025, the FASB issued ASU 2025-10 – *Government Grants (Topic 832)*, which includes amended recognition, measurement, and presentation requirements for asset and income-related grants. The ASU is effective for annual and interim reporting periods beginning after Dec. 15, 2028. PSCo is currently evaluating the new guidance, but adoption impacts are expected to be immaterial.

Disaggregation of Income Statement Expenses — In November 2024, the FASB issued ASU 2024-03 – *Disaggregation of Income Statement Expenses*, which requires disclosure of additional detail for certain categories of income statement expenses. The ASU is effective for annual reporting periods beginning after Dec. 15, 2026 and interim reporting periods beginning after Dec. 15, 2027. PSCo is currently evaluating the impact of the new disclosure guidance.

3. Property, Plant and Equipment

Major classes of property, plant and equipment

(Millions of Dollars)	Dec. 31, 2025	Dec. 31, 2024
Property, plant and equipment, net		
Electric plant	$ 20,451	$ 18,033
Natural gas plant	7,222	6,814
Common and other property	1,704	1,616
Plant to be retired [(a)]	929	1,057
CWIP	4,367	2,274
Total property, plant and equipment	34,673	29,794
Less accumulated depreciation	(6,851)	(6,453)
Property, plant and equipment, net	$ 27,822	$ 23,341

(a) Amounts include Comanche Unit 3, Craig Unit 2, Hayden Units 1 and 2. The Dec. 31, 2024 amounts also include coal generation assets at Pawnee (assets were retired in 2025 and the conversion to natural gas is in process). Additionally, 2024 amounts included both Comanche Unit 2 and Craig Unit 1, which had planned retirement dates in 2025. Amounts are presented net of accumulated depreciation.

Joint Ownership of Generation, Transmission and Gas Facilities

Jointly owned assets as of Dec. 31, 2025:

(Millions of Dollars, Except Percent Owned)	Plant in Service	Accumulated Depreciation	Percent Owned
Electric generation:			
Hayden Unit 1	$ 159	$ 126	76 %
Hayden Unit 2	152	99	37
Hayden common facilities	45	36	53
Craig Units 1 and 2	82	60	10
Craig common facilities	40	28	7
Comanche Unit 3	971	233	67
Comanche common facilities	29	6	77
Electric transmission:			
Transmission and other facilities	193	76	Various
Gas transmission:			
Rifle, CO to Avon, CO	31	10	60
Gas transmission compressor	8	3	60
Total [(a)]	$ 1,710	$ 677	

(a) Projects additionally include $16 million in CWIP.

PSCo separately records its share of operating expenses and construction expenditures. Respective owners are responsible for providing their own financing.

4. Regulatory Assets and Liabilities

Regulatory assets and liabilities are created for amounts that regulators may allow to be collected or may require to be paid back to customers in future electric and natural gas rates. PSCo would be required to recognize the write-off of regulatory assets and liabilities in net income or other comprehensive income if changes in the utility industry no longer allow for the application of regulatory accounting guidance under GAAP.

Components of regulatory assets:

(Millions of Dollars)	See Note(s)	Remaining Amortization Period	Dec. 31, 2025		Dec. 31, 2024 [a]	
Regulatory Assets			**Current**	**Noncurrent**	**Current**	**Noncurrent**
Pension and retiree medical obligations	9	Various	$ 12	$ 437	$ 7	$ 464
Net AROs [b]	1, 10	Various	—	319	—	296
Depreciation differences		Various	16	316	16	246
Recoverable deferred taxes on AFUDC		Plant lives	—	193	—	154
Grid modernization costs		Various	—	63	3	26
Excess deferred taxes — TCJA	7	Various	1	51	1	52
Excess liability insurance costs		10 years	—	45	—	6
Conservation programs [c]	1	One to two years	13	17	10	15
Deferred natural gas and electric energy/fuel costs		Less than one year	51	—	48	—
Other		Various	77	162	41	103
Total regulatory assets			$ 170	$ 1,603	$ 126	$ 1,362

(a) Prior period amounts have been reclassified to conform with current year presentation.

(b) Includes amounts recorded for future recovery of AROs.

(c) Includes costs for conservation programs, as well as incentives allowed in certain jurisdictions.

Components of regulatory liabilities:

(Millions of Dollars)	See Note(s)	Remaining Amortization Period	Dec. 31, 2025		Dec. 31, 2024 [a]	
Regulatory Liabilities			**Current**	**Noncurrent**	**Current**	**Noncurrent**
Deferred income tax adjustments and TCJA refunds [b]	7	Various	$ 2	$ 1,165	$ 2	$ 1,214
Plant removal costs	1, 10	Various	—	905	—	850
Renewable resources and environmental initiatives		Various	—	270	—	193
Effects of regulation on employee benefit costs [c]	7	Various	—	247	—	241
ITC deferrals	1	Various	—	53	—	54
Deferred natural gas, electric, steam energy/fuel costs		Less than one year	72	—	78	—
Other		Various	104	79	59	78
Total regulatory liabilities			$ 178	$ 2,719	$ 139	$ 2,630

(a) Prior period amounts have been reclassified to conform with current year presentation.

(b) Includes the revaluation of recoverable/regulated plant accumulated deferred income taxes and revaluation impact of non-plant accumulated deferred income taxes due to the TCJA.

(c) Includes regulatory amortization and certain 2018 TCJA benefits approved by the CPUC to offset the prepaid pension asset.

PSCo's regulatory assets not earning a return include past expenditures of $190 million and $134 million at Dec. 31, 2025 and 2024, respectively, which predominately relate to deferred excess liability insurance costs, purchased natural gas and other miscellaneous costs. Additionally, the unfunded portion of pension and retiree medical obligations and net AROs (i.e., deferrals for which cash has not been disbursed) do not earn a return.

5. Borrowings and Other Financing Instruments

Short-Term Borrowings

PSCo meets its short-term liquidity requirements primarily through the issuance of commercial paper and borrowings under its credit facility and the money pool.

Money Pool — Xcel Energy Inc. and its utility subsidiaries have established a money pool arrangement that allows for short-term investments in and borrowings between the utility subsidiaries. Xcel Energy Inc. may make investments in the utility subsidiaries at market-based interest rates; however, the money pool arrangement does not allow the utility subsidiaries to make investments in Xcel Energy Inc.

Money pool borrowings:

(Millions of Dollars, Except Interest Rates)	Three Months Ended Dec. 31, 2025	Year Ended Dec. 31		
		2025	2024	2023
Borrowing limit	$ 250	$ 250	$ 250	$ 250
Amount outstanding at period end	27	27	41	51
Average amount outstanding	6	37	25	23
Maximum amount outstanding	60	250	250	250
Weighted average interest rate, computed on a daily basis	3.88 %	4.31 %	5.33 %	5.31 %
Weighted average interest rate at end of period	3.88	3.88	4.58	5.34

Commercial Paper — Commercial paper borrowings:

(Millions of Dollars, Except Interest Rates)	Three Months Ended Dec. 31, 2025	Year Ended Dec. 31 2025	2024	2023
Borrowing limit	$ 1,200	$1,200	$ 700	$ 700
Amount outstanding at period end	260	260	85	320
Average amount outstanding	270	106	71	124
Maximum amount outstanding	725	725	492	454
Weighted average interest rate, computed on a daily basis	4.07 %	4.25 %	5.55 %	5.17 %
Weighted average interest rate at end of period	3.89	3.89	4.58	5.56

Letters of Credit — PSCo uses letters of credit, typically with terms of one year, to provide financial guarantees for certain operating obligations. At Dec. 31, 2025 and 2024, there were $48 million and $31 million of letters of credit outstanding under the credit facility, respectively. The contract amounts of these letters of credit approximate their fair value and are subject to fees.

Credit Facility — In order to use its commercial paper program to fulfill short-term funding needs, PSCo must have a revolving credit facility in place at least equal to the amount of its commercial paper borrowing limit and cannot issue commercial paper in an aggregate amount exceeding available capacity under this credit facility. The credit facility provides short-term financing in the form of notes payable to banks, letters of credit and back-up support for commercial paper borrowings.

Features of PSCo's credit facility:

Debt-to-Total Capitalization Ratio [a]		Amount Facility May Be Increased (millions of dollars)	Additional Periods for Which a One-Year Extension May Be Requested [b]
2025	2024		
44.90 %	45.20 %	$ 170	2

(a) The credit facility has a financial covenant requiring that the debt-to-total capitalization ratio be less than or equal to 65%.

(b) All extension requests are subject to majority bank group approval.

The credit facility has a cross-default provision that provides PSCo would be in default on its borrowings under the facility if PSCo or any of its subsidiaries whose total assets exceed 15% of PSCo's consolidated total assets, default on indebtedness in an aggregate principal amount exceeding $75 million.

If PSCo does not comply with the covenant, an event of default may be declared, and if not remedied, any outstanding amounts due under the facility can be declared due by the lender. As of Dec. 31, 2025, PSCo was in compliance with the financial covenant.

PSCo had the following committed credit facility available as of Dec. 31, 2025 (in millions of dollars):

Credit Facility [a]	Drawn [b]	Available
$ 1,200	$ 308	$ 892

(a) This credit facility matures in December 2029.

(b) Includes letters of credit and outstanding commercial paper.

All credit facility bank borrowings, outstanding letters of credit and outstanding commercial paper reduce the available capacity under the credit facility. PSCo had no direct advances on the facility outstanding at Dec. 31, 2025 and 2024.

Long-Term Borrowings and Other Financing Instruments

Generally, the property of PSCo is subject to the lien of its first mortgage indenture for the benefit of bondholders. Debt premiums, discounts and expenses are amortized over the life of the related debt. The premiums, discounts and expenses for refinanced debt are deferred and amortized over the life of the new issuance.

Long-term debt obligations for PSCo as of Dec. 31 (in millions of dollars):

Financing Instrument	Interest Rate	Maturity Date	2025	2024
First mortgage bonds	2.90 %	May 15, 2025	$ —	$ 250
First mortgage bonds	3.70	June 15, 2028	350	350
First mortgage bonds	1.90	Jan. 15, 2031	375	375
First mortgage bonds	1.875	June 15, 2031	750	750
First mortgage bonds	4.10	June 1, 2032	300	300
First mortgage bonds [a]	5.35	May 15, 2034	400	—
First mortgage bonds [b]	5.35	May 15, 2034	450	450
First mortgage bonds [a]	5.15	Sep 15, 2035	800	—
First mortgage bonds	6.25	Sept. 1, 2037	350	350
First mortgage bonds	6.50	Aug. 1, 2038	300	300
First mortgage bonds	4.75	Aug. 15, 2041	250	250
First mortgage bonds	3.60	Sept. 15, 2042	500	500
First mortgage bonds	3.95	March 15, 2043	250	250
First mortgage bonds	4.30	March 15, 2044	300	300
First mortgage bonds	3.55	June 15, 2046	250	250
First mortgage bonds	3.80	June 15, 2047	400	400
First mortgage bonds	4.10	June 15, 2048	350	350
First mortgage bonds	4.05	Sept. 15, 2049	400	400
First mortgage bonds	3.20	March 1, 2050	550	550
First mortgage bonds	2.70	Jan. 15, 2051	375	375
First mortgage bonds	4.50	June 1, 2052	400	400
First mortgage bonds	5.25	April 1, 2053	850	850
First mortgage bonds [b]	5.75	May 15, 2054	750	750
First mortgage bonds [a]	5.85	May 15, 2055	800	—
Unamortized discount			(42)	(42)
Unamortized debt issuance cost			(82)	(67)
Current maturities			—	(250)
Total long-term debt			$ 10,376	$ 8,391

(a) 2025 financing.

(b) 2024 financing.

Maturities of long-term debt:

(Millions of Dollars)	
2026	$ —
2027	—
2028	350
2029	—
2030	—

Capital Stock — PSCo has authorized the issuance of preferred stock.

Preferred Stock Authorized (Shares)	Par Value of Preferred Stock	Preferred Stock Outstanding (Shares) 2025 and 2024
10,000,000	$ 0.01	—

Dividend Restrictions — PSCo's dividends are subject to the FERC's jurisdiction, which prohibits the payment of dividends out of capital accounts. Dividends are solely to be paid from retained earnings.

6. Revenues

Revenue is classified by the type of goods/services rendered and market/ customer type. PSCo's operating revenues consisted of the following:

	Year Ended Dec. 31, 2025			
(Millions of Dollars)	Electric	Natural Gas	All Other	Total
Major revenue types				
Revenue from contracts with customers:				
Residential	$ 1,381	$ 901	$ 2	$ 2,284
C&I	1,801	377	35	2,213
Other	51	—	1	52
Total retail	3,233	1,278	38	4,549
Wholesale	253	—	—	253
Transmission	110	—	—	110
Other	63	159	—	222
Total revenue from contracts with customers	3,659	1,437	38	5,134
Alternative revenue and other	468	62	—	530
Total revenues	$ 4,127	$ 1,499	$ 38	$ 5,664

	Year Ended Dec. 31, 2024			
(Millions of Dollars)	Electric	Natural Gas	All Other	Total
Major revenue types				
Revenue from contracts with customers:				
Residential	$ 1,358	$ 898	$ 4	$ 2,260
C&I	1,762	373	35	2,170
Other	52	—	—	52
Total retail	3,172	1,271	39	4,482
Wholesale	209	—	—	209
Transmission	98	—	—	98
Other	64	138	—	202
Total revenue from contracts with customers	3,543	1,409	39	4,991
Alternative revenue and other	247	34	—	281
Total revenues	$ 3,790	$ 1,443	$ 39	$ 5,272

	Year Ended Dec. 31, 2023			
(Millions of Dollars)	Electric	Natural Gas	All Other	Total
Major revenue types				
Revenue from contracts with customers:				
Residential	$ 1,295	$ 1,109	$ 19	$ 2,423
C&I	1,816	459	30	2,305
Other	52	—	5	57
Total retail	3,163	1,568	54	4,785
Wholesale	237	—	—	237
Transmission	90	—	—	90
Other	61	132	—	193
Total revenue from contracts with customers	3,551	1,700	54	5,305
Alternative revenue and other	180	34	—	214
Total revenues	$ 3,731	$ 1,734	$ 54	$ 5,519

7. Income Taxes

Total income tax expense from operations differs from the amount computed by applying the statutory federal income tax rate to income before income tax expense.

Effective income tax reconciliation for years ended Dec. 31:

(Millions of Dollars)	2025	2024	2023
Income before income taxes (domestic)	$ 665	$ 807	$ 724
Federal statutory rate impact	140	169	152
(Decreases) increases in tax from:			
Tax credits			
PTCs [a]	(108)	(114)	(105)
Other	(6)	(7)	(8)
Regulatory adjustments [b]			
Plant related excess deferred taxes	(37)	(35)	(35)
AFUDC equity	(31)	(16)	(8)
Other	5	3	4
State income taxes, net of federal tax effect [c]	21	19	24
Other	3	6	5
Income tax (benefit) expense	$ (13)	$ 25	$ 29

	2025	2024	2023
Federal statutory rate	21.0 %	21.0 %	21.0 %
(Decreases) increases in tax from:			
Tax credits			
PTCs [a]	(16.2)	(14.1)	(14.5)
Other	(0.8)	(0.8)	(1.1)
Regulatory adjustments [b]			
Plant related excess deferred taxes	(5.6)	(4.4)	(4.8)
AFUDC equity	(4.7)	(1.9)	(1.1)
Other	0.7	0.5	0.6
State income taxes, net of federal tax effect [c]	3.2	2.4	3.3
Other	0.4	0.4	0.6
Effective income tax rate	(2.0)%	3.1 %	4.0 %

(a) Wind and Solar PTCs (net of transfer discounts) are generally credited to customers (reduction to revenue) and do not materially impact earnings.

(b) Regulatory adjustments primarily relate to the credit of plant related excess deferred taxes to customers for tax rate increases as well as the capitalization of AFUDC equity for book purposes only. Income tax benefits associated with the credit of excess deferred taxes are offset by corresponding revenue reductions.

(c) State and local income taxes are primarily made up of the following jurisdictions: Colorado

Components of income tax expense for the years ended Dec. 31:

(Millions of Dollars)	2025	2024	2023
Current federal tax (benefit) expense	$ (55)	$ 192	$ 182
Current state tax (benefit) expense	(10)	35	28
Deferred federal tax expense (benefit)	18	(190)	(181)
Deferred state tax expense (benefit)	37	(10)	2
Deferred change in unrecognized tax (benefit) expense	(1)	1	1
Deferred ITCs	(2)	(3)	(3)
Total income tax (benefit) expense	$ (13)	$ 25	$ 29

Components of deferred income tax expense as of Dec. 31:

(Millions of Dollars)	2025	2024	2023
Deferred tax expense (benefit) excluding items below	$ 287	$ 10	$ (89)
Adjustments to deferred income taxes for tax credit cash transfers	(145)	(138)	(40)
Amortization and adjustments to deferred income taxes on income tax regulatory assets and liabilities	(87)	(71)	(48)
Tax expense allocated to other comprehensive income and other	(1)	—	(1)
Deferred tax expense (benefit)	$ 54	$ (199)	$ (178)

Components of the net deferred tax liability as of Dec. 31:

(Millions of Dollars)	2025	2024
Deferred tax liabilities:		
Differences between book and tax bases of property	$ 2,568	$ 2,353
Regulatory assets	273	279
Operating lease assets	97	69
Pension expense and other employee benefits	20	22
Other	7	7
Total deferred tax liabilities	$ 2,965	$ 2,730
Deferred tax assets:		
Tax credit carryforward	$ 387	$ 419
Regulatory liabilities	251	280
Operating lease liabilities	97	69
Bad debts	10	13
Deferred fuel costs	6	7
Deferred ITCs	5	5
Tax credit carryforward valuation allowances	(4)	(3)
Rate refund	9	6
Other	13	30
Total deferred tax assets	$ 774	$ 826
Net deferred tax liability	$ 2,191	$ 1,904

Cash received (paid) for income taxes for the years ended Dec. 31:

(Millions of Dollars)	2025	2024	2023
Cash received (paid) for income taxes: federal, net [a]	$ 171	$ (54)	$ (118)
Cash received (paid) for income taxes: Colorado	1	(2)	(8)
Total	$ 172	$ (56)	$ (126)

[a] Includes proceeds from tax credit transfers.

Other Income Tax Matters — Tax credits represent the deferred tax asset that is carried forward.

Tax credit carryforwards as of Dec. 31 were as follows:

(Millions of Dollars)	2025	2024
Federal tax credit carryforwards	$ 376	$ 410
Valuation allowances for federal credit carryforwards	(1)	(3)
State tax credit carryforwards, net of federal detriment [a]	11	9
Valuation allowances for state credit carryforwards, net of federal benefit [b]	(3)	—

[a] State tax credit carryforwards are net of federal detriment of $3 million and $2 million as of Dec. 31, 2025 and 2024, respectively.

[b] Valuation allowances for state tax credit carryforwards were net of federal benefit of $1 million as of Dec. 31, 2025 and 2024, respectively.

Federal carryforward periods expire between 2038 and 2045. State carryforward periods expire between 2026 and 2038.

Unrecognized Tax Benefits

Federal Audit — PSCo is a member of the Xcel Energy affiliated group that files a consolidated federal income tax return. In 2023 the IRS issued its Revenue Agent's Report related to the federal tax loss carryback claim. The Company materially agreed with the report and re-recognized the related benefit in 2023.

Statute of limitations applicable to Xcel Energy's consolidated federal tax returns expire as follows:

Tax Year	Expiration
2022	September 2026

Additionally, the statute of limitations related to federal tax credit carryforwards will remain open until those credits are utilized in subsequent returns.

State Audits — PSCo is a member of the Xcel Energy affiliated group that files consolidated state tax returns based on income in its major operating jurisdictions and various other state income-based tax returns. As of Dec. 31, 2025, PSCo's earliest open tax years (subject to examination by state taxing authorities in its major operating jurisdictions) were as follows:

State	Tax Year(s)	Expiration
Colorado	2014 - 2016	March 2026
Colorado	2021	October 2026

There are currently no state income tax audits in progress.

Unrecognized tax benefit balance may include permanent tax positions, which if recognized would affect the ETR. In addition, the unrecognized tax benefit balance may include temporary tax positions for which deductibility is highly certain, but for which there is uncertainty about the timing. A change in the period of deductibility would not affect the ETR but would accelerate the payment to the taxing authority.

Unrecognized tax benefits - permanent vs temporary:

(Millions of Dollars)	Dec. 31, 2025	Dec. 31, 2024
Unrecognized tax benefit — Permanent tax positions	$ 12	$ 13
Unrecognized tax benefit — Temporary tax positions	—	—
Total unrecognized tax benefit	$ 12	$ 13

Changes in unrecognized tax benefits:

(Millions of Dollars)	2025	2024	2023
Balance at Jan. 1	$ 13	$ 12	$ 13
Additions based on tax positions related to the current year	1	2	2
Reductions for tax positions of prior years	(2)	(1)	(3)
Balance at Dec. 31	$ 12	$ 13	$ 12

Unrecognized tax benefits were reduced by tax benefits associated with NOL and tax credit carryforwards:

(Millions of Dollars)	Dec. 31, 2025	Dec. 31, 2024
NOL and tax credit carryforwards	$ (12)	$ (12)

Payable for interest related to unrecognized tax benefits is partially offset by the interest benefit associated with NOL and tax credit carryforwards. Payables for interest related to unrecognized tax benefits at Dec. 31, 2025, 2024 and 2023 were not material. No penalties were accrued related to unrecognized tax benefits as of Dec. 31, 2025, 2024 or 2023.

8. Fair Value of Financial Assets and Liabilities

Fair Value Measurements

Accounting guidance for fair value measurements and disclosures provides a hierarchical framework for disclosing the observability of the inputs utilized in measuring assets and liabilities at fair value.

- Level 1 — Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. The types of assets and liabilities included in Level 1 are actively traded instruments with observable actual trading prices.
- Level 2 — Pricing inputs are other than actual trading prices in active markets but are either directly or indirectly observable as of the reporting date. The types of assets and liabilities included in Level 2 are typically either comparable to actively traded securities or contracts or priced with models using highly observable inputs.
- Level 3 — Significant inputs to pricing have little or no observability as of the reporting date. The types of assets and liabilities included in Level 3 include those valued with models requiring significant judgment or estimation.

Specific valuation methods include:

Interest rate derivatives — Fair values of interest rate derivatives are based on broker quotes that utilize current market interest rate forecasts.

Commodity derivatives — Methods used to measure the fair value of commodity derivative forwards and options utilize forward prices and volatilities, as well as pricing adjustments for specific delivery locations, and are generally assigned a Level 2 classification. When contracts relate to inactive delivery locations or extend to periods beyond those readily observable on active exchanges, the significance of the use of less observable inputs on a valuation is evaluated and may result in Level 3 classification.

Derivative Activities and Fair Value Measurements

PSCo enters into derivative instruments, including forward contracts, futures, swaps and options, for trading purposes and to manage risk in connection with changes in interest rates and utility commodity prices.

Interest Rate Derivatives — PSCo enters into contracts that effectively fix the interest rate on a specified principal amount of a hypothetical future debt issuance. These financial swaps net settle based on changes in a specified benchmark interest rate, acting as a hedge of changes in market interest rates that will impact specified anticipated debt issuances. These derivative instruments are designated as cash flow hedges for accounting purposes, with changes in fair value prior to occurrence of the hedged transactions recorded as other comprehensive income.

As of Dec. 31, 2025, accumulated other comprehensive loss related to interest rate derivatives included $1 million of net losses expected to be reclassified into earnings during the next 12 months as the hedged transactions impact earnings. As of Dec. 31, 2025, PSCo had no unsettled interest rate swaps outstanding.

Wholesale and Commodity Trading — PSCo conducts various wholesale and commodity trading activities, including the purchase and sale of electric capacity, energy, energy-related instruments and natural gas-related instruments, including derivatives. PSCo is allowed to conduct these activities within guidelines and limitations as approved by its risk management committee, comprised of management personnel not directly involved in the activities governed by this policy.

Results of derivative instrument transactions entered into for trading purposes are presented in the consolidated statements of income as electric revenues, net of any sharing with customers. These activities are not intended to mitigate commodity price risk associated with regulated electric and natural gas operations. Sharing of these margins is determined through state regulatory proceedings as well as the operation of the FERC-approved joint operating agreement.

Commodity Derivatives — PSCo enters into derivative instruments to manage variability of future cash flows from changes in commodity prices in its electric and natural gas operations. This could include the purchase or sale of energy or energy-related products, natural gas to generate electric energy, natural gas for resale, and vehicle fuel.

When PSCo enters into derivative instruments that mitigate commodity price risk on behalf of electric and natural gas customers, the instruments are not typically designated as qualifying hedging transactions. The classification of unrealized losses or gains on these instruments as a regulatory asset or liability, if applicable, is based on approved regulatory recovery mechanisms.

As of Dec. 31, 2025, PSCo had no commodity contracts designated as cash flow hedges.

Gross notional amounts of commodity forwards and options:

(Amounts in Millions) [a][b]	Dec. 31, 2025	Dec. 31, 2024
MWh of electricity	1	1
MMBtu of natural gas	—	19

(a) Not reflective of net positions in the underlying commodities.

(b) Notional amounts for options included on a gross basis, but weighted for the probability of exercise.

Consideration of Credit Risk and Concentrations — PSCo continuously monitors the creditworthiness of counterparties to its interest rate derivatives and commodity derivative contracts prior to settlement and assesses each counterparty's ability to perform on the transactions set forth in the contracts. Impact of credit risk was immaterial to the fair value of unsettled commodity derivatives presented on the consolidated balance sheets.

PSCo often has significant concentrations of credit risk with particular entities or industries in its wholesale, trading and non-trading commodity activities.

As of Dec. 31, 2025, two of PSCo's seven most significant counterparties for these activities, comprising $2 million or 4% of this credit exposure, had investment grade credit ratings from S&P Global Ratings, Moody's Investor Services or Fitch Ratings.

Five of the seven most significant counterparties, comprising $50 million or 81% of this credit exposure, were not rated by these external ratings agencies, but based on PSCo's internal analysis, had credit quality consistent with investment grade.

None of these significant counterparties had credit quality less than investment grade, based on internal analysis.

Seven of these significant counterparties are municipal, cooperative electric entities, RTOs or other utilities.

Credit Related Contingent Features — Contract provisions for derivative instruments that PSCo enters into, including those accounted for as normal purchase and normal sale contracts and therefore not reflected on the consolidated balance sheets, may require the posting of collateral or settlement of the contracts for various reasons, including if PSCo's credit ratings are downgraded below its investment grade credit rating by any of the major credit rating agencies.

As of Dec. 31, 2025 and 2024, there were no derivative liabilities position with such underlying contract provisions.

Certain contracts also may contain cross default provisions that may require the posting of collateral or settlement of the contracts if there was a failure under other financing arrangements related to payment terms or other covenants.

As of Dec. 31, 2025 and 2024 there were approximately $7 million and $6 million of derivative instruments in a liability position with such underlying contract provisions, respectively.

Certain derivative instruments are also subject to contract provisions that contain adequate assurance clauses. These provisions allow counterparties to seek performance assurance, including cash collateral, in the event that PSCo's ability to fulfill its contractual obligations is reasonably expected to be impaired. PSCo had no collateral posted related to adequate assurance clauses in derivative contracts as of Dec. 31, 2025 and 2024.

Recurring Derivative Fair Value Measurements

Changes in the fair value of natural gas commodity derivatives recognized as regulatory assets and liabilities included immaterial net gains and losses for the twelve months ended Dec. 31, 2025 and 2024, and a $13 million loss in fair value of natural gas commodity derivatives recognized as regulatory assets and liabilities for the twelve months ended Dec. 31, 2023. The classification as a regulatory asset or liability is based on commission approved regulatory recovery mechanisms.

(Millions of Dollars)	Pre-Tax Losses Reclassified into Income During the Period from Accumulated Other Comprehensive Loss		Pre-Tax Gains (Losses) Recognized During the Period in Income	
Year Ended Dec. 31, 2025				
Derivatives designated as cash flow hedges				
Interest rate	$ 1	(a)	$ —	
Total	$ 1		$ —	
Other derivative instruments				
Commodity trading	$ —		$ 3	(b)
Natural gas commodity	—		(13)	(c)(d)
Total	$ —		$ (10)	
Year Ended Dec. 31, 2024				
Derivatives designated as cash flow hedges				
Interest rate	$ 1	(a)	$ —	
Total	$ 1		$ —	
Other derivative instruments				
Commodity trading	$ —		$ (18)	(b)
Natural gas commodity	—		(13)	(c)(d)
Total	$ —		$ (31)	
Year Ended Dec. 31, 2023				
Derivatives designated as cash flow hedges				
Interest rate	$ 1	(a)	$ —	
Total	$ 1		$ —	
Other derivative instruments				
Commodity trading	$ —		$ (5)	(b)
Natural gas commodity	—		(16)	(c)(d)
Total	$ —		$ (21)	

(a) Recorded to interest charges.

(b) Recorded to electric revenues. Presented amounts do not reflect non-derivative transactions or margin sharing with customers.

(c) Other than $4 million of 2025 and $3 million of 2024 losses recorded to electric fuel and purchased power, amounts are recorded to cost of natural gas sold and transported. Amounts are subject to cost-recovery mechanisms and reclassified out of income to a regulatory asset, as appropriate.

(d) Relates primarily to option premium amortization.

PSCo had no derivative instruments designated as fair value hedges during the years ended Dec. 31, 2025, 2024 and 2023.

Derivative assets and liabilities measured at fair value on a recurring basis were as follows:

	Dec. 31, 2025						Dec. 31, 2024					
	Fair Value						Fair Value					
(Millions of Dollars)	Level 1	Level 2	Level 3	Fair Value Total	Netting [a]	Total	Level 1	Level 2	Level 3	Fair Value Total	Netting [a]	Total
Current derivative assets												
Other derivative instruments:												
Commodity trading	$ —	$ 6	$ —	$ 6	$ (6)	$ —	$ 2	$ —	$ —	$ 2	$ (1)	$ 1
Natural gas commodity	—	7	—	7	—	7	—	9	—	9	—	9
Total current derivative assets [b]	$ —	$ 13	$ —	$ 13	$ (6)	$ 7	$ 2	$ 9	$ —	$ 11	$ (1)	$ 10
Noncurrent derivative assets												
Other derivative instruments:												
Commodity trading	$ —	$ —	$ —	$ —	$ —	$ —	$ 5	$ 4	$ —	$ 9	$ (3)	$ 6
Total noncurrent derivative assets [b]	$ —	$ —	$ —	$ —	$ —	$ —	$ 5	$ 4	$ —	$ 9	$ (3)	$ 6
Current derivative liabilities												
Other derivative instruments:												
Commodity trading	$ —	$ 7	$ —	$ 7	$ (6)	$ 1	$ 1	$ —	$ —	$ 1	$ (1)	$ —
Natural gas commodity	—	7	—	7	—	7	—	6	—	6	—	6
Total current derivative liabilities [b]	$ —	$ 14	$ —	$ 14	$ (6)	$ 8	$ 1	$ 6	$ —	$ 7	$ (1)	$ 6
Noncurrent derivative liabilities												
Other derivative instruments:												
Commodity trading	$ —	$ —	$ —	$ —	$ —	$ —	$ 2	$ 2	$ —	$ 4	$ (4)	$ —
Total noncurrent derivative liabilities [b]	$ —	$ —	$ —	$ —	$ —	$ —	$ 2	$ 2	$ —	$ 4	$ (4)	$ —

(a) PSCo nets derivative instruments and related collateral on its consolidated balance sheets when supported by a legally enforceable master netting agreement. At Dec. 31, 2025 and 2024, derivative assets and liabilities include no obligations to return cash collateral. At Dec. 31, 2025 and 2024, derivative assets and liabilities include immaterial rights to reclaim cash collateral. Counterparty netting amounts presented exclude settlement receivables and payables and non-derivative amounts that may be subject to the same master netting agreements.

(b) Current derivative assets are included in prepayments and other as of Dec. 31, 2025 and Dec. 31, 2024. Total noncurrent derivative assets are included in other long-term assets as of Dec. 31, 2025 and Dec. 31, 2024. Total current derivative liabilities are included in other current liabilities and total noncurrent derivative liabilities are included within other deferred credits and other liabilities as of Dec. 31, 2025 and Dec. 31, 2024.

In 2023, changes in Level 3 commodity derivatives included $9 million in losses recognized in earnings. There were no changes in Level 3 commodity derivatives as of 2025 and 2024.

Fair Value of Long-Term Debt

As of Dec. 31, other financial instruments for which the carrying amount did not equal fair value:

	2025		2024	
(Millions of Dollars)	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Long-term debt, including current portion	$ 10,376	$ 9,452	$ 8,641	$ 7,515

Fair value of PSCo's long-term debt is estimated based on recent trades and observable spreads from benchmark interest rates for similar securities. Fair value estimates are based on information available to management as of Dec. 31, 2025 and 2024, and given the observability of the inputs, fair values presented for long-term debt were assigned as Level 2.

9. Benefit Plans and Other Postretirement Benefits

Pension and Postretirement Health Care Benefits

Xcel Energy, which includes PSCo, has several noncontributory, qualified, defined benefit pension plans that cover almost all employees. All newly hired or rehired employees participate under the Cash Balance formula, which is based on pay credits using a percentage of annual eligible pay and annual interest credits.

The average annual interest crediting rates for these plans was 4.69, 4.97 and 5.03 percent in 2025, 2024, and 2023, respectively.

Some employees may participate under legacy formulas such as the traditional final average pay or pension equity. Xcel Energy's policy is to fully fund into an external trust the actuarially determined pension costs recognized for ratemaking and financial reporting purposes, subject to the limitations of applicable employee benefit and tax laws.

Xcel Energy's postretirement health care benefit plan is a continuation of certain welfare benefit programs for current employees. A full-time employee's date of hire or a retiree's date of retirement determine eligibility for each of the programs.

Xcel Energy's investment-return assumption considers the expected long-term performance for each of the asset classes in its pension and postretirement health care portfolio. Xcel Energy considers the historical returns achieved by its asset portfolios over long time periods, as well as the long-term projected return levels from investment experts. Xcel Energy Inc. and PSCo continually review pension assumptions.

Pension cost determination assumes a forecasted mix of investment types over the long-term.

- Investment returns in 2025 were above the assumed level of 7.03%.
- Investment returns in 2024 were below the assumed level of 6.53%.
- Investment returns in 2023 were above the assumed level of 6.53%.
- In 2026, PSCo's expected investment-return assumption is 7.03%.

Pension plan and postretirement benefit assets are invested in a portfolio according to Xcel Energy's return, liquidity and diversification objectives to provide a source of funding for plan obligations and minimize contributions to the plan, within appropriate levels of risk. The principal mechanism for achieving these objectives is the asset allocation given the long-term risk, return, correlation and liquidity characteristics of each particular asset class.

There were no significant concentrations of risk in any industry, index, or entity. Market volatility can impact even well-diversified portfolios and significantly affect the return levels achieved by the assets in any year.

State agencies also have issued guidelines to the funding of postretirement benefit costs. These assets are invested in a manner consistent with the investment strategy for the pension plan.

Xcel Energy's ongoing investment strategy is based on plan-specific investment recommendations that seek to minimize potential investment and interest rate risk as a plan's funded status increases over time.

The investment recommendations consider many factors and generally result in a greater percentage of long-duration fixed income securities being allocated to specific plans having relatively higher funded status ratios and a greater percentage of growth assets being allocated to plans having relatively lower funded status ratios.

Plan Assets

For each of the fair value hierarchy levels, PSCo's pension plan assets measured at fair value:

	Dec. 31, 2025 [a]					Dec. 31, 2024 [a]				
(Millions of Dollars)	Level 1	Level 2	Level 3	Measured at NAV	Total	Level 1	Level 2	Level 3	Measured at NAV	Total
Cash equivalents	$ 43	$ —	$ —	$ —	$ 43	$ 47	$ —	$ —	$ —	$ 47
Commingled funds [b]	—	—	—	399	399	—	—	—	385	385
Debt securities	—	304	1	—	305	—	278	2	—	280
Equity securities	8	—	—	—	8	9	—	—	—	9
Partnerships [b]	—	—	—	246	246	—	—	—	247	247
Other	—	4	—	—	4	—	3	—	—	3
Total	$ 51	$ 308	$ 1	$ 645	$ 1,005	$ 56	$ 281	$ 2	$ 632	$ 971

[a] See Note 8 for further information on fair value measurement inputs and methods.

[b] Prior period amounts have been reclassified to conform with current year presentation.

For each of the fair value hierarchy levels, PSCo's proportionate allocation of the total postretirement benefit plan assets that were measured at fair value:

	Dec. 31, 2025 [a]					Dec. 31, 2024 [a]				
(Millions of Dollars)	Level 1	Level 2	Level 3	Measured at NAV	Total	Level 1	Level 2	Level 3	Measured at NAV	Total
Cash equivalents	$ 31	$ —	$ —	$ —	$ 31	$ 31	$ —	$ —	$ —	$ 31
Insurance contracts	—	34	—	—	34	—	35	—	—	35
Commingled funds [b]	—	—	—	59	59	—	—	—	20	20
Debt securities	—	134	—	—	134	—	177	—	—	177
Partnerships [b]	—	—	—	40	40	—	—	—	40	40
Other	—	1	—	—	1	—	—	—	—	—
Total	$ 31	$ 169	$ —	$ 99	$ 299	$ 31	$ 212	$ —	$ 60	$ 303

[a] See Note 8 for further information on fair value measurement inputs and methods.

[b] Prior period amounts have been reclassified to conform with current year presentation.

Immaterial assets were transferred in or out of Level 3 for 2025 and 2024.

Funded Status — Comparisons of the actuarially computed benefit obligation, changes in plan assets and funded status of the pension and postretirement health care plans for PSCo are as follows:

	Pension Benefits		Postretirement Benefits	
(Millions of Dollars)	**2025**	**2024**	**2025**	**2024**
Change in Benefit Obligation:				
Obligation at Jan. 1	$ 1,027	$ 1,071	$ 331	$ 296
Service cost	20	21	—	—
Interest cost	58	56	19	16
Actuarial loss (gain)	9	(37)	12	52
Plan participants' contributions	—	—	8	8
Medicare subsidy reimbursements	—	—	3	—
Benefit payments	(80)	(84)	(43)	(41)
Obligation at Dec. 31	$ 1,034	$ 1,027	$ 330	$ 331
Change in Fair Value of Plan Assets:				
Fair value of plan assets at Jan. 1	$ 971	$ 1,037	$ 303	$ 314
Actual return on plan assets	107	11	29	19
Employer contributions	7	7	2	3
Plan participants' contributions	—	—	8	8
Benefit payments	(80)	(84)	(43)	(41)
Fair value of plan assets at Dec. 31	$ 1,005	$ 971	$ 299	$ 303
Funded status of plans at Dec. 31	$ (29)	$ (56)	$ (31)	$ (28)
Amounts recognized in the Consolidated Balance Sheet at Dec. 31:				
Noncurrent liabilities	(29)	(56)	(31)	(28)
Net amounts recognized	$ (29)	$ (56)	$ (31)	$ (28)

	Pension Benefits		Postretirement Benefits	
Significant Assumptions Used to Measure Benefit Obligations:	**2025**	**2024**	**2025**	**2024**
Discount rate for year-end valuation	5.78 %	5.88 %	5.66 %	5.88 %
Expected average long-term increase in compensation level	4.25 %	4.25 %	N/A	N/A
Mortality table	Pri-2012	Pri-2012	Pri-2012	Pri-2012
Health care costs trend rate — initial: Pre-65	N/A	N/A	7.00 %	7.00 %
Health care costs trend rate — initial: Post-65	N/A	N/A	7.50 %	7.50 %
Ultimate trend assumption — initial: Pre-65	N/A	N/A	4.50 %	4.50 %
Ultimate trend assumption — initial: Post-65	N/A	N/A	4.50 %	4.50 %
Years until ultimate trend is reached	N/A	N/A	8	9

Accumulated benefit obligation for the pension plan was $977 million and $970 million as of Dec. 31, 2025 and 2024, respectively.

Net Periodic Benefit Cost — Net periodic benefit cost (credit), other than the service cost component, is included in other income (expense) in the statements of income.

Components of net periodic benefit cost and amounts recognized in other comprehensive income and regulatory assets and liabilities:

	Pension Benefits			Postretirement Benefits		
(Millions of Dollars)	**2025**	**2024**	**2023**	**2025**	**2024**	**2023**
Service cost	$ 20	$ 21	$ 19	$ —	$ —	$ 1
Interest cost	58	56	58	19	16	16
Expected return on plan assets	(78)	(76)	(76)	(18)	(15)	(15)
Amortization of net loss	6	6	1	4	2	1
Net periodic pension cost	6	7	2	5	3	3
Effects of regulation	(3)	(6)	9	—	—	—
Net benefit cost recognized for financial reporting	$ 3	$ 1	$ 11	$ 5	$ 3	$ 3
Significant Assumptions Used to Measure Costs:						
Discount rate	5.88 %	5.49 %	5.80 %	5.88 %	5.54 %	5.80 %
Expected average long-term increase in compensation level	4.25	4.25	4.25	N/A	N/A	N/A
Expected average long-term rate of return on assets	7.03	6.53	6.53	6.25	5.00	5.00

(Millions of Dollars)	Pension Benefits 2025	Pension Benefits 2024	Postretirement Benefits 2025	Postretirement Benefits 2024
Amounts Not Yet Recognized as Components of Net Periodic Benefit Cost:				
Net loss	$ 351	$ 377	$ 103	$ 105
Prior service credit	(1)	(1)	—	—
Total	$ 350	$ 376	$ 103	$ 105
Amounts Not Yet Recognized as Components of Net Periodic Benefit Cost Have Been Recorded as Follows Based Upon Expected Recovery in Rates:				
Current regulatory assets	$ 11	$ 8	$ 4	$ 1
Noncurrent regulatory assets	339	368	99	104
Total	$ 350	$ 376	$ 103	$ 105
Measurement date	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024

Cash Flows — Funding requirements can be impacted by changes to actuarial assumptions, actual asset levels and other calculations prescribed by the requirements of income tax and other pension-related regulations. Required contributions were made in 2023 - 2026 to meet minimum funding requirements. Total voluntary and required pension funding contributions across all four of Xcel Energy's pension plans were as follows:

- $75 million in January 2026, of which $3 million was attributable to PSCo.
- $125 million in 2025, of which $7 million was attributable to PSCo.
- $100 million in 2024, of which $7 million was attributable to PSCo.
- $50 million in 2023, of which none was attributable to PSCo.

The postretirement health care plans have no funding requirements other than fulfilling benefit payment obligations when claims are presented and approved. Additional cash funding requirements are prescribed by certain state and federal rate regulatory authorities.

Xcel Energy's voluntary postretirement funding contributions were as follows:

- $8 million expected in 2026, of which none is attributable to PSCo.
- $13 million during 2025, of which $2 million was attributable to PSCo.
- $11 million during 2024, of which $3 million was attributable to PSCo.
- $11 million during 2023, of which $3 million was attributable to PSCo.

Targeted asset allocations:

	Pension Benefits 2025	Pension Benefits 2024	Postretirement Benefits 2025	Postretirement Benefits 2024
Long-duration fixed income securities	38 %	38 %	— %	— %
Domestic and international equity securities	30	31	25	25
Alternative investments	19	20	13	11
Short-to-intermediate fixed income securities	11	9	61	61
Cash	2	2	1	3
Total	100 %	100 %	100 %	100 %

The asset allocations above reflect target allocations approved in the calendar year to take effect in the subsequent year.

Plan Amendments — There were no significant plan amendments made in 2025 and 2024 which affected the pension or postretirement benefit obligation.

In 2023, Xcel Energy amended the Xcel Energy Pension Plan and Xcel Energy Inc. Nonbargaining Pension Plan (South) to reduce supplemental social security benefits for all active participants on and after Jan. 1, 2024.

Projected Benefit Payments

PSCo's projected benefit payments:

(Millions of Dollars)	Projected Pension Benefit Payments	Gross Projected Postretirement Health Care Benefit Payments	Expected Medicare Part D Subsidies	Net Projected Postretirement Health Care Benefit Payments
2026	$ 81	$ 33	$ 3	$ 30
2027	82	32	3	29
2028	81	32	3	29
2029	80	31	3	28
2030	79	30	3	27
2031-2035	383	145	15	130

Voluntary Retirement Program

Incremental to amounts presented above for postretirement benefits, Xcel Energy, which includes PSCo, has postemployment costs and obligations for its Voluntary Retirement Program, under which approximately 400 eligible non-bargaining employees retired in the fourth quarter of 2023.

Immaterial unfunded obligations for health plan subsidies and other medical benefits are presented in other current liabilities and noncurrent pension and employee benefit obligations in the consolidated balance sheets as of Dec. 31, 2025 and 2024.

Defined Contribution Plans

Xcel Energy, which includes PSCo, maintains 401(k) and other defined contribution plans that cover most employees. Total expense of these plans for PSCo was approximately $14 million in 2025 and 2024 and $13 million in 2023.

10. Commitments and Contingencies

Legal

PSCo is involved in various litigation matters in the ordinary course of business. The assessment of whether a loss is probable or is a reasonable possibility, and whether the loss or a range of loss is estimable, often involves a series of complex judgments about future events. Management maintains accruals for losses probable of being incurred and subject to reasonable estimation.

Management is sometimes unable to estimate an amount or range of a reasonably possible loss in certain situations, including but not limited to when (1) the damages sought are indeterminate, (2) the proceedings are in the early stages, or (3) the matters involve novel or unsettled legal theories.

In such cases, there is considerable uncertainty regarding the timing or ultimate resolution, including a possible eventual loss. For current proceedings not specifically reported herein, management does not anticipate that the ultimate liabilities, if any, would have a material effect on PSCo's consolidated financial statements. Legal fees are generally expensed as incurred.

Marshall Wildfire Litigation — In December 2021, a wildfire ignited in Boulder County, Colorado (Marshall Fire). On June 8, 2023, the Boulder County Sheriff's Office released its Marshall Fire Investigative Summary and Review and its supporting documents (Sheriff's Report). According to the Sheriff's Report, on Dec. 30, 2021, a fire ignited on a residential property in Boulder, Colorado, located in PSCo's service territory, for reasons unrelated to PSCo's power lines. According to the Sheriff's Report, approximately one hour and 20 minutes after the first ignition, a second fire ignited just south of the Marshall Mesa Trailhead in unincorporated Boulder County, Colorado, also located in PSCo's service territory. According to the Sheriff's Report, the second ignition started approximately 80 to 110 feet away from PSCo's power lines in the area.

PSCo received notice or otherwise became aware of 307 complaints on behalf of at least 4,087 plaintiffs, most of which also named Xcel Energy Inc. and Xcel Energy Services Inc. as additional defendants, relating to the Marshall Fire. The complaints generally alleged that PSCo's equipment ignited the Marshall Fire and asserted various causes of action under Colorado law. In addition to asserting claims against PSCo, Xcel Energy Inc. and Xcel Energy Services Inc., various plaintiffs, including insurance company plaintiffs, asserted claims against certain telecommunications companies (the Telecom Companies). In April 2025, most of the remaining plaintiffs amended their complaints to also assert claims against the Telecom Companies. In June 2025, the Boulder County District Court dismissed Xcel Energy Inc. from the complaints that named that entity as a defendant, due to lack of jurisdiction.

An initial trial on liability issues was scheduled to start in September 2025. Prior to trial, in September 2025, Xcel Energy, Qwest Corporation and Teleport Communications America, LLC reached settlement agreements in principle that resolve all claims asserted by the subrogation insurers, the public entity plaintiffs and individual plaintiffs, and require PSCo to make settlement payments of $640 million. PSCo did not admit any fault, wrongdoing or negligence in connection with these settlement agreements.

As a result of settlements as well as legal and other costs of the matter, PSCo recognized charges to earnings of $287 million and $12 million in the quarterly periods ended Sept. 30 and Dec. 31, 2025, respectively, after consideration of total costs expected to be reimbursed by insurance. As of February 2026, final settlement documentation has been executed with the subrogation insurers, the public entity plaintiffs and nearly all the individual plaintiffs, and nearly all have received payment. If complaints of the remaining individual plaintiffs who have not accepted a settlement or have otherwise stopped prosecuting their claims are not resolved, they may be subject to further litigation.

A remaining estimated liability of $5 million is presented in other current liabilities as of Dec. 31, 2025; no estimated liability was recognized as of Dec. 31, 2024. PSCo records insurance recoveries when it is deemed probable that recovery will occur, and PSCo can reasonably estimate the amount or range. Insurance receivables of $353 million related to settlements are presented in prepayments and other current assets as of Dec. 31, 2025; no such insurance receivables were recognized as of Dec. 31, 2024.

Rate Matters

PSCo is involved in various regulatory proceedings arising in the ordinary course of business. Until resolution, typically in the form of a rate order, uncertainties may exist regarding the ultimate rate treatment for certain activities and transactions. Amounts have been recognized for probable and reasonably estimable losses that may result. Unless otherwise disclosed, any reasonably possible range of loss in excess of any recognized amount is not expected to have a material effect on the consolidated financial statements.

Environmental

New and changing federal and state environmental mandates can create financial liabilities for PSCo, which are normally recovered through the regulated rate process.

Site Remediation

Various federal and state environmental laws impose liability where hazardous substances or other regulated materials have been released to the environment. PSCo may sometimes pay all or a portion of the cost to remediate sites where past activities of their predecessors or other parties have caused environmental contamination.

Environmental contingencies could arise from various situations, including sites of former MGPs; and third-party sites, such as landfills, for which PSCo is alleged to have sent wastes to that site.

MGP, Landfill and Disposal Sites

PSCo is investigating, remediating or performing post-closure actions at two historical MGP, landfill or other disposal sites across its service territory, excluding sites that are being addressed under current coal ash regulations (see below).

PSCo has approximately $5 million of remaining liabilities for resolution of these issues, however, the final outcome and timing are unknown. In addition, there may be regulatory recovery, insurance recovery and/or recovery from other potentially responsible parties, offsetting a portion of costs incurred.

Environmental Requirements — Water and Waste

Coal Ash Regulation — PSCo is subject to the CCR Rule, which imposes requirements for handling, storage, treatment and disposal of coal ash and other solid waste.

In May 2024, final amendments to the CCR Rule were published, widening its scope to include legacy CCR surface impoundments at inactive facilities and previously exempt areas where CCR was placed directly on land at CCR-regulated facilities, including areas of beneficial use.

As a requirement of the CCR Rule, utilities must complete facility evaluations and groundwater sampling around their subject landfills, surface impoundments and certain other areas where coal ash was placed on land.

If certain impacts to groundwater are detected, utilities are required to perform additional groundwater investigations and/or perform corrective actions, beginning with an Assessment of Corrective Measures.

Investigation and/or corrective action related to groundwater impacts are currently underway at certain active and closed coal generating facilities at a current estimated cost of at least $45 million. In addition, PSCo expects to incur $4 million for investigations through 2028 to perform required reporting and assess whether corrective actions are necessary. AROs have been recorded for each of these activities, and amounts are expected to be recoverable through regulatory mechanisms.

PSCo has also identified coal ash that is expected to be required to be removed from certain closed coal-generating facilities at estimated costs totaling approximately $45 million. AROs have been recorded, with the costs expected to be recoverable through regulatory mechanisms.

PSCo continues to perform site investigation activities related to the CCR Rule, which may result in updates to estimated costs as well as identification of additional required corrective actions.

In February 2026, the EPA issued a final rule amending the CCR Legacy rule. The ruling extends deadlines for various regulatory actions and clarifies previous information regarding implementation of the rule. PSCo is still evaluating the final rule, but anticipates impacts to be consistent with prior accruals.

AROs — AROs have been recorded for PSCo's assets.

PSCo's AROs were as follows:

	2025				
(Millions of Dollars)	Jan. 1, 2025	Amounts Incurred (a)	Accretion	Cash Flow Revisions	Dec. 31, 2025
Electric					
Steam, hydro and other production	$ 244	$ 9	$ 10	$ —	$ 263
Wind	48	—	2	—	50
Distribution	18	—	1	—	19
Natural gas					
Transmission and distribution	138	—	7	(4)	141
Total liability	$ 448	$ 9	$ 20	$ (4)	$ 473

(a) Amounts incurred largely pertain to obligations associated with new solar facilities.

	2024				
(Millions of Dollars)	Jan. 1, 2024	Amounts Incurred (a)	Accretion	Cash Flow Revisions	Dec. 31, 2024
Electric					
Steam, hydro and other production	$ 188	$ 38	$ 9	$ 9	$ 244
Wind	46	—	2	—	48
Distribution	17	—	1	—	18
Natural gas					
Transmission and distribution	132	—	6	—	138
Total liability	$ 383	$ 38	$ 18	$ 9	$ 448

(a) Amounts incurred pertain to the CCR coal ash regulations.

Indeterminate AROs — Outside of the recorded asbestos AROs, other plants or buildings may contain asbestos due to the age of many of PSCo's facilities, but no confirmation or measurement of the cost of removal could be determined as of Dec. 31, 2025. Therefore, an ARO has not been recorded for these facilities.

Leases

ROU assets represent PSCo's rights to use leased assets. The present value of future operating lease payments is recognized in current and noncurrent operating lease liabilities. The present value of future finance lease payments is included in other current liabilities and other noncurrent liabilities. These amounts, adjusted for any prepayments or incentives, are recognized as ROU assets. ROU assets for finance leases are included in other noncurrent assets.

Leases with an initial term of 12 months or less are classified as short-term leases and are not recognized on the consolidated balance sheet.

Operating lease ROU assets:

(Millions of Dollars)	Dec. 31, 2025	Dec. 31, 2024
PPAs	$ 587	$ 592
Other	180	106
Gross operating lease ROU assets	767	698
Accumulated amortization	(378)	(430)
Net operating lease ROU assets	$ 389	$ 268

Finance lease ROU assets:

(Millions of Dollars)	Dec. 31, 2025	Dec. 31, 2024
Gas storage facilities	$ 160	$ 160
Gas pipeline	21	21
Gross finance lease ROU assets	181	181
Accumulated amortization	(75)	(70)
Net finance lease ROU assets	$ 106	$ 111

Certain of PSCo's finance lease activities are related to WYCO, a joint venture with CIG, to develop and lease natural gas pipeline and storage facilities. Xcel Energy Inc. has a 50% ownership interest in WYCO. WYCO leases its facilities to CIG, and CIG operates the facilities, providing natural gas storage and transportation services to PSCo under separate service agreements.

PSCo accounts for its Totem natural gas storage service and Front Range pipeline arrangements with CIG and WYCO, respectively, as finance leases.

Commitments under operating and finance leases as of Dec. 31, 2025:

(Millions of Dollars)	PPA [a] [b] Operating Leases	Other Operating Leases	Total Operating Leases	Finance Leases
2026	$ 75	$ 10	$ 85	$ 18
2027	44	19	63	15
2028	33	19	52	15
2029	32	15	47	15
2030	32	12	44	15
Thereafter	58	213	271	305
Total minimum obligation	274	288	562	383
Interest component of obligation	(36)	(131)	(167)	(276)
Present value of minimum obligation	$ 238	$ 157	395	107
Less current portion			(65)	(4)
Noncurrent operating and finance lease liabilities			$ 330	$ 103
Weighted-average remaining lease term in years			11.1	34.9

[a] Amounts do not include PPAs accounted for as executory contracts and/or contingent payments, such as energy payments on renewable PPAs.

[b] PPA operating leases contractually expire at various dates through 2033.

PPA finance lease payments are allocated between interest charges and depreciation and amortization on the consolidated statements of income. PPA operating lease payments are included in electric fuel and purchased power, and expense for other operating leases is included in O&M expense and electric fuel and purchased power.

Components of lease expense:

(Millions of Dollars)	2025	2024	2023
Operating leases			
PPA capacity payments	$ 91	$ 84	$ 89
Other operating leases [a]	15	20	19
Total operating lease expense	$ 106	$ 104	$ 108
Finance leases			
Amortization of ROU assets	$ 4	$ 3	$ 3
Interest expense on lease liability	14	15	15
Total finance lease expense	$ 18	$ 18	$ 18

[a] Includes immaterial short-term lease expense.

Most of PSCo's leases do not contain a readily determinable discount rate. Therefore, the present value of future operating lease payments is generally calculated using the estimated incremental borrowing rate at commencement of each lease (weighted average of 5.4%).

Fuel Contracts

PSCo has entered into various long-term commitments for the purchase and delivery of a significant portion of its coal and natural gas requirements. These contracts expire between 2026 and 2060. PSCo is required to pay additional amounts depending on actual quantities delivered under these agreements.

Estimated minimum purchases under these contracts as of Dec. 31, 2025:

(Millions of Dollars)	Coal	Natural gas supply	Natural gas storage and transportation
2026	$ 105	$ 212	$ 129
2027	47	—	130
2028	7	—	85
2029	—	—	41
2030	—	—	30
Thereafter	—	—	550
Total	$ 159	$ 212	$ 965

VIEs

Under certain PPAs, PSCo purchases power from IPPs for which PSCo is required to reimburse fuel costs, or to participate in tolling arrangements under which PSCo procures the natural gas required to produce the energy that it purchases. PSCo has determined that certain IPPs are VIEs, however PSCo is not subject to risk of loss from the operations of these entities, and no significant financial support is required other than contractual payments for energy and capacity.

PSCo evaluated each of these VIEs for possible consolidation, including review of qualitative factors such as the length and terms of the contract, control over O&M, control over dispatch of electricity, historical and estimated future fuel and electricity prices and financing activities. PSCo concluded that these entities are not required to be consolidated in its consolidated financial statements because PSCo does not have the power to direct the activities that most significantly impact the entities' economic performance. PSCo had 932 MW and 1,207 MW of capacity under long-term PPAs at Dec. 31, 2025 and 2024, respectively with entities that have been determined to be VIEs. These agreements have expiration dates through 2033.

11. Other Comprehensive Income

Changes in accumulated other comprehensive loss, net of tax, for the years ended Dec. 31:

	2025		
(Millions of Dollars)	Gains and Losses on Interest Rate Cash Flow Hedges	Defined Benefit Pension and Postretirement Items	Total
Accumulated other comprehensive loss at Jan. 1	$ (18)	$ (1)	$ (19)
Losses reclassified from net accumulated other comprehensive loss:			
Interest rate derivatives [a]	1	—	1
Net current period other comprehensive income	1	—	1
Accumulated other comprehensive loss at Dec. 31	$ (17)	$ (1)	$ (18)

[a] Included in interest charges.

(Millions of Dollars)	2024 Gains and Losses on Interest Rate Cash Flow Hedges	2024 Defined Benefit Pension and Postretirement Items	2024 Total
Accumulated other comprehensive loss at Jan. 1	$ (19)	$ (1)	$ (20)
Losses reclassified from net accumulated other comprehensive loss:			
Interest rate derivatives [a]	1	—	1
Net current period other comprehensive income	1	—	1
Accumulated other comprehensive loss at Dec. 31	(18)	(1)	(19)

[a] Included in interest charges.

12. Segment Information

PSCo is a wholly owned subsidiary of Xcel Energy. PSCo's chief operating decision maker, the CEO of Xcel Energy, sets financial performance objectives and budgets and establishes separate targets for regulated electric utility and regulated natural gas utility net income.

The regulated electric utility and regulated natural gas utility segments are managed separately because of inherent differences between activities to serve electric customers and those required to serve natural gas customers, and as the revenue streams are dependent upon regulated rate recovery, which is separately determined for each segment. The CEO assesses financial performance, including quarterly and annual budget-to-actual and year-over-year variances in revenues and expenses, to inform operating decisions, capital investments and cost recovery strategies.

PSCo has the following reportable segments:

- **Regulated Electric Utility** — The regulated electric utility segment generates, purchases, transmits, distributes and sells electricity in Colorado. This segment includes sales for resale and provides wholesale transmission service to various entities in the United States. The regulated electric utility segment also includes PSCo's wholesale commodity and trading operations.
- **Regulated Natural Gas Utility** — The regulated natural gas utility segment purchases, transports, stores, distributes and sells natural gas in portions of Colorado.

Asset and capital expenditure information is not provided for PSCo's reportable segments. As an integrated electric and natural gas utility, PSCo operates significant assets that are not dedicated to a specific business segment.

Reporting assets and capital expenditures by business segment would require arbitrary and potentially misleading allocations, which may not necessarily reflect the assets that would be required for the operation of the business segments on a stand-alone basis.

Certain costs, such as common depreciation, common O&M expenses and interest expense are allocated based on cost causation allocators across each segment. In addition, a general allocator is used for certain general and administrative expenses, including office supplies, rent, property insurance and general advertising.

Other segment expenses, net, for the reportable segments includes conservation and DSM expenses, taxes (other than income taxes), other income, net, intersegment expenses and AFUDC - equity.

Non-segment revenues include steam, appliance repair and non-utility real estate activities. Non-segment net income also includes costs associated with these activities.

Segment information and reconciliations to PSCo's consolidated operating revenues and net income:

(Millions of Dollars)	2025 Regulated electric utility	2025 Regulated natural gas utility	2025 Total segments
Operating revenues [a]	$ 4,127	$ 1,499	$ 5,626
Intersegment revenues	1	11	12
Total segment revenues	4,128	1,510	5,638
Electric fuel and purchased power	1,368	—	1,368
Cost of natural gas sold and transported	—	548	548
O&M expenses	674	284	958
Depreciation and amortization	801	291	1,092
Other segment expenses, net [b]	547	100	647
Interest charges and financing costs	289	84	373
Income tax (benefit) expense	(48)	36	(12)
Net income	$ 497	$ 167	$ 664

Total segment revenues	$ 5,638
Eliminate intersegment revenue	(12)
Non-segment revenues	38
Consolidated operating revenues	$ 5,664
Total segment net income	$ 664
Non-segment net income	14
Consolidated net income	$ 678

[a] Operating revenues include $5 million of other affiliate revenue. See Note 13 for further information.

[b] Other segment expenses, net, for 2025 additionally includes Marshall Wildfire litigation expense.

(Millions of Dollars)	2024 Regulated electric utility	2024 Regulated natural gas utility	2024 Total segments
Operating revenues [a]	$ 3,790	$ 1,443	$ 5,233
Intersegment revenue	1	10	11
Total segment revenues	3,791	1,453	5,244
Electric fuel and purchased power	1,266	—	1,266
Cost of natural gas sold and transported	—	600	600
O&M expenses	634	276	910
Depreciation and amortization	738	247	985
Other segment expenses, net	270	91	361
Interest charges and financing costs	265	78	343
Income tax (benefit) expense	(8)	29	21
Net income	$ 626	$ 132	$ 758

Total segment revenues	$ 5,244
Eliminate intersegment revenue	(11)
Non-segment revenues	39
Consolidated operating revenues	$ 5,272
Total segment net income	$ 758
Non-segment net income	24
Consolidated net income	$ 782

[a] Operating revenues include $5 million of other affiliate revenue. See Note 13 for further information.

(Millions of Dollars)	2023 Regulated electric utility	Regulated natural gas utility	Total segments
Operating revenues [a]	$ 3,731	$ 1,734	$ 5,465
Intersegment revenue	1	—	1
Total segment revenues	3,732	1,734	5,466
Electric fuel and purchased power	1,364	—	1,364
Cost of natural gas sold and transported	—	910	910
O&M expenses	587	261	848
Depreciation and amortization	692	224	916
Other segment expenses, net [b]	338	86	424
Interest charges and financing costs	224	67	291
Income tax (benefit) expense	(2)	37	35
Net income	$ 529	$ 149	$ 678

Total segment revenues	$ 5,466
Eliminate intersegment revenue	(1)
Non-segment revenues	54
Consolidated operating revenues	$ 5,519
Total segment net income	$ 678
Non-segment net loss	17
Consolidated net income	$ 695

(a) Operating revenues include $5 million of other affiliate revenue. See Note 13 for further information.

(b) Other segment expenses, net, for 2023 additionally includes loss on Comanche Unit 3 litigation and workforce reduction expenses.

13. Related Party Transactions

Xcel Energy Services Inc. provides management, administrative and other services for the subsidiaries of Xcel Energy Inc., including PSCo. The services are provided and billed to each subsidiary in accordance with service agreements executed by each subsidiary. PSCo uses services provided by Xcel Energy Services Inc. whenever possible. Costs are charged directly to the subsidiary and are allocated if they cannot be directly assigned.

Xcel Energy, Inc., NSP-Minnesota, NSP-Wisconsin, PSCo and SPS have established a utility money pool arrangement.

See Note 5 for further information.

Significant affiliate transactions among the companies and related parties for the years ended Dec. 31:

(Millions of Dollars)	2025	2024	2023
Operating revenues:			
Other	$ 5	$ 5	$ 5
Operating expenses:			
Other operating expenses — paid to Xcel Energy Services Inc.	737	677	679
Interest expense	6	5	5
Interest income	2	1	2

Accounts receivable and payable with affiliates at Dec. 31:

(Millions of Dollars)	2025 Accounts Receivable	Accounts Payable	2024 Accounts Receivable	Accounts Payable
NSP-Minnesota	$ —	$ 1	$ 7	$ —
NSP-Wisconsin	—	1	—	2
SPS	—	6	—	8
Other subsidiaries of Xcel Energy Inc.	—	87	14	50
	$ —	$ 95	$ 21	$ 60

14. Workforce Reduction

In 2023, Xcel Energy implemented workforce actions to align resources and investments with evolving business and customer needs, and streamline the organization for long-term success.

In September 2023, Xcel Energy announced a voluntary retirement program to a group of eligible non-bargaining employees, with an enhanced retirement package including certain health care and cash benefits for accepted employees. Approximately 400 employees retired under this program in December 2023.

In November 2023, Xcel Energy, Inc. also reduced its non-bargaining workforce by approximately 150 employees through an involuntary severance program.

In the fourth quarter of 2023, Xcel Energy recorded total expense of $72 million related to these workforce actions, of which $20 million was attributable to PSCo. Expenses relate to the estimated cost of future health plan subsidies and other medical benefits for the voluntary retirement program, as well as severance and other employee payouts and legal and other professional fees.

No such activities occurred in 2024 or 2025.

For further information on the estimated obligations for future health plan subsidies and other medical benefits, see Note 9 to the consolidated financial statements.

ITEM 9 — CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A — CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

PSCo maintains a set of disclosure controls and procedures designed to ensure that information required to be disclosed in reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms. In addition, the disclosure controls and procedures ensure that information required to be disclosed is accumulated and communicated to management, including the CEO and CFO, allowing timely decisions regarding required disclosure.

As of Dec. 31, 2025, based on an evaluation carried out under the supervision and with the participation of PSCo's management, including the CEO and CFO, of the effectiveness of its disclosure controls and procedures, the CEO and CFO have concluded that PSCo's disclosure controls and procedures were effective.

Internal Control Over Financial Reporting

No changes in PSCo's internal control over financial reporting occurred during the most recent fiscal quarter ended Dec. 31, 2025 that materially affected, or are reasonably likely to materially affect, PSCo's internal control over financial reporting. PSCo maintains internal control over financial reporting to provide reasonable assurance regarding the reliability of the financial reporting. PSCo has evaluated and documented its controls in process activities, general computer activities, and on an entity-wide level.

During the year and in preparation for issuing its report for the year ended Dec. 31, 2025 on internal controls under section 404 of the Sarbanes-Oxley Act of 2002, PSCo conducted testing and monitoring of its internal control over financial reporting. Based on the control evaluation, testing and remediation performed, PSCo did not identify any material control weaknesses, as defined under the standards and rules issued by the Public Company Accounting Oversight Board, as approved by the SEC and as indicated in PSCo's Management Report on Internal Controls over Financial Reporting, which is contained in Item 8 herein.

This annual report does not include an attestation report of PSCo's independent registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by PSCo's independent registered public accounting firm pursuant to the rules of the SEC that permit PSCo to provide only management's report in this annual report.

ITEM 9B — OTHER INFORMATION

None.

ITEM 9C — DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

Items 10, 11 and 12 of Part III of Form 10-K have been omitted from this report for PSCo in accordance with conditions set forth in general instructions I(1)(a) and (b) of Form 10-K for wholly-owned subsidiaries.

ITEM 10 — DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

ITEM 11 — EXECUTIVE COMPENSATION

ITEM 12 — SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

ITEM 13 — CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information required under this Item is contained in Xcel Energy Inc.'s definitive Proxy Statement for its 2026 Annual Meeting of Shareholders, which is incorporated by reference.

ITEM 14 — PRINCIPAL ACCOUNTANT FEES AND SERVICES

Information required under this Item (aggregate fees billed to us by our principal accountant, Deloitte & Touche LLP (PCAOB ID No. 34)) is contained in Xcel Energy Inc.'s Proxy Statement for its 2026 Annual Meeting of Shareholders, which is incorporated by reference.

PART IV

ITEM 15 — EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

1	Consolidated Financial Statements:
	Management Report on Internal Controls Over Financial Reporting — For the year ended Dec. 31, 2025.
	Report of Independent Registered Public Accounting Firm — Financial Statements
	Consolidated Statements of Income — For each of the three years ended Dec. 31, 2025, 2024 and 2023.
	Consolidated Statements of Comprehensive Income — For each of the three years ended Dec. 31, 2025, 2024 and 2023.
	Consolidated Statements of Cash Flows — For each of the three years ended Dec. 31, 2025, 2024 and 2023.
	Consolidated Balance Sheets — As of Dec. 31, 2025 and 2024.
	Consolidated Statements of Common Stockholder's Equity — For each of the three years ended Dec. 31, 2025, 2024 and 2023.
2	Schedule II — Valuation and Qualifying Accounts and Reserves for each of the years ended Dec. 31, 2025, 2024 and 2023.
3	Exhibits
*	Indicates incorporation by reference
+	Executive Compensation Arrangements and Benefit Plans Covering Executive Officers and Directors

Exhibit Number	Description	Report or Registration Statement	Exhibit Reference
3.01*	Amended and Restated Articles of Incorporation dated July 15, 1998	PSCo Form 10-Q for the quarter ended Sept. 30, 2017	3.01
3.02*	By-Laws of PSCo as Amended and Restated on Jan. 25, 2019	PSCo Form 10-K for the year ended Dec. 31, 2018	3.02
4.01*	Indenture, dated as of Oct. 1, 1993, by and between PSCo and U.S. Bank Trust Company, National Association (as successor to Morgan Guaranty Trust Company of New York), as Trustee, providing for the issuance of First Collateral Trust Bonds	Xcel Energy Inc. Form S-3 dated April 18, 2018	4(d)(3)
4.02*	Supplemental Indenture No. 17, dated as of Aug. 1, 2007, by and between PSCo and U.S. Bank Trust Company, National Association (as successor to U.S. Bank National Association), as Trustee, creating $350 million of 6.25% First Mortgage Bonds, Series No. 17 due Sept. 1, 2037	PSCo Form 8-K dated Aug. 8, 2007	4.01
4.03*	Supplemental Indenture No. 18, dated as of Aug. 1, 2008, by and between PSCo and U.S. Bank Trust Company, National Association (as successor to U.S. Bank National Association, as Trustee, creating $300 million aggregate principal amount of 6.50% First Mortgage Bonds, Series No. 19 due Aug. 1, 2038	PSCo Form 8-K dated Aug. 6, 2008	4.01
4.04*	Supplemental Indenture No. 21, dated as of Aug. 1, 2011, by and between PSCo and U.S. Bank Trust Company, National Association (as successor to U.S. Bank National Association), as Trustee, creating $250 million aggregate principal amount of 4.75% First Mortgage Bonds, Series No. 22 due Aug. 15, 2041	PSCo Form 8-K dated Aug. 9, 2011	4.01
4.05*	Supplemental Indenture No. 22, dated as of Sept. 1, 2012, between PSCo and U.S. Bank Trust Company, National Association (as successor to U.S. Bank National Association), as Trustee, creating $500 million aggregate principal amount of 3.60% First Mortgage Bonds, Series No. 24 due Sept. 15, 2042	PSCo Form 8-K dated Sept. 11, 2012	4.01
4.06*	Supplemental Indenture No. 23, dated as of March 1, 2013, by and between PSCo and U.S. Bank Trust Company, National Association (as successor to U.S. Bank National Association), as Trustee, creating $250 million aggregate principal amount of 2.50% First Mortgage Bonds, Series No. 25 due March 15, 2023 and $250 million aggregate principal amount of 3.95% First Mortgage Bonds, Series No. 26 due March 15, 2043	PSCo Form 8-K dated March 26, 2013	4.01
4.07*	Supplemental Indenture No. 24, dated as of March 1, 2014, by and between PSCo and U.S. Bank Trust Company, National Association (as successor to U.S. Bank National Association), as Trustee, creating $300 million aggregate principal amount of 4.30% First Mortgage Bonds, Series No. 27 due March 15, 2044	PSCo Form 8-K dated March 10, 2014	4.01
4.08*	Supplemental Indenture No. 26, dated as of June 1, 2016, by and between PSCo and U.S. Bank Trust Company, National Association (as successor to U.S. Bank National Association), as Trustee, creating $250 million aggregate principal amount of 3.55% First Mortgage Bonds, Series No. 29 due June 15, 2046	PSCo Form 8-K dated June 13, 2016	4.01
4.09*	Supplemental Indenture No. 27, dated as of June 1, 2017, by and between PSCo and U.S. Bank Trust Company, National Association (as successor to U.S. Bank National Association), as Trustee, creating $400 million aggregate principal amount of 3.80% First Mortgage Bonds, Series No. 30 due June 15, 2047	PSCo Form 8-K dated June 19, 2017	4.01
4.10*	Supplemental Indenture No. 28, dated as of June 1, 2018, by and between PSCo and U.S. Bank Trust Company, National Association (as successor to U.S. Bank National Association), as Trustee, creating $350 million aggregate principal amount of 3.70% First Mortgage Bonds, Series No. 31 due June 15, 2028, and $350 million aggregate principal amount of 4.10% First Mortgage Bonds, Series No. 32 due June 15, 2048	PSCo Form 8-K dated June 21, 2018	4.01
4.11*	Supplemental Indenture No. 29, dated as of March 1, 2019, by and between PSCo and U.S. Bank Trust Company, National Association (as successor to U.S. Bank National Association), as Trustee, creating $400 million aggregate principal amount of 4.05% First Mortgage Bonds, Series No. 33 due Sept. 15, 2049	PSCo Form 8-K dated March 13, 2019	4.01
4.12*	Supplemental Indenture No. 30, dated as of Aug. 1, 2019, by and between PSCo and U.S. Bank Trust Company, National Association (as successor to U.S. Bank National Association), as Trustee, creating $550 million aggregate principal amount of 3.20% First Mortgage Bonds, Series No. 34 due March 1, 2050	PSCo Form 8-K dated August 13, 2019	4.01
4.13*	Supplemental Indenture No. 31, dated as of May 1, 2020, by and between PSCo and U.S. Bank Trust Company, National Association (as successor to U.S. Bank National Association), as Trustee, creating $375 million aggregate principal amount of 2.70% First Mortgage Bonds, Series No. 35 due Jan. 15, 2051 and $375 million aggregate principal amount of 1.90% First Mortgage Bonds, Series No. 36 due Jan. 15, 2031	PSCo Form 8-K dated May 15, 2020	4.01
4.14*	Supplemental Indenture No. 32, dated as of February 1, 2021, by and between PSCo and U.S. Bank Trust Company, National Association (as successor to U.S. Bank National Association), as Trustee, creating $750 million aggregate principal amount of 1.875% First Mortgage Bonds, Series No. 37 due June 15, 2031	PSCo Form 8-K dated March 1, 2021	4.01
4.15*	Supplemental Indenture No. 33, dated as of May 1, 2022, by and between PSCo and U.S. Bank Trust Company, National Association, as Trustee, creating $300 million aggregate principal amount of 4.10% First Mortgage Bonds, Series No. 38 due June 1, 2032 and $400 million aggregate principal amount of 4.50% First Mortgage Bonds, Series No. 39 due June 1, 2052	PSCo Form 8-K dated May 17, 2022	4.01

4.16*	Supplemental Indenture No. 34, dated as of March 1, 2023, between PSCo and U.S. Bank Trust Company, National Association, as successor Trustee, creating $850 million principal amount of 5.25% First Mortgage Bonds, Series No. 40 due April 1, 2053.	PSCo Form 8-K dated April 3, 2023	4.01
4.17*	Supplemental Indenture dated as of April 1, 2024, between Public Service Company of Colorado and U.S. Bank Trust Company, National Association, as successor Trustee, creating $450 million principal amount of 5.35% First Mortgage Bonds, Series No. 41 due 2034 and $750 million principal amount of 5.75% First Mortgage Bonds, Series No. 42 due 2054.	PSCo Form 8-K dated April 4, 2024	4.01
4.18*	Supplemental Indenture No. 36 dated as of March 1, 2025, between Public Service Company of Colorado and U.S. Bank Trust Company, National Association, as successor Trustee, creating $600 million principal amount of 5.85% First Mortgage Bonds, Series No. 43 due 2055.	PSCo Form 8-K dated March 20, 2025	4.03
4.19*	Supplemental Indenture No. 37 dated as of August 1, 2025, between Public Service Company of Colorado and U.S. Bank Trust Company, National Association, as successor Trustee, creating $800,000,000 million principal amount of 5.15% First Mortgage Bonds, Series No. 44 due 2035.	PSCo Form 8-K dated August 7, 2025	4.03
10.01*+	Xcel Energy Inc. Nonqualified Pension Plan (2009 Restatement)	Xcel Energy Inc. Form 10-K for the year ended Dec. 31, 2008	10.02
10.02*+	Xcel Energy Senior Executive Severance and Change-in-Control Policy (2009 Restatement)	Xcel Energy Inc. Form 10-K for the year ended Dec. 31, 2008	10.05
10.03*+	Second Amendment to Exhibit 10.02 dated Oct. 26, 2011	Xcel Energy Inc. Form 10-K for the year ended Dec. 31, 2011	10.18
10.04*+	Fifth Amendment to Exhibit 10.02 dated May 3, 2016	Xcel Energy Inc. Form 10-Q for the quarter ended June 30, 2016	10.01
10.05*+	Seventh Amendment to Exhibit 10.02 dated May 7, 2018	Xcel Energy Inc. Form 10-Q for the quarter ended June 30, 2018	10.01
10.06*+	Eighth Amendment to Exhibit 10.02 dated March 31, 2020	Xcel Energy Inc. Form 10-Q for the quarter ended March 31, 2020	10.02
10.07*+	Ninth Amendment to Exhibit 10.02 dated May 22, 2020	Xcel Energy Inc. Form 10-Q for the quarter ended June 30, 2020	10.01
10.08*+	Tenth Amendment to Exhibit 10.02 dated May 20, 2024	Xcel Energy Inc. Form 10-K for the year ended Dec. 31, 2024	10.08
10.09*+	Eleventh Amendment to the Xcel Energy Senior Executive Severance and Change in Control Policy	Xcel Energy Inc. Form 10-Q for the quarter ended June 30, 2025	10.01
10.10*+	Twelfth Amendment to the Xcel Energy Senior Executive Severance and Change in Control Policy	Xcel Energy Inc. Form 10-Q for the quarter ended June 30, 2025	10.02
10.11*+	Xcel Energy Inc. Supplemental Executive Retirement Plan as amended and restated Jan. 1, 2009	Xcel Energy Inc. Form 10-K for the year ended Dec. 31, 2008	10.17
10.12*+	Xcel Energy Inc. Nonqualified Deferred Compensation Plan (2009 Restatement)	Xcel Energy Inc. Form 10-K for the year ended Dec. 31, 2008	10.07
10.13*+	First Amendment to Exhibit 10.12 effective Nov. 29, 2011	Xcel Energy Inc. Form 10-K for the year ended Dec. 31, 2011	10.17
10.14*+	Second Amendment to Exhibit 10.12 dated May 21, 2013	Xcel Energy Inc. Form 10-K for the year ended Dec. 31, 2013	10.22
10.15*+	Third Amendment to Exhibit 10.12 dated Sept. 30, 2016	Xcel Energy Inc. Form 10-Q for the quarter ended Sept. 30, 2016	10.01
10.16*+	Fourth Amendment to Exhibit 10.12 dated Oct. 23, 2017	Xcel Energy Inc. Form 10-Q for the quarter ended Sept. 30, 2017	10.1
10.17*+	Xcel Energy Inc. Amended and Restated 2015 Omnibus Incentive Plan	Xcel Energy Inc. Form 10-K for the year ended Dec. 31, 2018	10.34
10.18*+	Form of Award Agreement for Restricted Stock Units and/or Performance Share Units under the Xcel Energy Inc. 2015 Omnibus Incentive Plan for awards between 2020-2023	Xcel Energy Inc. Form 10-K for the year ended Dec. 31, 2019	10.32
10.19*+	Form of Award Agreement for Restricted Stock Units and/or Performance Share Units under the Xcel Energy Inc. 2015 Omnibus Incentive Plan for awards in 2024	Xcel Energy Inc. Form 10-K for the year ended Dec. 31, 2023	10.16
10.20*+	Form of Award Agreement for Retention-Based Restricted Stock Units under the Xcel Energy Inc. Amended and Restated 2015 Omnibus Incentive Plan	Xcel Energy Inc. Form 8-K dated Dec. 10, 2021	10.01
10.21*+	Xcel Energy Inc. Annual Incentive Plan, effective Feb. 21, 2024	Xcel Energy Inc. Form 10-K for the year ended Dec. 31, 2023	10.18
10.22*+	Summary of Non-Employee Director Compensation, effective as of May 24, 2023	Xcel Energy Inc. Form 8-K dated Jan. 20, 2025	10.01
10.23*+	Stock Equivalent Plan for Non-Employee Directors of Xcel Energy Inc. as amended and restated effective Feb. 23, 2011	Xcel Energy Inc. Definitive Proxy Statement dated April 5, 2011	Appendix A
10.24*+	Stock Program for Non-Employee Directors of Xcel Energy Inc. as Amended and Restated on Dec. 12, 2017 under the 2015 Omnibus Incentive Plan	Xcel Energy Inc. Form 10-K for the year ended Dec. 31, 2018	10.36
10.25*+	Xcel Energy Inc. 2024 Equity Incentive Plan	Xcel Energy Inc. Form S-8 dated May 22, 2024	4.03
10.26*+	Xcel Energy Inc. Stock Program for Non-Employee Directors (Effective May 22, 2024) under the 2024 Equity Incentive Plan	Xcel Energy Inc. Form 8-K dated May 22, 2024	10.01
10.27+	Form of Award Agreement for Restricted Stock Units under the Xcel Energy Inc. 2024 Equity Incentive Plan for awards since 2025.		
10.28+	Form of Award Agreement for Performance Stock Units under the Xcel Energy Inc. 2024 Equity Incentive Plan for awards since 2025.		
10.29*+	Form of Award Agreement for Retention-Based Restricted Stock Units under the Xcel Energy Inc. 2024 Equity Incentive Plan	Xcel Energy Inc. Form 8-K dated May 22, 2024	10.03
10.30*+	Form of Award Agreement for Restricted Stock under the Xcel Energy Inc. 2024 Equity Incentive Plan	Xcel Energy Inc. Form 8-K dated May 22, 2024	10.04
10.31*	Form of Services Agreement between Xcel Energy Services Inc. and utility companies	Xcel Energy Inc. Form U5B dated Nov. 16, 2000	H-1

10.32*+	Aircraft Time Sharing Agreement, effective Feb. 25, 2025, between Xcel Energy Services Inc., as Operator, and the Chief Executive Officer of Operator	Xcel Energy Inc. Form 10-K for the year ended Dec. 31, 2024	10.30
10.33+	Xcel Energy Inc. Executive Severance and Change in Control Plan (Effective March 1, 2026)		
10.34*	Fifth Amended and Restated Credit Agreement, dated as of May 6, 2025, among Public Service Company of Colorado, as Borrower, the several lenders from time to time parties thereto, JPMorgan Chase Bank, N.A., as Administrative Agent, Bank of America, N.A. and Barclays Bank PLC, as Syndication Agents, Citibank, N.A., Mizuho Bank, Ltd., Morgan Stanley Senior Funding, Inc., MUFG Bank, Ltd. and Wells Fargo Bank, National Association, as Documentation Agents and the several lenders party thereto.	Xcel Energy Inc. Form 8-K dated May 6, 2025	99.03
23.01	Consent of Independent Registered Public Accounting Firm.		
31.01	Principal Executive Officer's certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.		
31.02	Principal Financial Officer's certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.		
32.01	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.		
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document		
101.SCH	Inline XBRL Schema		
101.CAL	Inline XBRL Calculation		
101.DEF	Inline XBRL Definition		
101.LAB	Inline XBRL Label		
101.PRE	Inline XBRL Presentation		
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)		

SCHEDULE II

Public Service Co. of Colorado and Subsidiaries Valuation and Qualifying Accounts Years Ended Dec. 31

	Allowance for bad debts			NOL and tax credit valuation allowances		
(Millions of Dollars)	2025	2024	2023	2025	2024	2023
Balance at Jan. 1	$ 50	$ 56	$ 54	$ 3	$ 6	$ 6
Additions charged to costs and expenses	30	32	34	9	7	5
Additions charged to other accounts	6 [(a)]	6 [(a)]	5 [(a)]	—	—	—
Deductions from reserves	(48) [(b)]	(44) [(b)]	(37) [(b)]	(8) [(c)]	(10) [(c)]	(5) [(c)]
Balance at Dec. 31	$ 38	$ 50	$ 56	$ 4	$ 3	$ 6

(a) Recovery of amounts previously written-off.

(b) Deductions related primarily to bad debt write-offs.

(c) Primarily reversals of valuation allowances on completed tax credit sales and reductions of valuation allowances for items forecasted to be used prior to expiration.

Item 16 — Form 10-K Summary

None.

Signatures

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this annual report to be signed on its behalf by the undersigned thereunto duly authorized.

PUBLIC SERVICE COMPANY OF COLORADO

Feb. 25, 2026

/s/ BRIAN J. VAN ABEL

Brian J. Van Abel

Executive Vice President, Chief Financial Officer and Director

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities on the date indicated above.

/s/ ROBERT C. FRENZEL

Robert C. Frenzel

Chairman, Chief Executive Officer and Director

(Principal Executive Officer)

/s/ ROBERT S. KENNEY

Robert S. Kenney

President and Director

/s/ BRIAN J. VAN ABEL

Brian J. Van Abel

Executive Vice President, Chief Financial Officer and Director

(Principal Financial Officer)

/s/ MELISSA L. OSTROM

Melissa L. Ostrom

Senior Vice President, Controller

(Principal Accounting Officer)

SUPPLEMENTAL INFORMATION TO BE FURNISHED WITH REPORTS FILED PURSUANT TO SECTION 15(D) OF THE ACT BY REGISTRANTS WHICH HAVE NOT REGISTERED SECURITIES PURSUANT TO SECTION 12 OF THE ACT

PSCo has not sent, and does not expect to send, an annual report or proxy statement to its security holder.