



Colorado State University
5060 Campus Delivery
Fort Collins, Colorado 80523-5060
(970) 491-6303
FAX: (970) 491-7736

July 19, 2007

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

DOCKET NO. 07M – 230e

**IN THE MATTER OF THE COMMISSION ADOPTING POLICIES AS REQUIRED BY
HOUSE BIL 07-1228**

7/13/2007

COMMENTS OF THE COLORADO STATE FOREST SERVICE

The Colorado State Forest Service (CSFS) appreciates the opportunity to comment on the policy development as required by HB 07-1228. This resource is of major importance to Colorado's ecological, economic and social well being. Colorado's forested area is the source of virtually all water for the state and several adjoining states. Wildlife habitat, potential carbon sequestration and climate change issues, recreation, tourism and rural economies depend on the health, vitality, productivity and protection of the vast resource.

CSFS requests that copies of comments and other filings, decisions and orders be provided to the following individuals:

Joseph A. Duda
COLORADO STATE FOREST SERVICE
COLORADO STATE UNIVERSITY
FOOTHILLS 5060 CAMPUS DELIVERY
FORT COLLINS, CO 80523-5060

joseph.duda@colostate.edu

Background Information

With the passage of Amendment 37 and the subsequent passage of HB 1281, a significant push towards the use of renewable energy has occurred. Most of this effort is directed at big wind and solar electricity (photovoltaic). Excellent collaboration is underway between Xcel Energy, Aquilla, the Colorado PUC and numerous wind and solar companies. These are largely represented by CoSeia and Interwest Energy Alliance. This collaboration has led to significant progress towards the legislative intent of the voters and supporters of these industries.

See: **SECTION 1. Legislative Declaration of Intent** from the *2004 Election Bluebook Section on A-37*

There are though, a number of renewable energy resources and industries that have not been developed and utilized to their maximum potential. These include: small wind, biomass for thermal and electrical generation and geothermal for electrical and solar thermal.

CSFS believes that one purpose of HB 1228 is to utilize the combined expertise of the PUC and other industry experts and stakeholders to create industries for these "other renewables".

Colorado forest health issues, including the current Pine Beetle epidemic and the wildfire hazard potential, make the use of biomass essential as one solution for conducting fuels reduction and forest restoration activities. Rural mountain communities are tied directly to their forest resources. Utilizing the material generated from sound forest stewardship work will help reduce per acre treatment costs, improve overall forest health, reduce the potential for catastrophic wildfire, help provide jobs and aid rural economies and in doing so replace fossil fuels with a sustainable and renewable fuel source.

Conclusion

CSFS appreciates the opportunity to help establish new policies that will expand the biomass industry in Colorado. The goal of such policy should be to assist the ability of the smaller but important renewable technologies to gain some market share that becomes sustainable without subsidies or rebates over time. New biomass thermal policies need to be developed that identify and use these components statewide.

Respectfully submitted,

Jeff J. Jahnke
Colorado State Forester