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Sent: Thursday, May 31, 2007 9:34 AM

To: Robin Kittel (robin.kittel@xcelenergy.com); 'joseph.c.taylor@xcelenergy.com'

Subject: CSP, Transmission Planning and Summer Peak Loads

Hi Robin, Hi Joe—Thanks for your time yesterday after the meeting. I wanted to send you some information on Concentrating Solar Power (“CSP”).

There are five key PPT slides attached as well as the Jan 2006 Western Governors Association report, the first half of which is on CSP and the two page fact sheet that I showed you yesterday. There is more information available at <http://www.cleanenergyaction.org/html/csp.html> .

As we think about spending probably hundreds of millions of dollars of ratepayer money on upgraded transmission I would hope that the process could be based on an evaluation of resource factors including:

- Resource potential in MW
- Capacity Factor of the proposed resources
- Ability to displace carbon
- Value of electricity produced (e.g. peak vs. non-peak)
- The need to replace Colorado’s aging coal fired power plants

By considering these factors, we can start to make the best decisions about how to allocate ratepayer dollars in order to achieve the greatest gains for their investment. This should, of course, elevate the standing of the San Luis Valley in the queue.

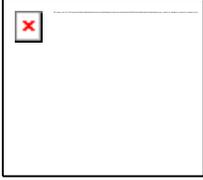
I have also asked some of the CSP developers that I know to contact Joe. They were not very aware of the SB 100 process and of how quickly things are moving. Hopefully you will hear from several of them in the not too distant future.

I have also attached the graphic on “Surface Temperature Variations 1000-2100” that was part of the Intergovernmental Panel on Climate Change (IPCC) Third Climate Change Assessment Report issued in 2001, available from www.ipcc.ch. From this graphic you can see that temperatures are going to be rising and rising severely as we move through this century (unless we are hit by an asteroid or there is nuclear war—both of which would cool the planet off but would, of course, have very dire consequences of their own...). As the temperature goes up (and we melt the Arctic sea ice and lose our source of cool air, which will probably be happening in the next couple of decades) summer heat waves and the resulting summer peak load are likely to rise **very, very** dramatically and the grid will become increasingly difficult to manage in the summertime. This is another reason that CSP is so important—it produces best precisely when the load is highest and your system is most seriously strained. Also, a combination of thermal storage and/or fossil fuel backup can make CSP plants fully dispatchable.

Finally, when the time comes, I would like to work with you on how to work with the San Luis Valley on strengthening the transmission network there. We have some key contacts which could help smooth the process.

Please let me know if you have other questions and thank you for all of your work on this transmission planning effort. It is much appreciated.

Leslie



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