

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

DOCKET NO. 08I-227E

IN THE MATTER OF THE INVESTIGATION OF ELECTRIC ISSUES AND THE
OPENING OF AN INVESTIGATORY DOCKET

**LATE-FILED COMMENTS OF THE GOVERNOR'S ENERGY OFFICE IN
RESPONSE TO COMMISSION'S ORDER IN DECISION NO. C09-0085
REQUESTING COMMENTS**

The Governor's Energy Office (GEO) submits its comments in the above-captioned docket, and respectfully requests that the Commission consider the comments despite being two days late.

The GEO is pleased to provide the Commission with comments on the Commission's Proposed Emergency Rules for Electric Transmission Lines found in Attachment A of Decision No. C09-0085 regarding the Commission's investigation of electric transmission issues. Our comments are aimed at a high level. We have not proposed redlined suggested amendments to the Commission's proposed modifications to the rules.

As an initial matter, the GEO commends the Commission for proposing changes to the transmission rules. Promulgating new rules will further Colorado's progress in creating greater certainty and momentum with the goal of expanding high voltage transmission to Colorado's rich renewable resource generation development areas. GEO supports the Commission's decision to promulgate emergency transmission rules to provide greater certainty in the near term to utilities who apply for certificates of public convenience and necessity (CPCN). GEO also supports a timely permanent rulemaking proceeding to follow the emergency rules.

Wide arrays of entities have reached what many consider to be a consensus that Colorado should modify traditional approaches to transmission planning and development. In so doing, the citizens will see a benefit from the opportunities presented by advancing the New Energy Economy. The GEO hears a steady message from wide variety of stakeholders, including renewable energy developers, utilities, and citizens across the state, that more transmission is needed. We view the interest in promulgating new transmission rules as another critically important step that the Commission is taking to advance the New Energy Economy.

We offer the Commission the following “high level” thoughts for the Commission’s consideration:

- a) The GEO has no disagreement with any of the approaches proposed in the Commission’s Proposed Emergency Rules for Electric Transmission Lines proposed in Attachment A of your Decision No. C09-0085.
- b) Electric utilities and customers benefit when the rules clarify the conditions and information necessary when applying for a CPCN. This would help alleviate the recent experience of the prolonged process with respect to the Pawnee-Smokey Hill line.
- c) Just as the Commission changed its Least Cost Planning Rules in response to legislation in 2007, it is appropriate for the transmission rules to reflect to modifications to transmission resulting from SB07-100, and the information garnered in the SB07-91 Task Force Report on Renewable Resource Generation Development Areas.
- d) Should there be an opportunity to help define a beneficial resource, GEO submits that the Commission ought to consider the Generation Development Areas identified in the SB07-091 Report in that definition.
- e) When defining what constitutes adequacy, GEO submits that the PUC consider rules that would reflect a reasonable correspondence with the life of the transmission asset and assurances that the generation resource served by the transmission asset is not unreasonably subjected to the risks of depletion, intense water consumption, and extreme price volatility.
- f) GEO encourages that the rules require utilities to indicate how their transmission application have been tested through appropriate coordinated transmission planning processes.
- g) Perhaps there is an opportunity for the Commission to harmonize the timing of CPCN applications with planning process timelines.
- h) The topic of what constitutes “need” is of great importance. The GEO would support a “need” definition that incorporates a broader definition than what is traditionally found in regulatory definitions. The definition of “need” should incorporate a long view that captures the benefits of greater environmental quality, and the anticipation of increasing electrification of the economy, including the transportation sector.

Should the Commission determine to proceed with rulemaking, the GEO will participate.

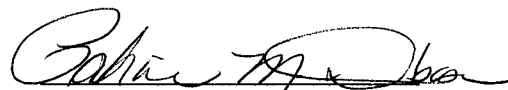
Respectfully submitted this 6th day of February, 2009.

Morey Wolfson
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Governor’s Energy Office

CERTIFICATE OF SERVICE

I hereby certify that on this 6th day of February 2009, the Late-filed Comments of the Governor's Energy Office In Response to the Commission's Order in Decision No. C09-0085 Requesting Comments were e-mailed to each of the following:

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