

Muller Presentation for CIEA at Colorado PUC Workshop on SB100 – 01/12/09

- It's important to have the PUC involved here in transmission.
- The utilities naturally look at their own needs.
- Someone needs to look at the needs of the people of Colorado as a whole.
- This is what the PUC does with generation, with bidding rules and an independent evaluator.
- Help is needed to unclog transmission, so renewables can be developed for Colorado and for exports.
- Other states like Wyoming and New Mexico see this, and are already ahead of us.
- PSCo's SB100 report filed November 24, 2008 describes its transmission planning efforts.
- The only coordinated planning effort identified is the Lamar-Front Range Project.
- The remaining projects are all PSCo-specific projects.
- New renewable generation is being encouraged with the state's New Energy Economy, but is being held back by the lack of coordinated transmission planning and implementation.
- Presently PSCo and Tri-State hold separate stakeholder meetings and look at different planning horizons.
- Neither of these planning efforts seriously considers helping to coordinate the sale of renewable energy from here to other markets.
- The prices in California are so high, it is possible to overcome the extra transportation costs if there is transmission out of Colorado.
- Additional transmission can be encouraged by inviting transcos here, to help finance and build new transmission, just as TransElect is doing in Wyoming.

- **An example of lack of proper coordination with stakeholders is the recent LGIP proposal by Tri-State.**
- **It announced substantial queue reform unilaterally.**
- **Steps like this need to be taken with more consideration of their impact on others and on the potential development of renewables in Colorado.**
- **We appreciate that Tri-State has just modified that proposal in response to our comments, and plans for a stakeholders meeting on February 19.**
- **A lack of needed coordination is also evident related to this Friday's PSCo RFP – TriState's tariffs are so high it's hard for renewables being developed in their territory to compete in the PSCo RFP.**
- **Some of the renewable projects with the highest capacity factors are in Tri-State's territory, but with high tariffs the cost to the user is still very high.**
- **The generators can build their own long transmission lines like FPL did, but this increases the costs of the power.**
- **This all underlines the need for coordinated planning and implementation.**
- **CIEA strongly recommends that the PUC engage an Independent Evaluator to review the current transmission planning and implementation processes here.**
- **An IE would provide balance and objectivity for transmission, just as it does now for generation resource planning here.**
- **We understand an IE is now helping North Carolina with its transmission planning and implementation.**
- **A fresh look is needed with the PUC's help , to unclog the system here.**