



# Comanche Settlement

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**Vice President, Environmental Policy**  
**November 19, 2007**

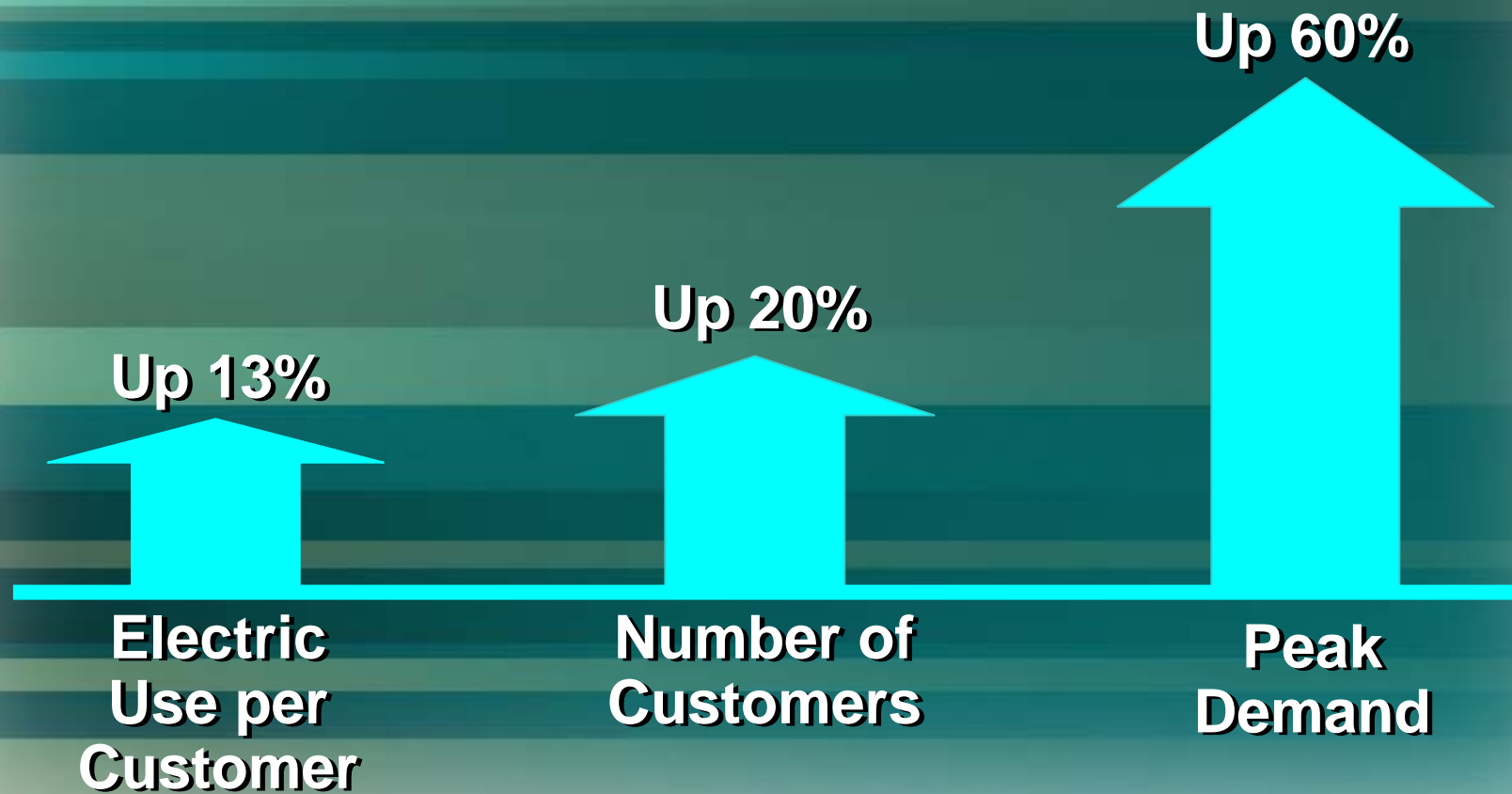
# 2003 Least Cost Plan

- **Customer Demand Growth**
- **Baseload Need**
- **Natural Gas Price Exposure**



# Colorado's Growing Energy Needs

**In Decade Prior to 2003 LCP:**



# Comanche 3 Proposal

- **750 MW Super Critical Pulverized Coal**
  - **PSCo Share 500 MW**
- **Fills Significant Baseload Need**
- **In-service by 2010**



# Comanche Environmental Settlement

## ■ Parties:

- Environmental Defense
- Sierra Club
- Environment Colorado
- Western Resource Advocates
- Better Pueblo
- Southwest Energy Efficiency Project
- Colorado Renewable Energy Society
- Smart Growth Advocates
- Diocese of Pueblo

## ■ Part of Comprehensive PUC Settlement

## ■ Enabled Permitting and Construction of Plant

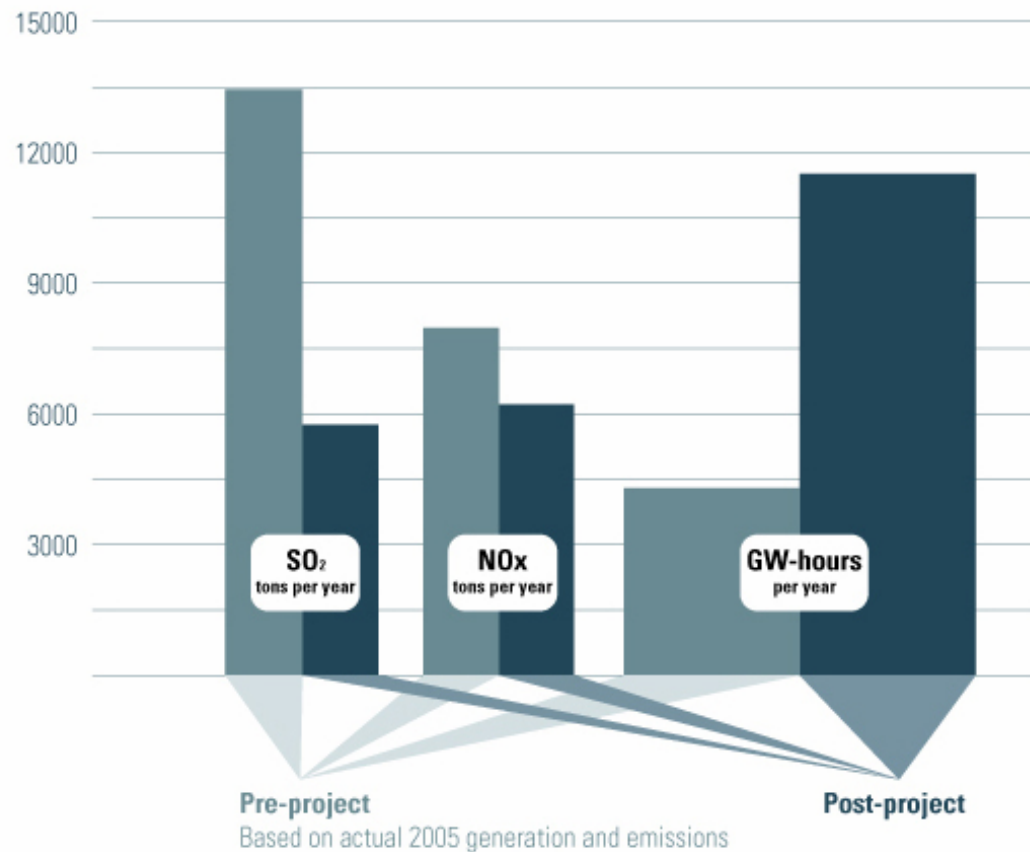
# Environmental Settlement Terms

- **Comanche 3 Emissions Limits (SO<sub>2</sub>, NO<sub>x</sub> and Mercury)**
- **Comanche 1 & 2 Emissions Limits (SO<sub>2</sub>, NO<sub>x</sub> and Mercury)**
- **Carbon Proxy Cost**
- **Energy Efficiency**
- **Renewable Energy**
- **Pueblo Initiatives**



# SO<sub>2</sub> and NO<sub>x</sub> Emissions at Comanche

## Improved Environmental Performance with Comanche 3



**Before & After Project Goes into Effect**

# Air Permit

- **Settling Environmentalists Agreed Not to Oppose**
- **Permit Issued July 2005**
  - **CDPHE Process**
- **Litigation**
  - **District Court Summary Judgment**
  - **Appeal**

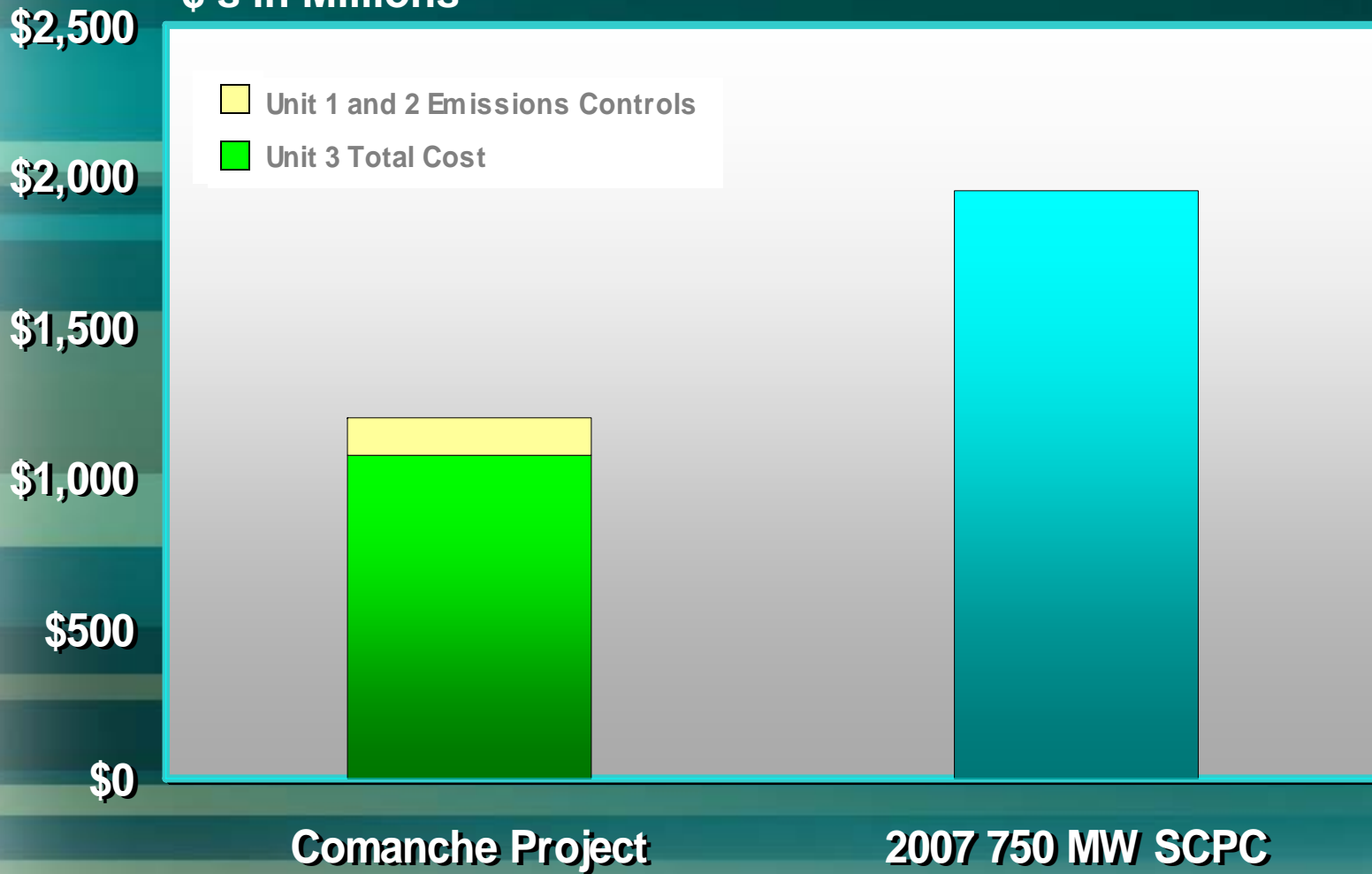
# Value of Settlement

- **Helps Meet Significant Resource Need**
- **Reduces Criteria Pollutant Emissions**
- **Serves as Basis for Clean Energy Initiatives**
  - **2007 Colorado Resource Plan**
- **Saves Customers Money**



# Settlement Cost Savings

\$'s in Millions





Comanche Station Proposed Unit 3

