



NEWS RELEASE

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For immediate release

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PUC Moves Quickly to Respond to Clean Air-Clean Jobs Act

DENVER – The Colorado Public Utilities Commission (PUC) moved quickly today to respond to passage of the Clean Air-Clean Jobs Act.

Two days after signing of HB10-1365 by Gov. Bill Ritter, the PUC opened proceedings to allow parties to intervene and to begin gathering the information needed to implement the new law. The legislation requires Colorado’s investor-owned electric utilities – Xcel Energy and Black Hills Energy – to develop emission reduction plans to meet the current and “reasonably foreseeable” requirements of the federal Clean Air Act and state law, including a 70-80 percent reduction in 2008 nitrogen oxide levels.

The utilities are to give primary consideration to replacing or repowering their coal-fired plants with natural gas, and are also to consider emission control equipment and energy efficiency among other strategies. The plans must cover the lesser of 900 megawatts or 50 percent of the utilities’ coal-fired generation capacity in Colorado.

Utilities must file their plans by Aug. 15, and the PUC must approve, deny or modify the plans by Dec. 15. The plans must be implemented by Dec. 31, 2010.

“This is a very big deal,” PUC Chairman Ron Binz said. “Our decision in this case will affect air quality, consumer prices, and greenhouse gas emissions for years to come. Because the statutory time frames are so compressed, we need to start the information flow now, instead of waiting for the utilities to file their plans.”

In its decision today, the PUC opened two dockets – one for Xcel and one for Black Hills – to be repositories for data and so that interested parties can intervene. The Commission requested the utilities to begin production of documents that will assist in the analysis and evaluation of the plans; such as emission data from each coal plant, feasibility studies for addressing emission controls, pipeline capacities for natural gas, and cost data for use and dispatch of plants.

The PUC also established a tentative procedural schedule, which contemplates hearings in early November, to accommodate the condensed time frames, and established guidelines for participation by other parties in the dockets. The PUC also supported the idea of hiring an outside consultant to provide “cost checks” and a third-party review of the plans.

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