

## NEWS RELEASE

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### **DORA's Office of Consumer Counsel recommends changes to Xcel's Colorado Resource Plan**

DENVER - Colorado's Office of Consumer Counsel ("OCC") filed on Monday testimony with the Public Utilities Commission ("PUC") requesting to incorporate its recommended changes to the Colorado Resource Plan ("CRP") filed by Xcel Energy ("Xcel") in November, 2007. The CRP is Xcel's plan to obtain resources to meet its customers' demand for electricity through the year 2015.

"The OCC generally supports many of Xcel's proposals, including the following: its proposal to reduce the need for new power plants by encouraging energy efficiency; accelerating its acquisition of renewable energy to meet the requirements of the new law while still remaining beneath the 2% bill impact cap; and beginning to implement Governor Ritter's Colorado Climate Action Plan to reduce emission of carbon dioxide ("CO2") by 20% of 2005 levels by the year 2020," said Jim Greenwood, director of the OCC. He added, "Given the OCC's view that the fuel price forecasts used by Xcel did not reflect the likelihood that natural gas prices will rise dramatically over the planning period, we have proposed certain recommended changes to their CRP."

Among the recommended OCC changes are:

- (1) That Xcel make an even stronger push to encourage energy efficiency – which is generally acknowledged to be the least expensive way of meeting customers' energy needs;
- (2) That Xcel accelerate even further its acquisition of renewable resources.

Both of these recommendations will act as a hedge against future rises in fossil fuel prices.

- (3) The OCC recommends that Xcel make every effort to defer the decision to retire the coal generating plants at Arapahoe (in Denver) and repower with a natural gas combined cycle turbine, until the next Xcel CRP to be filed in less than two years.

The OCC's goal in this PUC docket is to modify the CRP in a way that will continue Xcel's ability to provide consumers with safe and reliable service at reasonable costs. The OCC is supportive of keeping the environment clean for future generations and of the Governor's energy policies. As a division within the Department of Regulatory Agencies, the OCC's mission includes protecting consumers, and specifically as to this docket protecting consumers from being overburdened with excessive costs related to this CRP. "It is my opinion that our recommendations can contribute to accomplishing this goal," Greenwood stated.

The PUC will hold hearings on Xcel's CRP from June 23 to July 11, 2008.

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*DORA is dedicated to preserving the integrity of the marketplace and is committed to promoting a fair and competitive business environment in Colorado. Consumer protection is our mission.*