

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO
DOCKET NO. 08I-227E**

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

Interwest Energy Alliance Transmission Principles

The Interwest Energy Alliance (“Interwest”) commends the Commission for opening this emergency rulemaking docket for comment. We strongly support both emergency and comprehensive changes to the Commission’s transmission rules for the reasons stated in our filings and comments in, inter alia, Docket Nos. 07A-421E, 07A-447E, 07M-446E, 08M-521E, 08A-346E.

Inadequate transmission is the most important barriers to more rapid achievement of Colorado’s renewable energy goals. Today’s inadequate transmission system, and lack of coordinated, statewide, long term plans to address that inadequacy prevents Colorado consumers from benefitting from beneficial energy resources—those that save consumers and businesses money on their electric bills.

With the lack of progress to achieve a coordinated plan in 2008, Colorado has slipped from “just in time” transmission planning to “not quite in time” planning, which will prevent beneficial resources from being developed in the next round of resource planning among Colorado utilities. The Commission must act forcefully to address this problem.

For the Commission's consideration, Interwest proposes a set of transmission rule principles that can guide what should be incorporated in the Commission's transmission rules:

1. The Commission's rules should require adequate transmission planning as a prerequisite to filing or approval of a CPCN.
2. The transmission rules should clearly state what needs to be in each CPCN filing, beyond the useful concept of "prudent avoidance" for noise and EMF contained in the existing rules.
3. The Commission's transmission rules should respond to the fundamental change in concept that the legislature mandated in SB 07-100, that transmission be built in advance of need to beneficial resource areas, thus allowing development of generation based on those resources.
4. Beneficial resource areas should be defined as those resource areas in which development of generation can lead to least cost for consumers over the long term.
5. Adequate transmission planning should include long-term plans that cover the period over which transmission facilities are depreciated for accounting purposes.

6. Adequate transmission plans should be coordinated among Colorado utilities to achieve a “one-utility” transmission plan that includes both near-term and long-term transmission for all Colorado utilities.
7. Long-term plans should be based on scenarios that define and describe alternative futures and potentially disruptive events (“Scenario Planning”).
8. Detailed transmission plans for ten- and twenty-year periods should be based on meeting customer needs at least cost, consistent with sustained, orderly development of new renewable resources.
9. Detailed ten- and twenty-year plans should include phasing transmission additions to maintain and create transmission options for the future.
10. A single, statewide transmission plan should support and be coordinated with individual utility resource plans, so Colorado utilities have a full set of generation options to achieve a robust competitive generation acquisition results and geographic and timing diversity to manage risks and achieve the least integration costs.
11. Each transmission plan should address each TOT constraint and each limited transmission path within Colorado and between Colorado and adjoining electric

resource areas, loads, and markets in aid of identifying why such constraints exist, what benefits might flow to consumers from investment to lessen or eliminate constraints, and what transmission planning solutions might apply.

12. Commission rules should clearly state that CPCNs will be required for transmission projects wholly within cooperative territories. Every transmission addition has impacts that can be traced beyond a particular utility's service territory and the commission's rules must acknowledge and regulate these system impacts.

13. All utilities should file their coordinated "one-utility" transmission plan on the schedule indicated in SB 07-100.

14. The commission's rules should define the state's need to be part of an electrical region and give useful guidance about what transmission is "needed" within Colorado, including considerations that define what might be "needed" in Colorado to benefit Colorado consumers at the subregional or regional level within the Western Electricity Coordinating Council ("WECC"). Kansas and Minnesota statutes contain the useful concepts of "regional energy needs, benefits of enhanced regional access, reliability, deliverability, improve robustness of transmission system or lower costs for consumers" that the Colorado commission could include in its rules.

15. All transmission plans should include considerations that minimize environmental and siting conflicts.

16. The commission should consider a coordinated, joint review process for CPCN filings in which the commission and affected local land use jurisdictions require a coordinated filing, create one record, and hold one hearing, from which the respective commission and local land use decisions can be made.

17. The commission should give preference by offering expedited review to CPCN filings that are produced in procedures that employ independent transmission planners.

Respectfully submitted, February 4, 2009.



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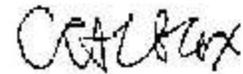
CERTIFICATE OF SERVICE

I hereby certify that on this 4th day of February, 2009, a copy of the Interwest Energy Alliance comments in Docket No. 08I-227E was filed electronically with the PUC, and faxed to the PUC, and the original and seven copies of are being sent by U.S. Postal Service to:

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