BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

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

) DOCKET NO. 08I-227E

PUBLIC SERVICE COMPANY OF COLORADO'S COMMENTS ON THE ISSUES SET FORTH IN DECISION NO. C08-1125

Public Service Company of Colorado ("Public Service") or ("Company") hereby files its comments in response to Decision No. C08-1125 of the Public Utilities Commission ("Commission"), which called for interested stakeholders to comment on the degree to which the following recommendations outlined in the November 1, 2006 Report on the Task Force on Reliable Electricity Infrastructure ("Report") have been completed: 1) implementation of a transmission cost recovery rider; 2) identification of renewable energy zone areas; 3) increased government involvement with groups like the Colorado Coordinated Planning Group ("CCPG"); 4) availability of appropriate adequate funding for the Commission to actively participate in regional forums; and 5) a shortage of specialized electric utility industry workers.¹

Public Service's comments to these issues are as follows:

¹ The Commission also invited comment regarding other issues. Public Service believes it has addressed most of these issues in its Initial Comments (filed July 18, 2008), and Reply Comments (filed August 15, 2008), and does not wish to burden the Commission with duplicative comments.

1. Implementation Of A Transmission Cost Recovery Rider

Subsequent to the issuance of the Report, Senate Bill 07-100 was enacted.² Senate Bill 07-100 provides for various mechanisms to facilitate the development of transmission in Colorado.

Pursuant to Senate Bill 07-100, the Company proposed a transmission cost recovery rider, which the Commission approved in Decision Nos. C07-1085 and C08-0269 in Docket No. 07A-339E, mailed October 24, 2007 and March 14, 2008 respectively. The Company began collecting funds under the rider effective January 1, 2008. The Company files annually to update its transmission cost recovery rider. The last update was filed with the Commission in Advice No. 1520 – Electric on November 3, 2008. It became effective on January 1, 2009. With the implementation of this updated rider, Public Service has been able to implement the recovery of \$17.9 million of total investment in transmission facilities that would have otherwise required a base rate case.

2. Identification Of Renewable Energy Zone Areas

It is the Company's position that the legislature has addressed this Task Force recommendation through the passage of Senate Bill 07-091. Senate Bill 07-091 required the mapping of renewable energy zones. Pursuant to the requirements of Senate Bill 07-091, renewable energy zones (termed "Generation Development Areas" or "GDAs") were identified in a report published by the Task Force on Renewable Resource Generation Development Areas on December 21, 2007. Using this new information, Public Service Company with assistance from Senate Bill 07-100

² This bill has been codified in relevant part at CRS § 40-2-126.

Stakeholders, has increased the number of Energy Resource Zones from four to five, which include all the GDA identified in the Senate Bill 07-91 report. Public Service has identified these five zones as areas in which transmission constraints adversely affect the ability to develop new generation resources, and where there is significant renewable generation potential for wind and solar. Identification of these zones will help the Company anticipate and develop needed transmission.

- 3. <u>Increased Governmental Involvement With Groups Like The Colorado</u> <u>Coordinated Planning Group</u>
- 4. <u>Availability Of Appropriate Adequate Funding For The Public Utilities</u> <u>Commission To Actively Participate In Regional Forums</u>

Ultimately it is for the Commission and state agencies to assess whether their level of involvement and funding is sufficient. However, with respect to these recommendations, the Company notes the following.

Beginning in March 2008, with the implementation of Public Service's Senate Bill 07-100 process for the October 2009 reporting cycle, the Company made a concerted effort to involve interested state agencies and local jurisdictions in the stakeholder process leading to development of the transmission plans filed with the Commission on November 24, 2008 in Docket No. 08M-821E. The Company maintains an electronic contact list that includes personnel in interested state agencies and local jurisdictions located in the identified renewable energy zones throughout the state. The Company used a public stakeholder process where all parties, including interested state agency personnel and local jurisdictions, were notified in advance of transmission planning meetings. Public Service continues to support the participation of the Commission, its Staff, and other governmental agencies in transmission planning activities. Public

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Service also encourages the Commission to participate in regional transmission planning activities such as the Western Electric Coordinating Council and Western Governor's Association.

In addition, the CCPG normally hosts three general stakeholder meeting each year. The Commission has staff members that routinely attend these meetings.

With respect to the issue of funding, Public Service is aware that it is expensive and takes a significant time commitment to cover all of the required transmission meetings. Public Service would note that many groups are now using conference calls or other electronic means of joining a meeting to facilitate participation.

5. A Shortage Of Specialized Electric Utility Industry Workers

Public Service has taken a number of measures to attract more potential workers to the industry. Included among the measures are the following:

- it offers an apprentice program to train workers and equip them with the skills necessary to perform tasks required in jobs offered by the Company;
- employees visit secondary schools across the Company's service territory in an attempt to create interest in the utility industry and careers offered by the Company;
- the Company participates in job fairs held by local organizations to attract potential workers that otherwise might not be aware of occupational opportunities available with the Company;
- the Company offers tuition reimbursement programs that allow employees the flexibility to take advantage of formal education opportunities on both a part-time and full-time basis;

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- the Company internally offers a number of personal development courses designed to improve employee knowledge and expertise; and
- the Company offers career development and mentoring programs to employees who seek advancement opportunities within the Company.

Dated this 21st day of January, 2009.

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Respectfully submitted,

By:

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ATTORNEY FOR PUBLIC SERVICE COMPANY OF COLORADO

CERTIFICATE OF SERVICE

I hereby certify that on the 21st day of January 2009, the original and seven (7) copies of the "PUBLIC SERVICE COMPANY OF COLORADO'S COMMENTS ON THE ISSUES SET FORTH IN DECISION NO. C08-1125" in Docket No. 08I-227E was served via hand delivery on:

Doug Dean, Director The Public Utilities Commission of the State of Colorado 1580 Logan Street, OL-2 Denver, Colorado 80203

and a copy was hand delivered to:

James Greenwood, Director Office of Consumer Counsel 1560 Broadway, Suite 200 Denver, CO 80202

and copies were hand delivered or via U.S. Mail and served via email on all Parties on this service list.

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