
MEMORANDUM

TO: Ms. Geri Santos-Rach, Colorado Public Utilities Commission
FROM: Tara L. Nolan
DATE: June 15, 2009
RE: **Concentric Work as Independent Evaluator and Conflict Check**

I am writing to formally notify the Commission of a potential conflict of interest that arose last week, of which I immediately informed the Company and the Commission liaison via email, and to request Commission guidance as to whether Concentric may undertake an assignment with another client which has some interest in the bid evaluation process in Colorado.

As noted in my email of June 10, 2009, on that date a colleague of mine contacted me to inquire about the Colorado process and whether or not we (Concentric) had on-going involvement. I informed him we did; that the bids were in and evaluated, but we were starting to develop the groups of bids that would move into the next phase of modeling, and that, based on the results of that effort, we have ongoing work to report those results and to do other work as needed by the Commission.

The colleague then reported to me that a standing client of the firm, for whom Concentric has been evaluating potential renewable generation investments on a national basis, has asked him to undertake a due diligence evaluation on certain generation projects, and that at least one of these projects has bid into the PSCo process. I don't know what project it is or whether it is only one. I do know that there are a number of projects in the group that did not bid into the PSCo RFP. I asked my colleague to stop work on any wind projects that did or may have submitted a bid into the PSCo RFP while I did a conflict check. I told him the names of all staff that have worked in any way on the Colorado project to ensure that he would not discuss his assignment with any of them. I can assure you that no one on the other project has been involved in any manner on the PSCo work and the information above is all that I know about this other assignment.

I am writing to ask whether you feel Concentric must bow out of performing due diligence on any projects that are found to have submitted bids into the PSCo process, or whether you would be comfortable if we were to formalize a "firewall" between the staff working on the two assignments. If you are comfortable having Concentric continue its due diligence work on these projects, the information described above would be the end of the shared information.

While I am certain that the other work would not have any impact on how Concentric's IE project team moves forward, I completely understand if there is concern about a perception of a conflict. Any effort that can be made to expedite your deliberation would be much appreciated so that we may get back to the other client in a timely manner. Thank you for your consideration of this matter.