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Tri-State and Xcel Energy to collaborate on southern Colorado transmission development

New power lines to support reliability, growth and renewable energy

Westminster, CO, Oct. 22, 2008 – [Tri-State Generation and Transmission Association](#) and [Xcel Energy](#) will jointly pursue transmission projects in southern Colorado under a Memorandum of Understanding (MOU) recently signed between the two utilities. The projects identified in the agreement would strengthen southern Colorado’s power delivery infrastructure, serve growing electricity needs and provide for the interconnection of new energy resources.

The transmission projects under the agreement were identified through the utilities’ participation in the Colorado Long Range Transmission Planning Group, a consortium of utilities that jointly explores the development of a coordinated transmission network. Tri-State and Xcel Energy will work under the new agreement to determine the feasibility of jointly constructing new southern Colorado transmission projects.

The projects under consideration in the agreement span from the San Luis Valley to Walsenburg and Pueblo County, from Pueblo County to Prowers County in southeastern Colorado, and from Prowers County into eastern Colorado and the Colorado Front Range. The two utilities already share transmission assets in Colorado.

“We’re collaborating to develop long-term solutions to the state’s transmission challenges,” said Joel Bladow, Tri-State’s senior vice president of transmission. “Together we can cost-effectively develop a transmission system that is more reliable, serves our growing communities and opens more of rural Colorado for investment in renewable energy development.”

“Xcel Energy and Tri-State both have transmission resources, shared assets and load serving responsibilities throughout Colorado, and through this agreement we are looking to support Colorado state energy policy, economic development and growth,” said Kent Larson, Xcel Energy vice president for transmission. “Likewise, without additional transmission resources, it would be difficult to support the

future renewable energy portfolio development necessary to meet the needs of [Colorado's New Energy Economy](#).”

Planning for new transmission infrastructure in Colorado has been underway for several years. In 2006, Tri-State began development of the [Eastern Plains Transmission Project](#), a high-voltage transmission system across eastern and southern Colorado that would reliably serve the association's member electric systems, relieve existing transmission constraints and support additional interconnections, including those from renewable energy developers. In 2007, Tri-State began planning lines from the San Luis Valley to Walsenburg.

In 2007, Xcel Energy began planning for new transmission projects required by Senate Bill 100, which requires the investor-owned utility to identify energy zones that have a potential for renewable resources and to develop transmission plans to these zones. Through stakeholder meetings and various studies, these zones were developed, including zones in southern Colorado that include the San Luis Valley, the Walsenburg region and southeastern Colorado.

The first project to be considered under the agreement is the [San Luis Valley Electrical System Improvement Project](#), which includes transmission line from Alamosa to Walsenburg, with another segment planned to Pueblo County. Tri-State proposed the project to better serve two electric cooperatives in the region – [San Luis Valley Rural Electric Cooperative](#) based in Monte Vista and [San Isabel Electric Association](#) based in Pueblo West. With Xcel Energy's participation, the project would be expanded to support the development of renewable energy resources in both the San Luis Valley and the Walsenburg region.

Under the agreement, Tri-State and Xcel Energy will jointly participate in technical studies to determine the feasibility of joint transmission projects. Once studies for individual projects are complete, it is anticipated that plans will be presented to the Colorado Public Utilities Commission. Before any construction begins, the utilities will perform detailed environmental assessments and conduct public siting workshops.

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