



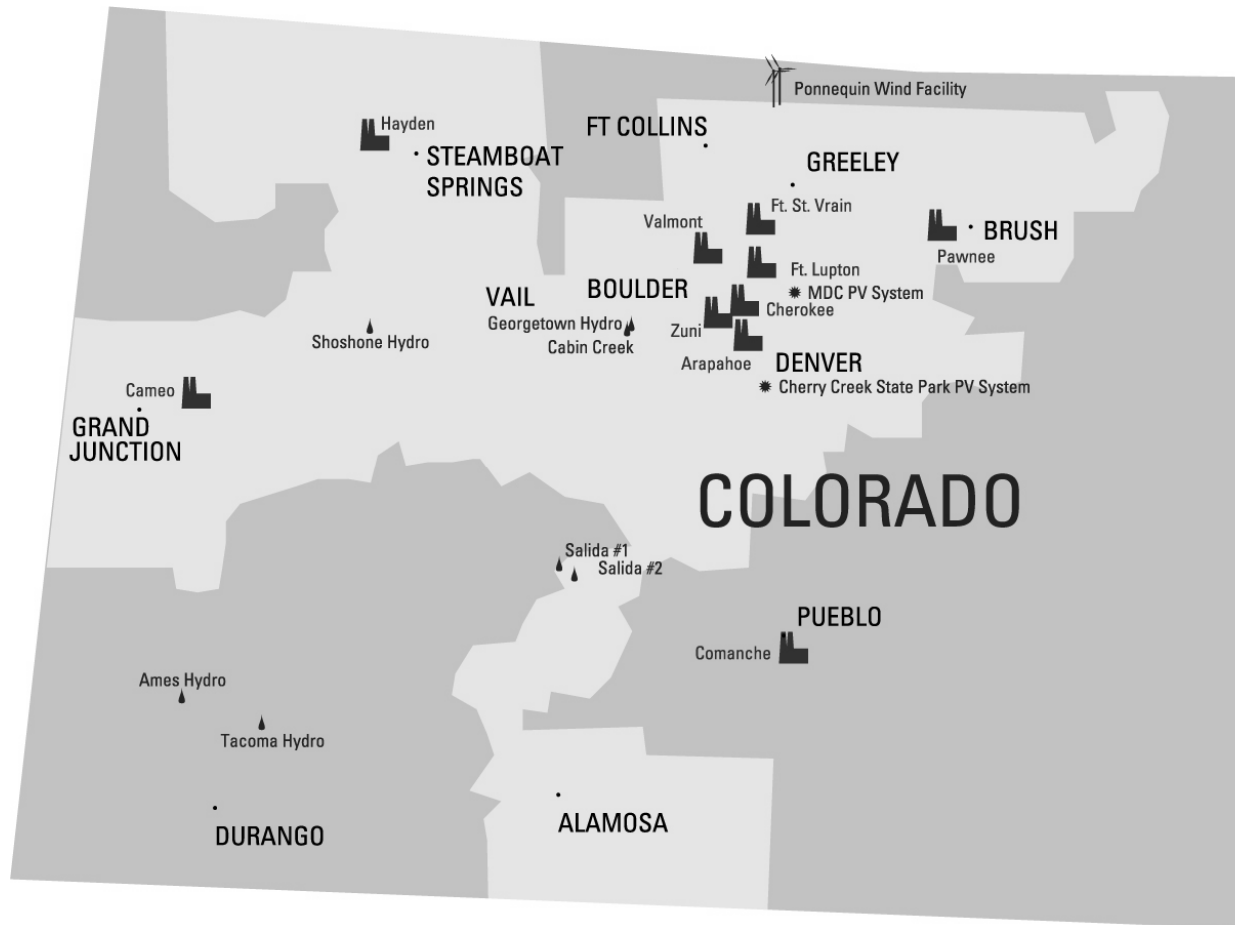
2007 Colorado Resource Plan (CRP)

**Public Service Company of Colorado
February 2009**

Agenda

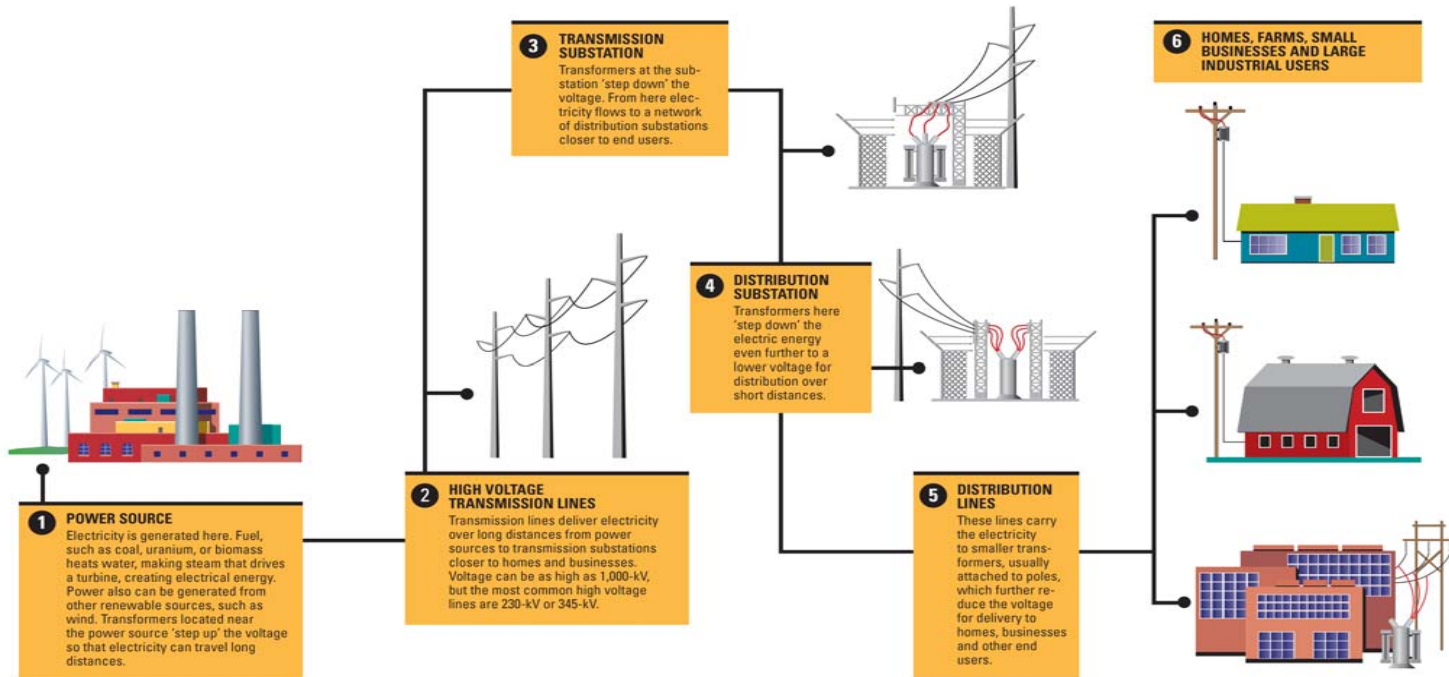
- Introduction / background
- Resource planning basics
- Colorado Resource Plan
- Resource acquisition schedule
- Transmission planning & development
- Questions

Public Service Company of Colorado

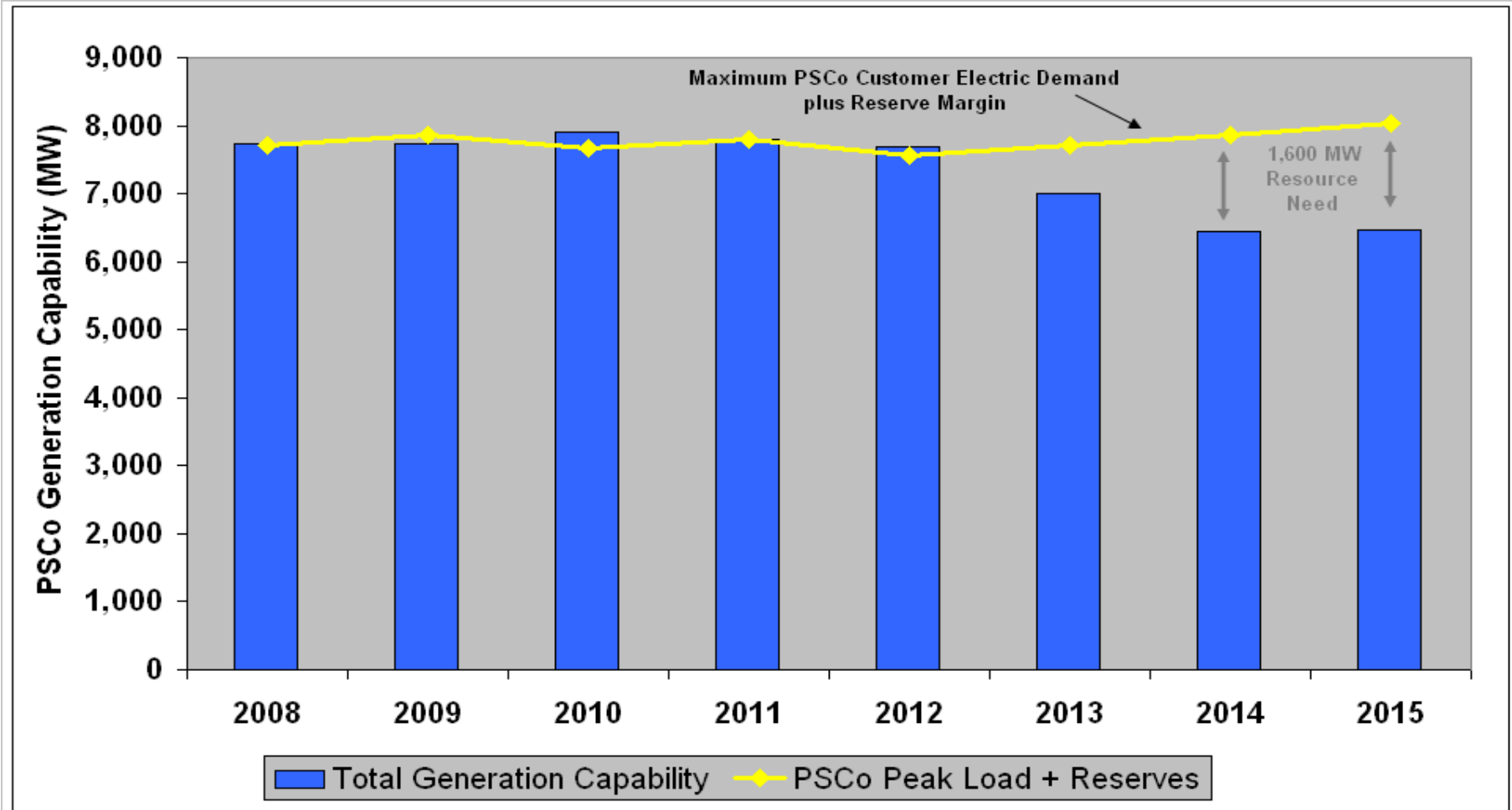


- One of three Xcel Energy Operating Companies
- 1.8 million electric customers

Electric Power System



Determining Need for New Power Supplies



1 MW serves approximately 1,000 households

Reduction in Generation Capacity after 2013 due to retirements and purchase power contract terms ending

Electric Resource Planning Basics

- Long Range 20+ years
 - First 10 years focus on acquiring new power supply resources
 - Later years focus on strategic direction for generation / transmission / fuel supply
- Identify Resource Needs (Electric Power Supply and Transmission);
 - Meet Forecast of Customer Future Demand for Electric Power
 - Select New Generation Resources that Integrate with existing Electric Generation Plants and Transmission
 - Balanced mix:
 - Fuel Prices (natural gas and coal)
 - Environmental Regulations
 - Renewable Energy Standards
 - Forecasts of Customer Future Demand for Electric Power

Resource Planning in Colorado

- Regulated by Colorado Public Utilities Commission (CPUC)
- Focus on Investor Owned Utilities (PSCo & Aquila)
- A plan is filed with the CPUC every four years
- Electric generation resources typically acquired through a competitive solicitation process (a.k.a. a RFP)
- Resource Plan process occurs in two stages
 - Phase I: => Plan is Filed with CPUC
 - => Open hearings before Commission
 - Phase II: => Competitive Solicitation Process for new power supplies
 - => Select Winning bidders & negotiate purchase contract

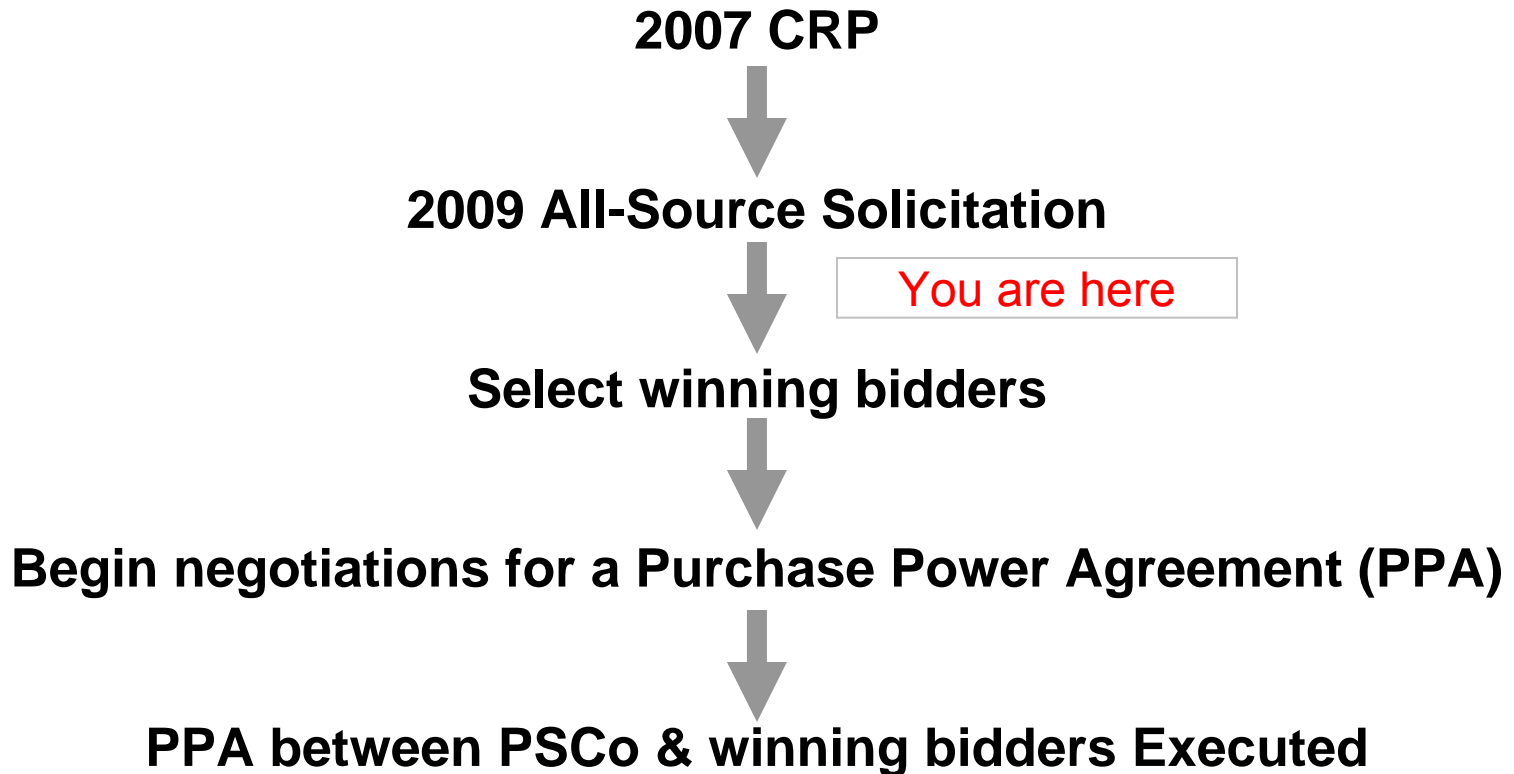
PSCo 2007 Colorado Resource Plan (CRP)

- CRP Filed with Commission November 2007
- Will focus on adding resources needed for years [2010 to 2015](#)
- Includes adding up to 700 MW more wind generation and up to 600 MW more solar generation resources to PSCo's power supply system
- Wind and Solar to be added in 100 – 200 MW increments each year
- Retire two Company owned coal plants (Arapahoe & Cameo)
- Adds more gas-fired generation resources
- Significant reductions in CO2 emissions
- Phase I: Hearings held June & July 2008
- Phase II: “2009 All-Source Solicitation” is the process by which the electric generation resources identified in the 2007 CRP will be acquired
- “All-Source” means all types or sources of electric generation technology can bid

2009 All-Source Solicitation Schedule

- RFP Issued January 9, 2009
- Bids Due April 10, 2009
- Complete Bid Evaluation & Report Results to CPUC August 9, 2009
- CPUC Decision November 8, 2009
- Negotiate PPA with Winning Bidders Fall 2009 - Spring 2010
- *Developers or bidders do not have a contract to sell power to PSCo until contract negotiations are complete and a Power Purchase Agreement (PPA) has been executed.*

Summary of Process



Wind & Solar Development Areas

- PSCo hoping to get up to 700 MW more wind resources and up to 600 MW more solar resources in the 2007 CRP
- Allowing all types of generation to compete (i.e., “All-Source”)
- In-Service dates for all resources is between years 2010-2015
- Best locations for renewables typically in rural areas of CO
- Developers planning to bid begin the permitting process well in advance of the April 10, 2009 due date for bids
- Development activity likely to continue throughout 2009
- PSCo reviews bids and favors those that are further along with permitting and can demonstrate likely success in permitting.

Electric Transmission

- Major challenge in developing new electric generation resources
- March 2007: Senate Bill 07-100 (SB-100) become law in Colorado
- May 2007 : Senate Bill 07-91 (SB-91) became law in Colorado
- SB-100 aims to help develop transmission in advance of generation

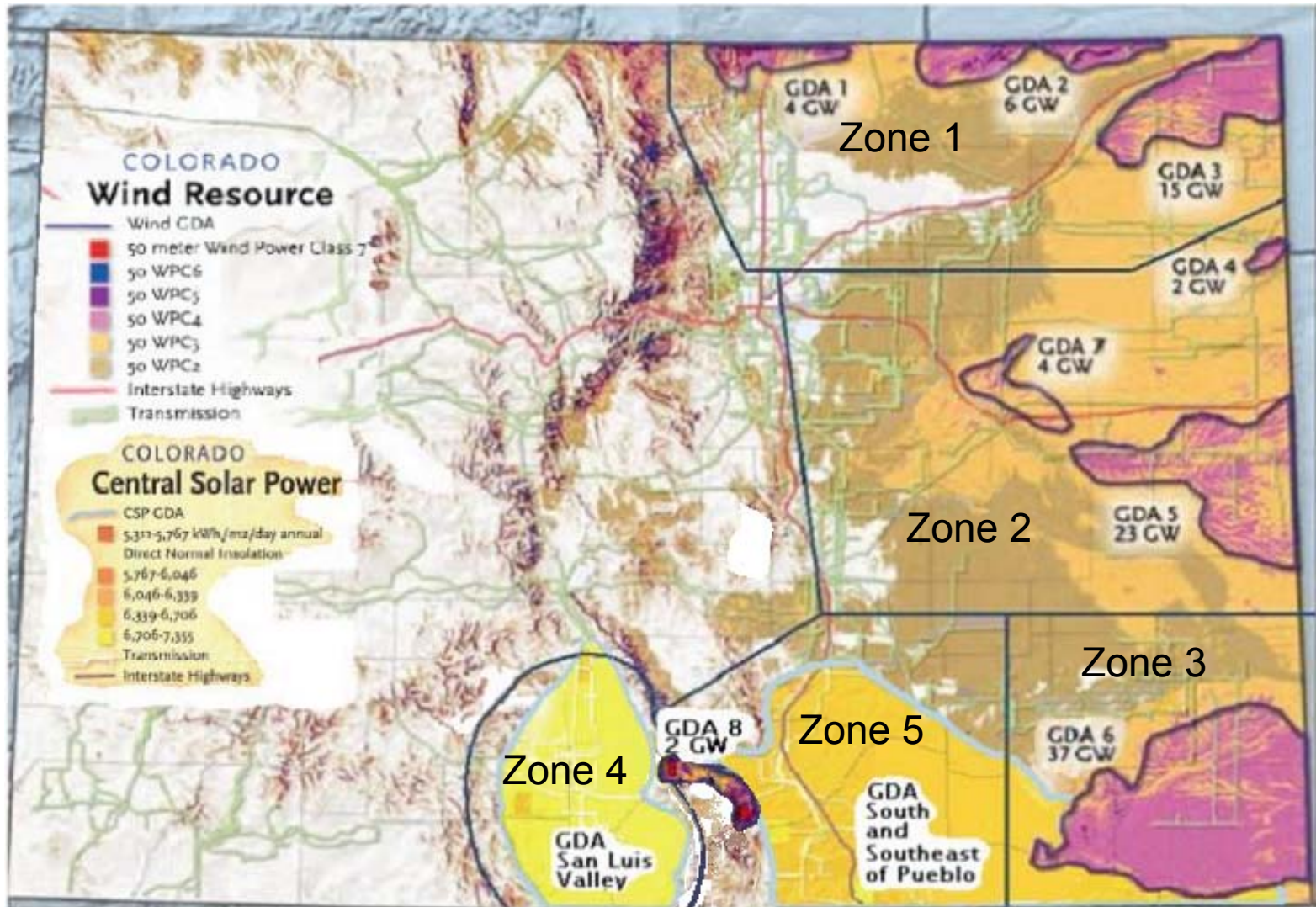
Energy Resource Zone: zones to incent investment in new transmission

- SB-91 established a task force to map out renewable resource potential

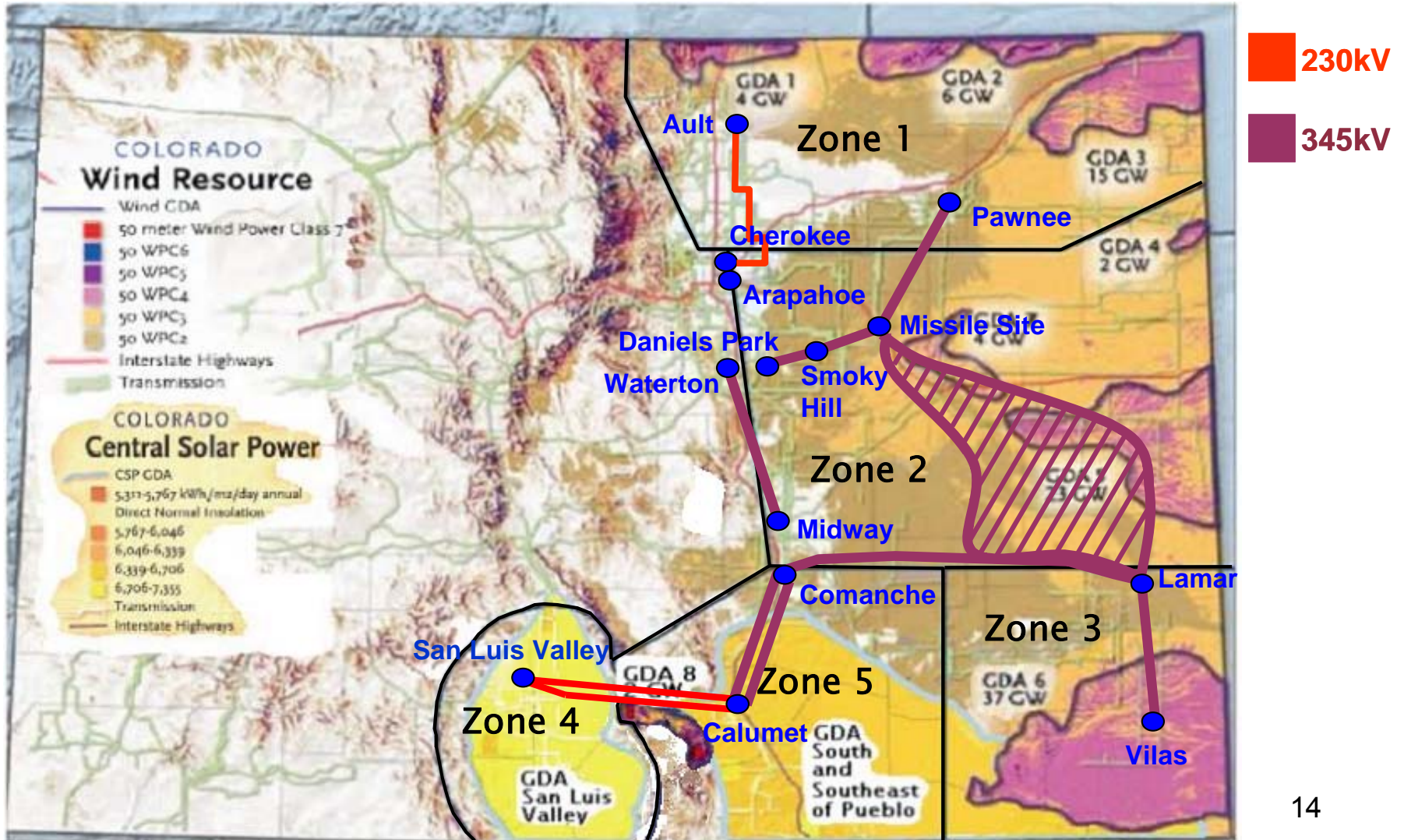
Generation Development Area: at least 1,000 MW of developable renewable resource

- PSCo submitted its first request for new transmission under SB-100 with the CPUC in March 2007
- PSCo expects to submit more requests to the CPUC for new transmission under SB-100 in Spring 2009

SB-100 Energy Resource Zones and SB-91 Generation Development Areas (GDA's)



SB-100 Transmission Plans



Information Sources for 2009 All-Source

RFP documents / updates / Q&As

- ▶ www.xcelenergy.com
 - ▶ Select State “Colorado”
 - ▶ “About Energy and Rates”
 - ▶ “Energy RFPs”
 - “2009 PSCo All-Source RFP”

RFP email contact

- PSCo2009AllSource@xcelenergy.com

Questions