



November 30, 2021

Colorado Public Utilities Commission
1560 Broadway, Ste 250
Denver, CO 80202

RE: Proceeding Number 21A-0096E

Dear Commissioners:

As Mayor of the city of Aspen, I would like to raise several concerns regarding the proposed Colorado Power Pathway 345 kV Transmission Project including cost shifts from developers to transmission customers as well as the inability to compromise among local transmission providers.

Based on its Transmission Formula Customer Meeting on October 14th, 2021, PSCo noted that they do not plan to categorize the Power Pathway project as a generator interconnection project. For a model that has served both customers and transmission providers well in the past; a change now to not require developers to be involved in the construction costs simply does not add up.

Instead, PSCo determined its \$1.7B project cost will be paid for by a Transmission Cost Adjustment Rider (TCA) from its retail customers and FERC jurisdictional rates from its wholesale customers. PSCo estimates a 97% transmission rate increase from FY2022 to FY2026 once the project is operational. While investment opportunities may exist for transmission providers, our utility is limited in ways to mitigate increased transmission costs, and these costs are ultimately passed along to our customers. This type of financial model ultimately reduces customer and utility choice and creates a dynamic where certain resources become a financial impossibility for many.

Furthermore, while several transmission providers serving Colorado initially showed interest in the project, they have since decided not to participate. This was largely due to proposed alternatives only benefiting the PSCo system. Yet, some of these transmission providers still plan to construct their own transmission projects, potentially increasing rates for even more Coloradans and deviating from the Colorado Coordinated Planning Group's desire to foster joint business opportunities.

It should also be noted that Aspen's municipal utility would not physically connect to this proposed infrastructure nor have any current contractual obligations related to generation resources in this proposed project. Our municipal utility supports and values renewable generation resources; however, as a long-time rate contributor to PSCo's existing infrastructure, we would respectfully suggest that new customers and generation facilities, who directly benefit from the project and are associated with this increased demand, bear their larger proportional share of project cost.

For the reasons outlined above, the City of Aspen would like to ensure cost increases related to the Power Pathway project are not unfairly assessed to Cities who are not directly benefited by the project.

Sincerely,

A handwritten signature in black ink that reads "TORRE".

Torre, Mayor
Torre@aspen.gov



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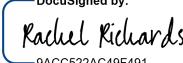
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DocuSigned by:

Rachel Richards
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Rachel Richards, City Council member



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Skippy Mesirow, Council member