

March 2, 2022



Senator Kerry Donovan
Senate District 5
State Capitol Building
200 E. Colfax Avenue, Room 339
Denver, CO 80203

Re: Colorado Public Utilities Commission Proceeding Number 21A-0096E

Dear Senator Donovan:

On March 2, 2021, Public Service Company of Colorado (PSCo) filed an application with the Colorado Public Utilities Commission (CPUC) for a Certification of Public Convenience and Necessity for Colorado's Power Pathway (CPP) 345 kV Transmission Project. This project will place an immense financial burden on both retail and wholesale rate payers and does nothing to further the state's requirement to join a regional transmission organization (RTO).

The municipal utilities of Aspen, Center, and Glenwood Springs would not physically connect to this proposed infrastructure nor have any current contractual obligations related to generation resources in this proposed project. However, PSCo has determined that this \$1.7B project will be funded from all of its retail and wholesale transmission customers using a Transmission Cost Adjustment Rider and FERC jurisdictional rates rather than developers and transmission providers paying the costs. PSCo estimates a **97% transmission rate increase** from FY2022 to FY2026 once the project is operational. Furthermore, while several transmission providers serving Colorado initially showed interest in the project, they have since withdrawn, largely due to the proposed CPP only benefiting the PSCo system.

A recently enacted Colorado Statute now requires all Colorado transmission utility providers to join an Organized Wholesale Market (OWM), which is a RTO. (CO. Rev. Stat. §40-5-108) Most Colorado utilities, including PSCo, are exploring RTO membership through various forums. According to the CPUC study 'Colorado Transmission Coordination Act: Investigation of Wholesale Market Alternatives for the State of Colorado', joining a RTO could save utilities up to \$230 million each year. It seems wise to evaluate the CPP within the context of future RTO participation.

The cities of Aspen, Center and Glenwood Springs would urge you to review and keep apprised of CPUC Proceeding Number 21A-0096E. No action should be taken without a thoughtful review of the facts. Should you have any questions or need any additional information, please don't hesitate to contact us. The Cities appreciate the time you have taken to hear our concerns, and we are hopeful that you will continue your work to protect the best interests of Colorado and its communities.

Sincerely,

Torre, Mayor