



Public Service Company of Colorado, an Xcel Energy Company

Xcel Energy is a major U.S. electric and natural gas company with regulated operations in eight Western and Midwestern states. Xcel Energy provides a comprehensive portfolio of energy-related products and services to 3.4 million electric customers and 1.9 million natural gas customers.



Tri-State Generation and Transmission Association, Inc.

Tri-State, a not-for-profit electric utility, is a wholesale electric power supplier owned by the 44 electric cooperatives that it serves. Tri-State generates and transports electric power to its member systems throughout a 250,000 square-mile service territory across Colorado, Nebraska, New Mexico and Wyoming.

Tri-State is the Power Supplier to your Local Electric Cooperatives

San Luis Valley Rural Electric Cooperative

Headquartered in Monte Vista, Colo., San Luis Valley Rural Electric Cooperative operates more than 2,700 miles of distribution and transmission lines and serves nearly 12,000 residential and agricultural members in seven southern Colorado counties.



San Isabel Electric Association

San Isabel Electric Association, headquartered in Pueblo West, Colo., operates more than 3,800 miles of distribution and transmission lines and serves 23,000 consumer-owners in seven southern Colorado counties.



The Cooperative Difference

Electric cooperatives are private, not-for-profit electric utilities, owned and governed by the members they serve. Electric cooperatives bridge the vast expanse of rural America to energize residences, farms, ranches, businesses and communities that have organized cooperatively and accept the responsibility for delivering safe, affordable and reliable power.



For more information:

Please call 1-877-482-7881 or visit www.socotransmission.com

Email: info@socotransmission.com

Project Contacts: Nicole Korbe (Tri-State) or Keary Hallack (Xcel Energy)



Southern Colorado Transmission Improvements

San Luis Valley – Calumet – Comanche Transmission Project

Project Overview

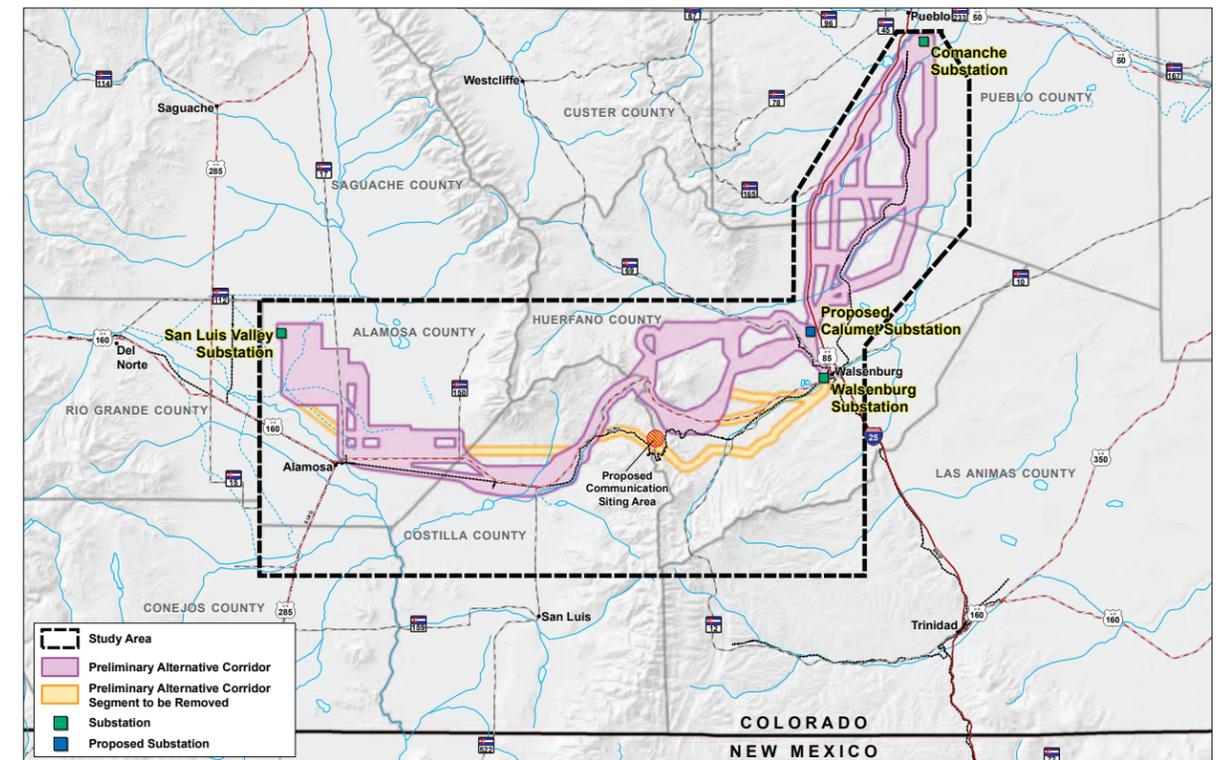
Project Description

Tri-State Generation and Transmission Association (Tri-State) and Public Service Company of Colorado (PSCo), an Xcel Energy company, are jointly proposing to construct, own and operate the San Luis Valley–Calumet–Comanche Transmission Project. The proposed project would include the following components:

- Approximately 95 miles of new, double-circuit 230-kilovolt (kV) transmission line from the existing San Luis Valley Substation, north of Alamosa, to a new Calumet Substation near Walsenburg
- A new 230/345-kV Calumet Substation on property currently owned by Tri-State located six miles north of Walsenburg and expansion of three existing substations

- Approximately 45 miles of new, double-circuit 345-kV transmission between the proposed Calumet Substation and the existing Comanche Substation near Pueblo
- Approximately six miles of new 230-kV transmission line between the proposed Calumet Substation and the existing Walsenburg Substation
- Proposed communication facilities to support operation and maintenance of the transmission lines

The project area was delineated based on the required transmission interconnections. The project area includes portions of the following Colorado counties: Alamosa, Conejos, Costilla, Huerfano, Las Animas, Pueblo, and Rio Grande. Corridors have been identified in Alamosa, Costilla, Huerfano, and Pueblo Counties.



Project Area Map

Partnering to increase reliability and support renewable energy development

Project Purpose and Need

The purpose and need for the proposed project is to improve the electric service, increase reliability, and provide a transmission outlet for renewable energy generation in southern Colorado, particularly the San Luis Valley as well as northeastern New Mexico.

Regional Electric System

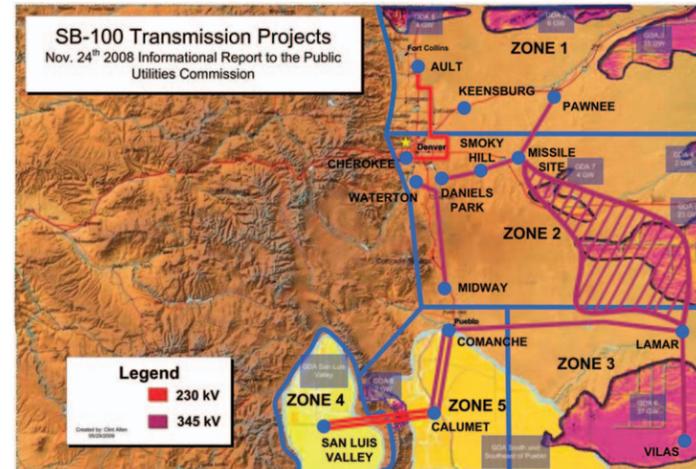
Tri-State and PSCo own the existing transmission lines that deliver power to their customers in the San Luis Valley. PSCo serves about 60 percent of the load in the region and Tri-State serves the remaining 40 percent.

Because of the single source nature of the existing transmission system, it does not provide the reliability benefits of redundant service. Common utility practice is to maintain continuous service to customers, even when there is an outage or failure of a single transmission element. Studies show that if there is an outage of the 230-kV line, Tri-State and PSCo customers are at risk of losing service. Continued residential and irrigation growth increases the overall risk. Since the proposed project would provide another source of power to the San Luis Valley, and a second transmission corridor for power delivery, a significant improvement to reliability would be assured.

The project would also help meet the goals of Colorado Senate Bill 07-100, which requires rate regulated utilities, such as PSCo, to plan transmission projects that would accommodate the development of beneficial resources, including renewable generation. The Colorado Governor's Energy Office has identified the San Luis Valley region as having the greatest potential for solar energy development in the state.

New Renewable Energy Development

PSCo has identified five ERZs pursuant to Colorado SB 07-100. This project would benefit both Zones 4 and 5, which have been shown to have the highest potential in the state for solar generation development. Studies demonstrate that the transmission capacity in Zones 4 and 5 is constrained. The proposed project creates new high-voltage transmission that would allow delivery of renewable energy generation from Zones 4 and 5 to customers throughout Colorado.



Proposed Senate Bill 100 Projects

What is SB07-100?

In an effort to expand the electric transmission system in Colorado and promote the use of renewable resources, the Colorado legislature passed Senate Bill 100 in 2007. The bill requires that Colorado electric utilities that are subject to rate regulation by the Colorado Public Utilities Commission (CPUC) file a biennial plan each year by October 31. The plan must consist of the following:

- Designation of energy resource zones (ERZs)
- Development of plans for the construction or expansion of transmission facilities necessary to delivery power consistent with the timing of energy resources located in or near ERZs
- Consideration of how transmission can be provided to encourage local ownership of renewable energy facilities
- Submission of proposed plans and applications for a Certificate of Public Convenience and Necessity (CPCN) to the CPUC for review

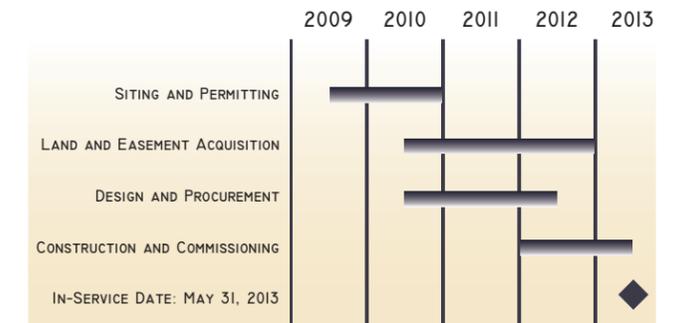
Project Benefits

By providing a more robust transmission system for delivery of electric power and a transmission outlet needed to support the development of renewable energy, the entire region would benefit from the proposed project. The project is expected to provide significant socioeconomic benefits to local residents as a result of a more reliable supply of power for businesses and agricultural operations. In addition, increased property and sales taxes would result from the transmission line and development of new renewable generation facilities

Developing the solar industry in the region would bring growth and economic diversity to parts of rural Colorado and New Mexico. Economic analyses show that solar generation contributes to significant economic growth in private investment and creates permanent, high-paying job opportunities.

In addition, potential environmental and land use impacts to property owners and the environment would be minimized by meeting the electric purpose and need for the region through one joint construction project by Tri-State and PSCo instead of building multiple, separate transmission lines. The project would contribute to ensuring a sustainable energy future.

Project Schedule



Public Involvement Process

Tri-State is requesting the Rural Utilities Service (RUS), a division of the U.S. Department of Agriculture, to provide financial assistance for their ownership interest of the proposed project. The utilities and the RUS are conducting public scoping meetings to provide information and solicit comments for the preparation of an Environmental Assessment (EA). During the meetings, the public will be provided several opportunities to communicate with project staff, suggest alternatives, and provide input on potential impacts. Public comments received at scoping meetings will be recorded as part of the project record. Input from federal, state, and local agencies is also sought during the process.

In the months following the public scoping meetings, there will be additional opportunities to provide comments. Fall 2009, the utilities will conduct route refinement workshops where they will present a comparative analysis for routing alternatives. Comments will be gathered for consideration prior to the selection of preferred and alternative routes, which will be analyzed in the next phase of the NEPA process. Fall 2010, the public will have another opportunity to provide comments at public meetings held regarding the environmental document.

Comments and questions are encouraged and welcomed through various communications methods:

- Project Web site: www.socotransmission.com
- Email: info@socotransmission.com
- Telephone: 1-877-482-7881

Members of the public and stakeholders that wish to be informed of milestones throughout the duration of the project may sign up for the mailing list during public scoping meetings or through the project Web site.

