

STATE OF COLORADO



GOVERNOR'S ENERGY OFFICE

225 E. 16th Ave., Suite 650
Denver, CO 80203-1625
Phone: (303) 866-2100
Fax: (303) 866-2930
geo@state.co.us
www.colorado.gov/energy

Bill Ritter, Jr., Governor
Tom Plant, Director

Colorado Clean Energy Development Authority
World Trade Center
1625 Broadway, 8th Floor, Room 820, Downtown Denver
Monday, February 11, 2008, 9:00 to 11:00 a.m.

Draft Agenda

9:00 Call to order, welcome, and introductions.¹
Tom Plant, CEDA Chairman

CEDA Board:

Joel Bladow, appointed by the Minority Leader of the Senate
Don Elliman, Director of Economic Development; CEDA Vice-Chairman
Cary Kennedy, State Treasurer
Jeffrey Nathanson, appointed by the Speaker of the House
Tom Plant, Director, Governor's Energy Office; CEDA Chairman
Lola Spradley, appointed by the Minority Leader of the House
John Stulp, Commissioner of Agriculture
Sam Weaver, appointed by the President of the Senate; CEDA Secretary
Lee White, appointed by the Governor

9:10 Review and approval of the minutes of the December 18, 2007 CEDA meeting
Review, modify and approval of today's agenda

9:15 Updates

Update on several dockets, including Colorado Resource Plan, SB 100 Resource
Zones, and Demand Side Management (10 minutes)
Robin Kittel, Public Service Company of Colorado

Update on Tri-State's transmission plan, current resource plans (10 minutes)
Joel Bladow, Tri-State Generation and Transmission Association

¹ Five members of the board shall constitute a quorum for the purpose of conducting business and exercising the powers of the board. Action may be taken by the board upon the affirmative vote of at least five of its members.

Updates (continued)

Update on WY Infrastructure Authority and High Plains Express (10 minutes)
Jerry Vaninetti, Trans-Elect LLC

Update on Colorado Coordinated Planning Group (5 minutes)
Morey Wolfson, Governor's Energy Office

- 9:50 Discuss CEDA statutory modification.²
Tom Plant
CEDA's report to the General Assembly.³
Tom Plant
- 9:55 Discuss Draft CEDA Goals and Objectives
See attached document
- 10:55 Announcements of upcoming events.
Target the time period for the next meeting.
- 11:00 Adjourn.

² CEDA is pursuing legislation that will amend the language in HB07-1150 40-9.7-108. "Colorado Clean Energy Development Authority Fund- creation - authorization of projects. (1) the Colorado Clean Energy Development Authority fund is hereby created in the State Treasury." This language needs to be modified so that moneys will be deposited in a bank, and not as a fund in the State Treasury. This is necessary because CEDA is not a part of any department within Colorado State Government and cannot access funds held by the Treasurer. Representative Rice has agreed to be the House Sponsor on this bill and Cory Gardner will be the first House co-sponsor. Senator Kester will be the prime sponsor in the Senate.

³ "The Authority shall adopt and submit its initial three-year plan to the Agriculture, Natural Resources, and Energy Committee of the Senate and the Transportation and Energy Committee of the House of Representatives, or any successor committees, no later than February 1, 2008." This was accomplished on January 30, 2008.

Draft CEDA Goals and Objectives

Draft Mission Statement: The mission of the Clean Energy Development Authority is to help lead the development of Colorado’s New Energy Economy through financing and support for transmission and diverse renewable energy projects.

Draft: CEDA’s first task will focus on the expansion of electric transmission to Colorado’s Renewable Resource Generation Development Areas (GDAs), as defined by the SB07-091 Task Force.

Our vision is that we will soon reach the point when transmission investment risks are well enough known and considered that investment is flowing into a thoughtful and complete long range transmission plan for Colorado’s consumers to benefit from increasing clean energy portfolios and exports. In order to achieve this vision, CEDA will concentrate on the following:

1. CEDA will conduct consumer benefit studies and report on their findings.
2. Colorado GDAs are now defined and reported. CEDA will encourage coordination between utilities, developers, and the financial community to develop the transmission expansion to the GDAs.
3. CEDA will work to ensure that wind and solar resources will be included in increasing amounts in utility generation portfolios throughout the state.
4. CEDA will provide a roadmap to all load serving entities for meeting Governor Ritter’s Climate Action Plan.
5. CEDA will study, report upon, and coordinate with market partners to fully develop utility, bilateral and multi-state regional renewable energy markets.
6. CEDA will develop a supply curve for renewable power generation, based on meteorological data that has been collected by both public entities as well as private developers. This information could then be used by the Colorado Public Utilities Commission and others as a tool to evaluate the prudence of transmission investment plans.
7. CEDA will work cooperatively with the Western Governors Association and the National Renewable Energy Laboratory in mapping exercises and the development of supply curves.
8. CEDA will strive to identify and support renewable development and delivery scenarios that are cost-effective, supportive of grid reliability, and to the benefit of Colorado power customers.
9. CEDA will provide support and development funding to “seed” development of needed transmission expansion projects via public/private partnerships with transmission developers.

Draft: CEDA’s second task will concentrate on local development projects.

Our vision is that Colorado’s diverse hydro, biomass, solar, wind, and geothermal resources will be developed at levels that do not require major expansion of the high voltage transmission system, with local ownership, jobs, and business and economic development costs and benefits understood and supporting expanding markets. In order to achieve this vision, CEDA will concentrate on the following:

1. Coordination and information sharing between the CEDA, electric utilities, the Governor’s Energy Office, the Colorado Public Utilities Commission, the Department of Agriculture, the Department of Local Affairs, the Office of Economic Development and International Trade, the Renewable Energy Collaboratory, the

- Colorado Coordinated Planning Group, the National Renewable Energy Laboratory, and many other interested stakeholders.
2. CEDA will encourage these stakeholders to expand the energy diversity, security, and economic benefits of local development projects.
 3. CEDA will encourage that barriers to local development projects be studied, reported, and addressed.
 4. CEDA will encourage the streamlining and standardizing of project development, known also as development due diligence checklists.

Draft: CEDA’s third task will concentrate on financing.

Our vision is that Colorado will vault into leadership among states in financing transmission and local project development. In order to achieve this vision, CEDA will concentrate on the following:

1. CEDA will review and report on financing barriers and the options available to address them.
2. CEDA will establish goals and criteria for financing.
3. CEDA will establish needed financing operations.

Draft: CEDA’s fourth task will concentrate on CEDA operations.

Our vision is that CEDA leadership will be mission-focused. In order to achieve this vision, CEDA will concentrate on the following:

1. GEO will hire either an Executive Director or an Interim Executive Director. After CEDA produces projects, CEDA will compensate the Executive Director.
2. CEDA will write budget and work plans.
3. CEDA will design agendas and organize meeting that will be so relevant that they will become “must see” events for all stakeholders.
4. CEDA will seek accountability by producing compelling studies and reports with targeted recommendations.
5. CEDA will secure sufficient funding from a variety of sources to sustain its activities over a long period of time.
6. CEDA will hire a staff of committed experts, capable of effective engagement with a variety of key stakeholders.

Draft: CEDA’s fifth task will be to leverage its budget.

Our vision is that funds are available to leverage CEDA’s budget to implement its work plans, particularly as they pertain to the development of transmission projects. These measures are likely to include:

1. Public/private partnerships with transmission developers.
2. Seeking grant monies from private and public institutions.
3. Contributions from utilities and utility organizations.

Background information:

HB07-1150- Legislative declaration

40-9.7-102. (1) the General Assembly finds and declares that:

- (a) there are extensive clean energy resources in Colorado, and additional facilities are needed to develop and market these resources;
- (b) Colorado has a great capacity to produce and consume clean energy, but additional projects, including projects to improve production, transportation, transmission, and storage of clean energy, are needed to develop and market this capacity;
- (c) timely development of projects for the production, transportation, transmission, and storage of clean energy sources will stabilize and increase state revenues;
- (d) the promotion of the economic welfare of the state and its residents through the development and utilization of clean energy resources is in the public interest and serves a public purpose because it will increase employment, stimulate economic activity, augment sources of tax revenue, foster economic stability, and improve the balance of the state's economy;
- (e) it is also in the public interest and in furtherance of a public purpose to develop Colorado's vast sources of clean energy for in-state consumption and for export to other clean energy markets and to promote Colorado as a national center for clean energy finance and development;
- (f) investment in the production, transportation, transmission, and storage of clean energy pursuant to the provisions of this article will result in significant environmental benefits both within and outside Colorado.

(2) The General Assembly further finds and declares that the purpose of this article is to create the Colorado Clean Energy Development Authority and to endow the authority with powers sufficient to enable it to:

- (a) facilitate the production and consumption of clean energy; and
- (b) increase the transmission and use of clean energy by financing and refinancing projects located within or outside the state for the production, transportation, transmission, and storage of clean energy, including pipelines, and related supporting infrastructure and interests therein.

CEDA Board Meetings

The Board held its first meeting on November 1, 2007. Forty people were in attendance. Don Elliman was elected as Vice-Chair, and Sam Weaver was elected as Secretary. The second meeting was held on December 18, 2007. Sixty people were in attendance. The third meeting is scheduled for February 11, 2008. All meetings of the CEDA are open and widely noticed pursuant to the Colorado Sunshine Act. Complete records of the meetings are available at <http://www.colorado.gov/energy/utilities/clean-energy-development-authority.asp>

The two initial meetings were primarily intended to provide an opportunity for the CEDA Board to receive briefings from subject matter experts from electric utilities, transmission developers, the financial community, and neighboring states that have similar infrastructure authorities (New Mexico and Wyoming). The third meeting is intended primarily to garner the Board's thinking about its strategic direction.

CEDA Budget

CEDA has not yet received revenues and has not incurred expenditures.

CEDA Staff

CEDA has not yet hired an Executive Director or other employees. As an interim measure, staffing services have been provided by the Governor's Energy Office. GEO will fund this position until such time that CEDA projects can fund the position.

CEDA Task Forces

CEDA has not yet established any Task Forces. They will be established once CEDA has the requisite funds and staff.

CEDA Three Year Plan

The CEDA Board has not yet had the opportunity to formally develop a Three Year Plan. The Board has not yet crafted a mission statement. On January 30, CEDA filed a status report with Members of the Colorado Senate Agriculture, Natural Resources & Energy Committee and the Members of the Colorado House Transportation & Energy Committee.

CEDA Decisions

The only formal binding decision by the CEDA was made at its December 18, 2007 meeting when it joined the High Plains Express- a multi-state transmission development project to open renewable resources to potential export markets.

CEDA Financing and Bonding

CEDA has not financed or refinance any projects, either within or outside the state. CEDA has not issued any bonds.