

**PSCo DSM History and  
Current Status  
Colorado DSM Informational  
Workshop  
February 8, 2006  
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# **PSCo and Colorado's DSM History**

- Colorado has been examining DSM issues since 1980s
- PSCo has been running programs since late 1980s
- Integrated resource planning rules evolved consistent with larger utility industry changes
- Revised IRP rules in 2002 signaled significant changes from prior practice
- Approaches to DSM since 1980 changed from utility to market focused; now returning to utility focused

# PSCo and Colorado's DSM History

- As part of last two resource plans, PSCo has committed to acquire specific amounts of DSM
- 1999 Integrated Resource Plan – committed to acquire 124 MW with spending limit of \$75 million
  - ▣ PSCo achieved 126.8 MW for \$49.1 million
- 2003 Least Cost Plan – committed to acquire 320 MW and 800 GWh with spending limit of \$196 million
  - ▣ 2006 was first program year under new requirements

## **PSCo and DSM Going Forward**

- **PSCo strongly advocates use of demand-side management as a cost effective, financially and environmentally responsible method for meeting customer electricity and gas needs**
- **Company is applying its nationally-recognized leadership to its Colorado DSM efforts**
- **PSCo supports changes to laws and rules to encourage implementation of DSM**
- **Regulatory structure should ensure that utility DSM investments are aligned with shareholder interests**

## Next Least Cost Plan

- PSCo is scheduled to file its next LCP in late 2007
- Company will consider ways that DSM, in addition to that committed in current settlement, can meet growing customer needs
- Completing instant Docket according to schedule outlined by ALJ will be very helpful to this filing
- Legislation may also play a role

## **DSM Investigatory Docket**

- **Docket will be very useful in outlining ways that law, regulation and practice can increase levels of DSM**
- **Engaging national experts will help stimulate constructive solutions**
- **Need to balance potentially competing views to arrive at structure that is sustainable**
- **Efforts to develop regulatory structure that supports DSM will likely extend beyond 2007**

## Summary

- **PSCo will actively support DSM and regulatory structure that encourages investments in DSM**
- **Company is scheduled to file its next Least Cost Plan at the end of 2007 and is interested in incorporating more DSM**
- **Current docket can help frame issues, provide direction for future DSM structure**