PSCo DSM History and Current Status
Colorado DSM Informational Workshop
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PSCo and Colorado’s DSM History

- Colorado has been examining DSM issues since the 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