



**Dora**  
Department of Regulatory Agencies

**Public Utilities Commission**  
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Matt Baker, Commissioner  
Doug Dean, Director

Bill Ritter, Jr., Governor

D. Rico Munn, Executive Director

**House Bill 09-1098**  
**Concerning The Streamlining Of Approval Requirements For Clean Coal Electric Generation Projects.**

- I. Inappropriate To Have Approval Coordination Council Reporting To The Commission
- a. The bill creates, in the office of the PUC, an Approval Coordination Council as if by a Type 2 transfer for the coordination of local, state and federal government approvals of applications for advanced coal projects. It is important to note that the Commission was transferred to the Department of Regulatory Agencies as a Type 1 transfer under 40-1-122(2)(a).
  - b. It is not clear that this "Approval Coordination Council" should be under the Commission since it is the Commission that will decide whether to grant or deny applications for clean coal technology projects. It may be more appropriate for this Council to report directly to the Executive Director's Office or elsewhere in State government rather than to the PUC.
  - c. A similar example exists for Colorado Coordination Council established under the Department of Natural Resources (CRS Title 24, Article 33, Part 3), but in the case of the Colorado Coordination Council, the transfer was to the Executive Director's Office, not to a board or commission within the Department.
- II. No Applications For Clean Coal Projects Pending
- a. No utility has applied for a CPCN to build a clean coal technology power plant.
  - b. Xcel Energy or PSCo has stated in their most recent Electric resource Plan that the earliest they would consider an IGCC plant would be in 2016 or later.
  - c. Tri State, in their Integrated Resource Plan submitted to Western Area Power Administration on Feb. 15, 2007, stated that "IGCC technology is relatively new; at least as it is applied to large-scale coal-fired generating units in the U.S.; it is not considered a viable option for Tri-State's next coal-fired unit."
  - d. IGCC with carbon capture and carbon sequestration is not yet a mature technology. The expected cost of FutureGen (the IGCC demonstration project planned in Illinois) increased so significantly since 2003 when the facility was originally announced that the U.S. Department of Energy decided in January 2008 to withdraw from the project.
  - e. It would seem that a bill to expedite applications is premature at this time.
- III. Other Technical Concerns
- a. It appears to be the intent that Council has no approval authority, but the name "Approval" Coordination Council in itself is somewhat misleading. Perhaps "Application" Coordination Council would be more appropriate.
  - b. Although 40-2-123(2)(n)IV) states that "Nothing in this paragraph (n) shall confer any additional powers or jurisdiction upon any participating governmental entity," it is not clear that the existing powers or jurisdiction of the governmental entities are not in any way diminished, and it is not explicitly stated that the Approval Coordination Council has no power, jurisdiction, or authority to approve applications for advanced coal projects.