

For immediate release:

Thursday, December 9th, 2010

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Utilities Commission issues landmark Clean Air, Clean Jobs decision

Children, families can breathe easier along the Front Range, yet one critical issue remains

DENVER, CO — In a bipartisan, unanimous decision, the Colorado Public Utilities Commission (PUC) indicated their intention in deliberations today to approve a plan under the landmark “Clean Air, Clean Jobs” Act that would retire four Denver-metro coal-fired power units and switch the remaining unit to burning natural gas. The Commission also approved the accelerated phase out of coal-fired electricity at Arapahoe Units 3 and 4 in Denver. Regulators have worked for eight months to implement the Act, which created a framework for replacing old, inefficient and dirty coal-fired power generation with cleaner energy solutions that provide for healthier air and clean energy jobs for Colorado.

The Commission's decision demonstrates that integrated air quality decision-making is a highly cost-effective way for Colorado to comply with current and impending protections under our Nation's clean air laws.

"Replacing the aging, high emitting Denver metro area coal plants with a modern clean energy system is the most important step we can take to protect our children's health, said Vickie Patton, general counsel of Environmental Defense. “We hope the Commission definitively addresses the phase out of Denver's single largest coal-fired emitter, Cherokee Unit 4, to secure a durable legacy of cleaner, healthier air for Colorado.”

The Commission discussed, but did not definitively set, a retirement date for the fourth unit at the Cherokee facility despite acknowledgment of the merits.

“By retiring over 500 megawatts of coal in the metro-area the Commission made critical progress for air quality and public health,” said John Nielsen, energy program director with Western Resource Advocates. “However, by not setting a firm retirement date for the last unit at Cherokee, the Commission’s deliberations today fell short. Until there is certainty as to when that plant will be shutdown there are risks that the largest source of pollution in the heart of Denver could be switched back to coal or that we will operate this inefficient unit too long and postpone the transition to a more modern power system.”

The proceedings were at times contentious, with coal industry interest groups promoting a complete retrofit option, one that was far more costly and brought far fewer benefits for air quality and public health.

“Colorado is getting cleaner air and a stronger economy this holiday season,” said Pam Kiely, program director of Environment Colorado. “Despite the coal industry spending millions of dollars in a smear campaign to derail the proceedings, the Commission held strong and made a critical decision to clean up our air. This is a victory for the thousands of Coloradans that weighed-in, from doctors to small business owners to local officials, and we hope the Commission finishes strong by including a firm retirement date for Cherokee Four in their forthcoming order.”

By adopting a Clean Air, Clean Jobs scenario that entirely eliminates Xcel Energy’s use of coal in the Denver-metro area by 2017, the PUC achieves substantial public health benefits and health care cost savings for Coloradans.

Part of what makes the Colorado effort such a compelling model is that leaders across the political spectrum coalesced around this innovative solution for clean air, and strong leadership from the Ritter Administration was a critical ingredient.

"This enormously exciting victory would never have been possible without Gov. Ritter's leadership—he absolutely was the X-factor, “ said Pete Maysmith, executive director of Colorado Conservation Voters. “As the champion of

the New Energy Economy, he has ably steered Colorado towards 21st century solutions to our energy needs and this decisive step away from dirty coal is the capstone of his work."

Colorado has attracted national attention with this groundbreaking effort, signaling a dramatic shift in Colorado's energy future.

"Even as Washington DC sits paralyzed, Colorado has shown how states and progressive utilities can move from coal to cleaner, healthier energy sources and can lead toward the national goal of 80 percent reduction of greenhouse gas pollution," said Roger Singer of the Sierra Club.

"The Commissioners' bold decision sends a strong signal nationwide that Colorado is continuing to lead the way in building a new energy economy and ensuring that traditional resource development is done right," added Elise Jones, executive direction of Colorado Environmental Coalition.

The coal-fired plants under consideration in this are over forty years old. These plants face major capital investments in modern pollution control equipment to protect human health and the environment.

A formal written ruling will be issued by December 15th.

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Quotes from additional supporters on the Commission deliberations:

"Dirty energy equals dirty air, and the 'Brown Cloud' along Colorado's Front Range is more than just an eye-soar, it's a serious detriment to our health and economy," said Congressman Jared Polis. "Clean air saves lives. The Clean Air Act, for instance, has prevented over 200,000 early deaths since 1970, all while the economy doubled.

Furthermore, coal pollution contains arsenic, lead and mercury and increases lung cancer, asthma and heart disease. The PUC's decision to reduce coal-fired power is a simple but important step forward, protecting the health and economic prosperity of our state."

--Congressman Jared Polis (CO-CD-2)

"I commend the Public Utility Commission for their vote today to transition Cherokee 4, the largest coal-burning plant in the Denver area, to natural gas by 2017. Air quality matters to all of our families, and today's decision brings us one step closer to cleaning up pollutants that threaten our health and our environment. The PUC's decision continues Colorado's leadership in transforming our nation to a new, cleaner energy economy."

--Congresswoman Diana DeGette (CO-CD-1)

"Aspen Skiing Company applauds the action of the Public Utilities Commission to stop burning dirty coal in favor of cleaner resources by supporting the Clean Air, Clean Jobs Act. We see this as a vote for the state's tourism economy and a nation-leading stance on cutting carbon pollution. The PUC's action is long overdue recognition that we are a better, stronger state without brown haze and asthma causing pollution. We urge the commission to set a firm retirement date for all the facilities when they write up their order."

-- Auden Schendler, Aspen Skiing Company

"The commission's decision today will help millions of Coloradans impacted by poor air quality. Air pollution, such as particulates generated from coal-fired power plants, can have a negative impact on lung health by aggravating existing conditions such as asthma and chronic obstructive pulmonary disease (COPD)."

--- Curt Huber, executive director for the American Lung Association in Colorado.

"In addition to concern for the welfare of my community, which is affected by poor air quality, several members of my family have asthma. Our poor air quality presents health challenges every day to people with asthma and other chronic respiratory conditions. By moving aggressively toward reliance on cleaner energy production we are helping this significant population in our metro area."

--Thornton City Councilwoman Lynn Fox, Ward 3

“The bold decision to retire aging coal-fired power plants is a huge step forward for clean energy in Colorado. It sends a strong message to a national and global audience that Colorado leads the nation in developing clean energy markets and technologies.”

-- Christine Shapard, Executive Director, Colorado Cleantech Industry Association

“Clean energy is a now major economic driver in Colorado. I applaud the Public Utilities Commission for reinforcing the message that clean energy fuels job growth in Colorado.”

-- Neal Lurie, Executive Director, Colorado Solar Energy Industries Association

“We are pleased the PUC is taking a step forward in retiring coal-fired power plants. Let’s burn less dirt and instead collect more sunshine.”

-- Eriks Brolis, co-owner and external affairs director of Namaste Solar.

“As an organization of independent business leaders, Environmental Entrepreneurs Rocky Mountains, believes transitioning to a Clean Energy Economy is the best way to create new jobs while protecting our environment and managing the state’s natural resources. We support the retirement of the Cherokee 4 Coal Unit.”

-- Andrew Currie and Katie Connor, Directors, E2 Rocky Mountains