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PUBLIC UTILITIES COMMISSION ORDERS XCEL TO ADD 162 MW WIND FARM IN LAMAR, COLORADO

BOULDER-

In a unanimous decision today, the Colorado Public Utilities Commission (PUC) decided that Colorado ratepayers will now enjoy the economic, environmental and public health benefits of an additional 162 megawatts of wind power in Colorado. The PUC ruled that Enron Wind Development Corp.'s proposed 162 MW wind project to be built south of Lamar, Colorado should have been included in Xcel Energy's "preferred portfolio" of new electric power generation resources. The PUC ordered Xcel Energy to negotiate in good faith with Enron Wind on contract terms for purchasing the electric output of the wind project over the next fifteen years.

The Land and Water Fund of the Rockies, a regional environmental law and policy center that has been one of the leading advocates for including the wind facility in the Xcel resource plan, commended the PUC for its well-reasoned decision. "We are thrilled with the PUC's decision. We've argued all along that this wind facility is a cost-effective resource that Xcel should be acquiring. Today's decision shows that the PUC agrees and that wind power can play a major role in meeting Colorado's growing electric needs," stated John Nielsen, Energy Project Co-Director at the Land and Water Fund of the Rockies.

Wind power has significant environmental, public health and economic benefits. The Lamar wind project will help to diversify Xcel's resource base from almost total reliance on fossil fuels. Since wind power has no fuel costs, the cost of electricity generated will be stable over the life of the Lamar project, helping to protect consumers from fluctuations in fossil fuel prices. As a zero emission resource, wind energy will help protect air quality in Colorado and the Rocky Mountain region. Finally, the wind project will provide an economic boost to southeastern Colorado where economic development has lagged.

The PUC's decision was made after a week-long public hearing process on the merits of Xcel Energy's proposed resource plan to meet growing electricity demand. Several parties supported the wind farm option, including the Land and Water Fund of the Rockies, the Colorado Renewable Energy Society and the Staff of the PUC.