

STATE OF COLORADO

GOVERNOR'S ENERGY OFFICE

225 E. 16th Ave., Suite 650
Denver, CO 80203-1625
Phone: (303) 866-2100
Fax: (303) 866-2930
geo@state.co.us
www.state.co.us



Bill Ritter, Jr., Governor
Tom Plant, Director

January 30, 2008

To: Members of the Colorado Senate Agriculture, Natural Resources & Energy Committee:

Senator Isgar, Chairman; Senator Grossman, Vice-Chairman; Brophy, Entz, Groff, Taylor, Tochtrop

Members of the Colorado House Transportation & Energy Committee:

Representative McFadyen, Chairman; Representative Pommer, Vice-Chairman; Berens, Borodkin, Gardner, Green, Kerr J., Larson, Lindstrom, Ragsdale, Rose

COLORADO CLEAN ENERGY DEVELOPMENT AUTHORITY REPORT TO THE LEGISLATURE

Dear Colleagues:

I am submitting this report to you pursuant to 40-9.7-106:

The Colorado Clean Energy Development Authority (CEDA), created by HB07-1150, hereby submits its initial Three Year Plan, pursuant to 40-9.7-106:

“(iv) The authority shall adopt and submit its initial three-year plan to the Agriculture, Natural Resources, and Energy Committee of the Senate and the Transportation and Energy Committee of the House of Representatives, or any successor committees, no later than February 1, 2008.”

I look forward to the activities of the Authority in 2008 and will keep you posted on our progress. Please feel free to contact me should you have an interest the Authority.

Best personal regards,

Tom Plant
Director, Governor's Energy Office
Chairman, Colorado Clean Energy Development Authority

TJ
808.1
.668
2008

Legislative declaration

40-9.7-102. (1) the General Assembly finds and declares that:

- (a) there are extensive clean energy resources in Colorado, and additional facilities are needed to develop and market these resources;
 - (b) Colorado has a great capacity to produce and consume clean energy, but additional projects, including projects to improve production, transportation, transmission, and storage of clean energy, are needed to develop and market this capacity;
 - (c) timely development of projects for the production, transportation, transmission, and storage of clean energy sources will stabilize and increase state revenues;
 - (d) the promotion of the economic welfare of the state and its residents through the development and utilization of clean energy resources is in the public interest and serves a public purpose because it will increase employment, stimulate economic activity, augment sources of tax revenue, foster economic stability, and improve the balance of the state's economy;
 - (e) it is also in the public interest and in furtherance of a public purpose to develop Colorado's vast sources of clean energy for in-state consumption and for export to other clean energy markets and to promote Colorado as a national center for clean energy finance and development;
 - (f) investment in the production, transportation, transmission, and storage of clean energy pursuant to the provisions of this article will result in significant environmental benefits both within and outside Colorado.
- (2) The General Assembly further finds and declares that the purpose of this article is to create the Colorado Clean Energy Development Authority and to endow the authority with powers sufficient to enable it to:
- (a) facilitate the production and consumption of clean energy; and
 - (b) increase the transmission and use of clean energy by financing and refinancing projects located within or outside the state for the production, transportation, transmission, and storage of clean energy, including pipelines, and related supporting infrastructure and interests therein.

The CEDA Board

The CEDA Board of Directors was selected pursuant to 40-9.7-104 by the appointing authorities prior to the statutory deadline of August 1, 2007. The Board is composed of:

Chairman: Tom Plant, Director, Governor's Energy Office (ex officio)

Vice Chairman: Don Elliman, Director of Economic Development (ex officio)

Secretary: Sam Weaver, appointed by the President of the Senate

Cary Kennedy, State Treasurer (ex officio)

John Stulp, Commissioner of Agriculture (ex officio)

Lee White, appointed by the Governor

Jeffrey Nathanson, appointed by the Speaker of the House

Lola Spradley, appointed by the Minority Leader of the House

Joel Bladow, appointed by the Minority Leader of the Senate

CEDA Board Meetings

The Board held its first meeting on November 1, 2007. Forty people were in attendance. Don Elliman was elected as Vice-Chair, and Sam Weaver was elected as Secretary. The second meeting was held on December 18, 2007. Sixty people were in attendance. The third meeting is scheduled for February 11, 2008. All meetings of the CEDA are open and widely noticed pursuant to the Colorado Sunshine Act. Complete records of the meetings are available at <http://www.colorado.gov/energy/utilities/clean-energy-development-authority.asp>

The two initial meetings were primarily intended to provide an opportunity for the CEDA Board to receive briefings from subject matter experts from electric utilities, transmission developers, the financial community, and neighboring states that have similar infrastructure authorities (New Mexico and Wyoming). The third meeting is intended primarily to garner the Board's thinking about its strategic direction.

CEDA Staff and Budget

CEDA has not yet hired an Executive Director or other employees. As an interim measure, staffing services have been provided by the Governor's Energy Office. GEO will fund this position until such time that CEDA projects can fund the position. CEDA has not yet received revenues and has not incurred expenditures.

CEDA Task Forces

CEDA has not yet established any Task Forces. They will be established once CEDA has the requisite funds and staff.

CEDA Three Year Plan

The CEDA Board has not yet had the opportunity to formally develop a Three Year Plan. The Board has not yet crafted a mission statement. Therefore, this report is necessarily an interim account of our activities and plans. The CEDA Chairman will submit a formal Three Year Plan to the Legislature once it has been adopted by the Board.

CEDA Decisions

The only formal binding decision by the CEDA was made at its December 18, 2007 meeting when it joined the High Plains Express- a multi-state transmission development project to open renewable resources to potential export markets.

CEDA Financing and Bonding

CEDA has not financed or refinance any projects, either within or outside the state. CEDA has not issued any bonds.

Amendment to HB07-1150

CEDA is pursuing legislation that will amend the language in HB07-1150 40-9.7-108. "Colorado Clean Energy Development Authority Fund- creation - authorization of projects. (1) the Colorado Clean Energy Development Authority fund is hereby created in the State Treasury." This language needs to be modified so that moneys will be deposited in a bank, and not as a fund in the State Treasury. This is necessary because CEDA is not a part of any department within Colorado State Government and cannot access funds held by the Treasurer.