Xcel Energy℠
PUBLIC SERVICE COMPANY

P.O. Box 840
Denver, Colorado 80201-0840

April 3, 2009

Mr. Timothy Meeks
Transmission Infrastructure Program
Western Area Power Administration
P.O. Box 281213
Lakewood, CO 80228–8213

Dear. Mr. Meeks:

Public Service Company of Colorado ("Public Service") appreciates the opportunity to submit comments on Western Area Power Administration's (Western), Transmission Infrastructure Program (TIP) as proposed in the Federal Register Notice dated March 4, 2009.

The American Recovery and Reinvestment Act of 2009 (ARRA) in section 402 provides borrowing authority to Western for the purposes of:

> "constructing, financing, facilitating, planning, operating, maintaining, or studying construction of new or upgraded electric power transmission lines and related facilities with at least one terminus within the area served by the Western Area Power Administration; and delivering or facilitating the delivery of renewable energy resources constructed or reasonably expected to be constructed"

Public Service is encouraged by Western's extension to public utilities the opportunity to participate in the development of Western's Transmission Infrastructure Program. However, there are some questions related to the opportunities extended to companies such as Public Service that are outlined below.

TIP requires projects under this program to have at least one terminus within the area served by Western. Is it Western's position that this qualification requires a project to emanate or terminate at a Western Substation; or can the project emanate and terminate at non-Western substations within Western's service area and satisfy this criterion?

Rather than Western ownership, is Western willing and able to loan ARRA funds under the TIP to public utilities with an associated repayment of the loaned funds rather than a subscription for transmission service?

Is Western willing and able to fund and construct new or expanded transmission and then transfer the facility to a public utility with associated repayment?

Is Western willing to partner with public utilities for the constructing, financing, and planning of new or upgraded transmission projects? If so, would Western require that those new or upgraded facilities be operated by Western?

Public Service appreciates clarification by Western in regard to our specific questions listed above as well as general program information.

Public Service is pleased with Western's willingness to propose a program to encourage the development of transmission facilities within Western's service area. Public Service currently has ambitious plans to expand transmission in Colorado and we are interested to see if the TIP funds can facilitate that development. It is Public Service's hope that the final structure of the program will result in the construction of new transmission facilities and that such projects will be cost effective to the customers taking service on these lines.

Sincerely,

Karen T. Hyde
Vice President, Rates and Regulatory Affairs
Xcel Energy Service Inc

Cc: Tim Taylor, Public Service Company
Chairman Binz, Chairman, Colorado PUC
Comm. Tarpey, Commissioner, Colorado PUC
Comm. Baker, Commissioner, Colorado PUC
Tom Plant, Director, Governor's Energy Office