

# YES on SB 21-072



March 16, 2021

## RE: Support for Senate Bill 21-072: Public Utilities Commission Modernize Electric Transmission Infrastructure

On behalf of the above listed organizations representing business, energy utility, and environmental conservation interests, we are pleased to offer our support for SB 21-072, which would streamline Colorado's electric transmission planning and put the state on a path to participate in a regionally interconnected energy market. Focusing on modernizing Colorado's energy system through innovation and strengthened interstate cooperation will benefit ratepayers with lower costs and increased reliability, while maximizing the performance of the electrical grid system-wide. Taking a more regionally-coordinated and competitive approach to how advanced energy is integrated and deployed will further Colorado's economic recovery, resilience to future risks, and ability to hit the state's economy-wide decarbonization goals on time.

Employing more than 68,000 Coloradans statewide, the advanced energy industry is already a significant driver of economic growth in the state. By taking practical, proactive steps towards developing an Regional Transmission Organization (RTO) that serves the wider West, Colorado can multiply the economic opportunity generated by advanced energy investments to date. This includes putting more Coloradans to work in good infrastructure jobs, including new in-state jobs in construction and maintenance. Upgrading, and strategically expanding, electric transmission infrastructure will further stimulate local economic development by incentivizing new renewable energy and storage projects across the state. By pursuing an RTO structure, Colorado puts itself in a greater position to capitalize on its abundant renewable energy assets and benefit communities where projects are located, including rural cities and counties well positioned to reap the potential new revenue resulting from this build out. Moreover, embracing an expanded regional market will entice more private investment interest from Fortune 500 corporations seeking to meet their aggressive sustainability targets through improved access to competitively priced clean energy.

If designed right, an RTO structure combined with modernized transmission planning can also offer greater resilience in the face of future risks and threats to grid stability. By broadening the pool of energy resources available to provide power during times of critical need and coordinating regional energy needs in advance of extreme weather events, this structure is also better equipped to deliver flexible, reliable power to where it is needed when it is needed most from places in the region that have excess clean energy to spare. It also offers a prudent approach to cost-effectively managing the growing uptake of variable renewable energy coming online to keep pace with state energy commitments. In addition to ensuring reliability, integrating and balancing Colorado's diverse resources through a more efficient, transparent system will maintain the overall affordability of an increasingly decarbonized grid.

By acting now to lay the groundwork for a regionally-coordinated energy market, Colorado will ensure that millions of dollars, and jobs, are not left on the table as surrounding states eye the substantial economic and pollution reduction opportunity inherent to pursuing a well-designed RTO structure. Colorado can shore up a competitive advantage by seizing on the opportunity now when it is most affordable, or else risk getting left behind as our neighbors push forward. Without establishing a clear market signal reinforced by legislative and regulatory direction, Colorado risks losing out on private advanced energy investment, increasing costs for utility customers, and lagging on its decarbonization goals. A regional grid, supported by an optimized transmission system, is critical to securing Colorado's modern, efficient, and affordable energy future.

For these reasons, we respectfully request your support of **SB 21-072**. Thank you for your consideration.