

conducted in Proceeding No. 01M-250E.¹⁴ While eligible energy resource acquisitions comprise a subset of the resources that could be acquired under an alternative method of resource acquisition, the alternative method of resource acquisition approach has been utilized in the past to acquire supply-side resources of various generation types and demand-side resources. The Company noted “the apparent inconsistency between the requirements of Rule 3660(h) and Rule 3611(e) [alternative method of resource acquisition]” in its omnibus filing in Proceeding No. 16A-0117E, citing discussion in Decision No. C10-0958 at Paragraph 66, but it does not follow that the removal of § 40-2-124(1)(f)(I), C.R.S. mandates the removal of the alternative method of resource acquisition rule *in addition to* the actual rule implementing this statutory directive, Rule 3660(h).

Accordingly, while the Company understands OCC’s initial view that the removal of § 40-2-124(1)(f)(I), C.R.S. impacts both the alternative method of resource acquisition rule and Rule 3660(h), a review of the history and background of these two rules supports the continued inclusion of the alternative method of resource acquisition rule in the ERP Rules. It provides appropriate flexibility within the ERP Rules for acquiring resources where the requirements of Rule 3614(c)(II) and Rule 3614(c)(III) are satisfied by the filing

¹⁴ Decision No. C02-793; at ¶ 2, Proceeding No. 02R-137E (“The intent of the NOPR is to revise the existing Integrated Resource Planning (IRP) process for electric public utilities subject to the Commission’s jurisdiction. The Commission issued its February 26 NOPR after completing an IRP investigation under Docket No. 01M-250E. Numerous parties commented in the investigation, with recommendations ranging from a wholesale repeal of the current rules, to expanding the detail and scope of issues addressed in the current rules. As a result of this investigation, and from experience gained in the most recent Public Service Company IRP proceeding, the Commission issued the February 26 NOPR with the intent to adopt a more streamlined and flexible resource [*2] acquisition process. As stated in the NOPR, the Commission recognizes that the current IRP rules are too prescriptive, and the lengthy nature of the process outweighs its benefits in some areas. The Commission initiated this docket to consider whether the IRP process, as set forth in the existing rules, should be repealed or revised.”)

