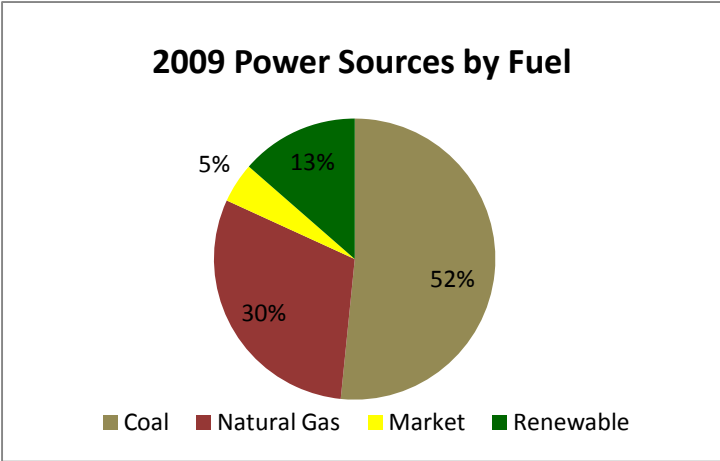




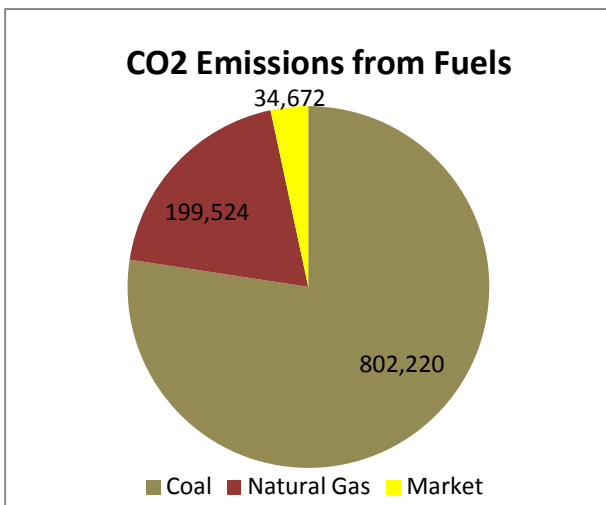
# HOLY CROSS ENERGY

## 2009 CO<sub>2</sub> Emissions Report

Holy Cross Energy is a Colorado rural electric association serving approximately 54,550 meters in Eagle, Garfield, Gunnison, Mesa, and Pitkin Counties. HCE has long term power supply commitments through contracts with Public Service Company of Colorado (a subsidiary of Xcel Energy) and Western Area Power Administration. Additional resources include economy purchases from Black Hills Power and several small renewable energy generation facilities within HCE's service territory. The portfolio of resources used to serve HCE's customer load in 2009 was composed of 52% coal, 30% natural gas, 13% renewable sources such as wind and hydroelectric generation, and 5% market purchases which could not be identified with a high level of certainty. HCE is also participating in the construction of a third coal-fired generating unit at Comanche Station near Pueblo, CO. While Comanche 3 did not produce any usable energy during 2009, there were some emissions associated with fuel burned during construction and testing at the unit



Holy Cross purchased 1,224,955 MWh from wholesale suppliers and provided 1,191,298 MWh to serve consumers' loads. The difference includes transmission and distribution line losses as well as electricity used in company offices. The CO<sub>2</sub> emissions associated with electric power generation used to serve HCE's customers in 2009 totaled approximately 1,036,400 short tons. Emissions grew by about 2.8% from 2008 while sales shrank by 1.6%. Emissions were about 8% higher than 2005 levels while sales were 15% higher. After accounting for line losses and the sales which have no associated emissions (under the WPP & LREP programs), the average CO<sub>2</sub> intensity for 2009 was 1.77 lb/kWh.



HCE offers two optional programs to support renewable energy generation in Colorado: the Wind Power Pioneers program and the Local Renewable Energy Pool. The Wind Power Pioneers program gives HCE consumers the option of purchasing power from a wind farm on the plains of eastern Colorado in 100 kWh blocks. There were 2,459 participants in this program who purchased a total of 21,899 MWh in 2009. The Local Renewable Energy Pool provides power produced by HCE members who operate small-scale hydroelectric and photovoltaic facilities in 75 kWh blocks. 520 members purchased about 622 MWh under this



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program. In addition, HCE's members had installed 234 small renewable energy generators (such as photovoltaic panels) by the end of 2009. The 1,166 kW of distributed generation produced about 1,218 MWh during the calendar year.

Colorado passed a Renewable Energy Standard (RES) in 2004 by voter initiative that required Investor Owned Utilities (IOUs) to supply 10% of their retail electric sales from renewable sources by 2020. In 2007, House Bill 1281 expanded the mandate to 20% by 2020 and added a requirement that electric cooperatives supply 10% of retail sales from renewable sources. However, not all renewable sources of electricity are eligible under the RES, only sources that can be documented with registered Renewable Energy Credits can be used to satisfy the RES Requirements.

The required percentages of renewable energy increase over time. HCE was required to supply 1% of retail sales from renewable sources in 2009, or the equivalent of 11,913 MWh. HCE held RECs equivalent to 7% of retail sales for 2009, purchased through Public Service Company of Colorado from various renewable generators.

Year	Purchases (MWh)	Total Sales (MWh)	WPP/LREP Sales (MWh)	Emissions (Short tons)
2009	1,224,955	1,191,298	22,344	1,036,400
2008	1,244,183	1,183,035	19,191	1,008,200
2007	1,173,203	1,117,793	11,761	1,002,300
2006	1,135,948	1,081,922	10,457	1,049,000
2005	1,080,417	1,032,137	10,501	955,700