



Colorado Springs Utilities

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Ms. Julie Ann Woods
Planning and Development Director
Pueblo County
229 West 12th Street
Pueblo, Colorado 81003

January 18, 2012

Re: SDS Project Requirements

Dear Ms. Woods:

Thank you for your correspondence of December 14, 2011. My staff and I have carefully reviewed the issues you identified therein, and offer this response so as to ensure that we have a common understanding of the process and procedures that you would like followed in the future. We are committed to maintaining full compliance with the terms and conditions of the County permit.

Let me say at the outset that it was a pleasure to recently meet with you in person, and I want to extend the invitation to feel free to contact me (719-668-8037), Keith Riley (719-668-8677) or Mark Pifher (719-668-8693), our new permitting and environmental compliance manager, at any time. In addition, each of us would be glad to meet with you at your convenience in order to discuss any issue of concern that may arise. I would also like to offer to take you, along with County staff of your choosing, on a tour of SDS in the near future. Perhaps we can combine a tour with an opportunity for our respective staff to meet and get to better know one another. I will call you in the near future to discuss these possibilities.

That said, with specific reference to the points in your correspondence, let me address the following:

1. You requested that you receive, prior to other County offices, correspondence, reports and other documents sent to Pueblo County and related to SDS. We will attempt to ensure that this is the case, though I hope that is acceptable if we, at times, copy others within the County who may have directly made the request. Nevertheless, it is our understanding that you will be ensuring that your "SDS Administrative Team" receives a copy of all documents.
2. You expressed a concern about receiving a "summary" of the RWP S2 Permit. Let me assure you that pursuant to permit condition #4, you will always receive, as was the case with the RWP S2 Permit on December 14, 2011, a copy of the actual permit. We simply thought that including a summary of lengthy documents might prove helpful. Let us know if that is not the case.

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3. You also want to make sure that the County is notified of any "material change" in the SDS Project, and of any permit terms deemed inconsistent with the terms and conditions of the County permit. We will remain diligent in observing this requirement of the County permit, and will promptly notify you of any such material change or inconsistency in permit requirements.
4. You reminded us of the binding commitment to take substantial steps towards the construction of SDS within 36 months of the County permit issuance date, i.e., by April 21, 2012. You asked that you receive information concerning such steps prior to the April 21 date. As you are aware, we have been performing significant on-the-ground construction activities in Pueblo County, as well as elsewhere along the Project route. We plan on providing you with appropriate documentation of our "substantial steps" prior to the April 21 deadline and remain dedicated to ensuring that the Project does progress in a timely manner.

Finally, I sincerely appreciate your representation that the County will strive to respond to any Project requests in a prompt fashion, and we will reciprocate on this end relative to any County inquiries. I look forward to meeting with you again in the near future, perhaps in conjunction with a Project tour.

Sincerely,



John A. Fredell
Southern Delivery System
Program Manager