<u>Public Service Company Of Colorado</u> <u>Proposed Revisions to Rule 3102 and 3206 and Suggestion for New</u> <u>Information Filing Rule Relating to Transmission Planning</u>

3102. Certificate of Public Convenience and Necessity for Facilities.

- (a) A utility seeking authority to construct and to operate a facility or an extension of a facility pursuant to § 40-5-101, C.R.S., shall file an application pursuant to this rule. The utility need not apply to the Commission for approval of construction and operation of a facility or an extension of a facility which is in the ordinary course of business; however, a determination by the Commission that a proposed transmission project is deemed to be in the ordinary course of business shall not preclude a utility from seeking and obtaining a certificate of public convenience and necessity. The utility shall apply to the Commission for approval of construction and operation of a facility or an extension of a facility which is not in the ordinary course of business. The determination of whether a facility is in the ordinary course of business shall be made in accordance with the provisions of Rule 3206 or by a separate application for a declaratory order that such construction or extension of a facility is in the ordinary course of business.
- (b) An application for certificate of public convenience and necessity to construct and to operate facilities or an extension of a facility pursuant to § 40-5-101, C.R.S., shall include, in the following order and specifically identified, the following information, either in the application or in appropriately identified attached exhibits:
 - (I) The information required in rules 3002(b) and 3002(c).
 - (II) A statement of the facts (not conclusory statements) relied upon by the applying utility to show that the public convenience and necessity require the granting of the application or citation to any Commission decision that is relevant to the proposed facilities.
 - (III) A description of the proposed facilities to be constructed.
 - (IV) Estimated cost of the proposed facilities to be constructed.
 - (V) Anticipated construction start date, construction period, and in-service date.
 - (VI) A map showing the general area or actual locations where facilities will be constructed, population centers, major highways, and county and state boundaries.
 - (VII) As applicable, electric one-line diagrams.
 - (VIII) As applicable, information on alternatives studied, costs for those alternatives, and criteria used to rank or eliminate alternatives.
 - (IX) As applicable, a report of prudent avoidance measures considered and justification for the measures selected to be implemented.
 - (X) For transmission construction or extension, the information required by paragraphparagraphs (c) through (e) of this rule.
- (c) For an application for a certificate of public convenience and necessity for construction or extension of transmission facilities, the applying utility shall describe its actions and

techniques relating to cost-effective noise mitigation with respect to the planning, siting, construction, and operation of the proposed transmission construction or extension. The applying utility shall provide computer studies which show the potential noise levels expressed in db(A) and measured at the edge of the transmission line right of way. These computer studies shall be the output of utility standard programs, such as EPRI's EMF Workstation 2.51 ENVIRO Program -- Bonneville Power Administration model. The steps and techniques may include, without limitation, the following:

- (I) Bundled conductors.
- (II) Larger conductors.
- (III) Design alternatives considering the spatial arrangement of phasing of conductors.
- (IV) Corona-free attachment hardware.
- (V) Conductor quality.
- (VI) Handling and packaging of conductor.
- (VII) Construction techniques.
- (VIII) Line tension.
- (d) For an application for a certificate of public convenience and necessity for construction or extension of transmission facilities, the applying utility shall describe its actions and techniques relating to prudent avoidance with respect to planning, siting, construction, and operation of the proposed construction or extension. As used in this paragraph, "prudent avoidance" means the striking of a reasonable balance between the potential health effects of exposure to magnetic fields and the cost and impacts of mitigation of such exposure, by taking steps to reduce the exposure at reasonable or modest cost. The steps and techniques may include, without limitation, the following:
 - (I) Design alternatives considering the spatial arrangement of phasing of conductors.
 - (II) Routing lines to limit exposures to areas of concentrated population and group facilities such as schools and hospitals.
 - (III) Installing higher structures.
 - (IV) Widening right of way corridors.
 - (V) Burying lines.
- (e) For an application for a certificate of public convenience and necessity for construction or extension of transmission facilities, a public utility shall provide the results of computer studies for at least four alternative cases, each reflecting a different balance of noise and EMF results under both dry and wet conditions and measured at a point 25 feet beyond the edge of the transmission right of way, which show (1) the potential noise levels expressed in db(A), assuming maximum operating voltage, and (2) the potential EMF levels expressed in milligauss, assuming maximum potential loading or current. These computer studies shall be the output of utility standard programs, such as EPRI's EMF Workstation 2.51 ENVIRO Program -- Bonneville Power Administration model. At least

one of the cases presented should show the resulting noise levels assuming that EMF are minimized and at least one case should show the resulting EMF levels assuming noise levels under wet conditions are 50 d(B)a, or, if it is not possible to reduce noise to 50 dB(a) then as close to 50 dB(a) as possible based on the phasing of the proposed transmission lines.

(f) For an application for a certificate of public convenience and necessity for construction or extension of transmission facilities, a public utility shall also provide a statement describing the planning process associated with the proposed project, noting, for example, whether the need for the project has been identified in required reliability or load serving studies or studies performed in response to requests for generation interconnection or transmission service; whether, and if so how, the project has been addressed in any regional planning efforts; and whether the project was identified and considered as part of a stakeholder process focused on the development of transmission pursuant to 40-2-126, C.R.S.

3206. Construction or Extension of Transmission Facilities.

- (a) No utility and no cooperative electric association which has voted to exempt itself pursuant to § 40-9.5-103, C.R.S., may commence new construction, or extension of transmission facilities or projects until either the Commission notifies the utility that such facilities or projects do not require a certificate of public convenience and necessity in accordance with the provisions of this rule or the Commission issues a certificate of public convenience and necessity-pursuant to Rule 3102. Rural electric cooperatives which have elected to exempt themselves from the Public Utilities Law pursuant to § 40-9.5-103, C.R.S., do not need a certificate of public convenience and necessity for new construction or extension of transmission facilities or projects when such construction or expansion is contained entirely within the cooperative's certificated area.
- (b) Certain modifications to transmission facilities that were not part of the construction design authorized through a previous Commission determination shall be reviewed by the Commission for determination of whether a certificate of public convenience and necessity is needed for the proposed modification or whether the proposed modification is in the ordinary course of business. Modifications requiring this Commission determination shall be limited to the following:
 - (I) Replacement of the existing conductor with another having a higher ampacity or with multiple conductors, with continued operation at the existing voltage;
 - (II) Modification of the transmission facility so that it will be operated at a higher voltage, with or without conductor replacement; and
 - (III) Extensions of existing substations that require acquisition of additional land for expansion of the substation yard.

All other modifications to existing transmission facilities shall not require a certificate of public convenience and necessity and shall be deemed to be in the ordinary course of business.

- (c) No later than April 30 of each year, each electric utility and each cooperative electric association which has voted to exempt itself pursuant to § 40-9.5-103, C.R.S., shall submit to the Commission a filing for a determination of which of the utility! s proposed new construction or extension of transmission facilities for the next three calendar years, commencing with the year following the filing, are necessary in the ordinary course of business and which require a certificate of public convenience and necessity prior to construction. The filing shall contain a reference to all such proposed new construction or extensions, regardless of whether the utility or cooperative electric association has referenced such new construction or extensions in prior annual filings. For each such project, the filing shall containelectric utility or cooperative electric association will provide the following:—information:
 - (I) The name, proposed location, and function or purpose of the project, including:
 - (A) If the project is a substation or related facilities: the voltage level and the MVA rating.
 - (B) If the project is a transmission line: the voltage, the length in miles, the substation termination points.

- (II) The estimated cost of the project and the manner in which it is expected to be financed.
- (III) The projected date for the start of construction, the estimated date of completion, and the estimated date of commencement of operation of each project.
- (IV) For new construction or extensions that have been referenced in prior annual filings, an update of the status of, and any changes to, such new construction or extensions.
- (V) Whether the proposed project has been identified as part of a stakeholder process focused on the development of transmission pursuant to § 40-2-126, C.R.S.
- (VI) Whether the electric utility is requesting a determination from the Commission that the proposed project is in the ordinary course of business or whether it intends to file a request for a certificate of public convenience and necessity prior to constructing the proposed project.
- (d) In addition to the information provided in paragraph (c) of this rule, the filing shall describe the utility's actions and techniques relating to prudent avoidance with respect to planning, siting, construction, and operation of the proposed construction or extension. As used in this paragraph, "prudent avoidance" means the striking of a reasonable balance between the potential health effects of exposure to magnetic fields and the cost and impacts of mitigation of such exposure, by taking steps to reduce the exposure at reasonable or modest cost. The steps and techniques may include, without limitation, the following:
 - Design alternatives that consider the spatial arrangement of phasing of conductors.
 - (II) Routing lines to limit exposures to areas of concentrated population and group facilities such as schools and hospitals.
 - (III) Installing higher structures.
 - (IV) Widening right of way corridors.
 - (V) Burying lines.
- (e) In addition to the information provided in paragraph (c) of this rule, the applying utility shall describe its actions and techniques relating to cost-effective noise mitigation with respect to the planning, siting, construction, and operation of the proposed transmission construction or extension. If the transmission facility has reached the design stage where noise levels can be calculated, the applying utility shall provide computer studies which show the potential noise levels expressed in db(A) and measured at the edge of the transmission line right-of-way. These computer studies shall be the output of utility standard programs, such as EPRI's EMF Workstation 2.51 ENVIRO Program -- Bonneville Power Administration model. The steps and techniques may include, without limitation, the following:
 - (I) Bundled conductors.
 - (II) Larger conductors.

- (III) Design alternatives considering the spatial arrangement of phasing of conductors.
- (IV) Corona-free attachment hardware.
- (V) Conductor quality.
- (VI) Handling and packaging of conductor.
- (VII) Construction techniques.
- (VIII) Line tension.
- (f) The Commission will give notice of each filing made pursuant to this rule to all those who it believes may be interested. Any interested person may file comments regarding the projects by May 15.
- (g) The Staff shall review the filing and any comments received and shall make recommendations according to the following schedule:
 - (I) For any new construction or extension which is scheduled to begin in the calendar year of the filing or in the next calendar year, the Staff shall make its recommendations by May 31 of the year in which the filing is made.
 - (II) For any new construction or extension which is scheduled to begin in the second or third calendar year following the year in which the filing is made, the staff shall make its recommendations by August 31 of the year in which the filing is made.
- (h) The Commission shall issue its decision nin accordance with the following schedule:
 - (I) For any new construction or extension of transmission facilities or projects which is scheduled to begin in the calendar year of the filing or in the next calendar year, the decision designating each transmission facility that requires a certificate of public convenience and necessity will be issued by June 30 of the year in which the filing is made.
 - (II) For any new construction or extension of transmission facilities which is scheduled to begin in the second or third calendar year following the year in which the filing is made, the decision designating each transmission facility that requires a certificate of public convenience and necessity will be issued by October 31 of the year in which the filing is made.
- (i) The utility shall install and maintain service connections from transmission extensions consistent with conditions contained in the utility's tariff.
- (j) In addition to the list of new construction or extension of transmission facilities, each utility shall provide by April 30 of each year a list of projects built during the past calendar year. These projects, considered as being done in the normal course of business, shall include the following:
- (i) In determining whether a proposed transmission project requires a CPCN, or may be constructed in the ordinary course of business without a CPCN, the Commission shall consider such factors as it believes necessary. Such factors may include, but shall not be limited to, the following:

- Whether a proposed project is expected to have a significant impact on the **(I)** reliability of the electric utility and any neighboring systems. (II) Whether a proposed project involves an interconnection with the transmission systems of other utilities, particularly out of state utilities. **(III)** Whether the facilities are required as part of a routine interconnection with a generator. Whether a proposed project is jointly owned with others. (IV) (V) Whether a proposed project is over thirty-five miles long. (VI) Whether a proposed project is 230 kV and higher in voltage. (VII) Whether the transmission project cost is higher than \$10.0 million. Whether the transmission project is expected to traverse environmentally or (VIII) politically sensitive areas. (IX) If the transmission facility has reached the design stage where noise levels can be calculated, whether the project adequately addresses and mitigates EMF and corona noise.
- (j) Notwithstanding the provisions of (h) above, the following projects shall be deemed to be in the ordinary course of business:
 - (I) New and /or the replacement of transformers, breakers, or capacitor banks with larger transformers, breakers or capacitor banks.
 - (II) The raising and/or strategic placement of transmission structures in order to raise the conductor, thereby increasing clearance, permitting more current flow and increasing the MVA rating.
 - (III) The declaration of a higher rating for a line after an engineering and physical inspection such that existing line clearances are sufficient to allow more current flow, thereby increasing the MVA rating.
- (k) The utility shall install and maintain service connections from transmission extensions consistent with conditions contained in the utility's tariff.
- (I) In addition to the list of proposed new construction or extension of transmission facilities, each utility shall provide by April 30 of each year a list of projects built during the past calendar year, whether pursuant to a CPCN or in the ordinary course of business.

Suggestion for new rule

In addition to the above modifications to Rules 3102 and 3206, Public Service would suggest the adoption of a new rule that would require the filing on an annual basis of the following information in advance of the Rule 3206 filing. The purpose of the rule would be to apprise the Commission of regional and coordinated planning efforts and long-range plans.

(I) A summary of findings from specific reports that evaluate transmission addressing time horizons of ten years or longer.

(II) A summary of any joint and regional planning activities that the electric utility has engaged in, and the planning activities that the electric utility has conducted pursuant to the requirements of the Federal Energy Regulatory Commission.

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