

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 24A-0424E

IN THE MATTER OF THE JOINT APPLICATION OF TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC. AND MOUNTAIN PARKS ELECTRIC, INC. FOR AN ORDER APPROVING THE TRANSFER OF CERTAIN TRANSMISSION ASSETS FROM TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC. TO MOUNTAIN PARKS ELECTRIC, INC.

**COMMISSION DECISION DEEMING APPLICATION
COMPLETE AND GRANTING APPLICATION**

Issued Date: November 26, 2024
Adopted Date: November 13, 2024

I. BY THE COMMISSION

A. Statement

1. This matter comes before the Commission for consideration of an Application filed jointly by Tri-State Generation and Transmission Association, Inc. (“Tri-State”) and Mountain Parks Electric, Inc. (“Mountain Parks”) (together, as Joint Applicants) on October 2, 2024, for approval of the transfer of certain additional transmission assets.

2. The Commission provided notice of this Application on October 4, 2024, to all interested persons, firms, and corporations. No Petition to Intervene or Notice of Intervention has been filed, and thus the Application is uncontested. As such, the Application will be determined without a formal hearing in accordance with § 40-6-109(5), C.R.S., and Rule 1403, 4 *Code of Colorado Regulations* (“CCR”) 723-1 of the Commission’s Rules of Practice and Procedure.

B. Background

3. On October 2, 2024, Joint Applicants filed their Joint Application pursuant to § 40-5-105, C.R.S., 4 CCR 723-1-1303 of the Commission's Rules of Practice and Procedure, and Rules 4 CCR 723-3-3002 and 3104 of the Commission's Rules Regulating Electric Utilities, jointly requesting an order approving the transfer of certain transmission assets from Tri-State to Mountain Parks as described in the Joint Application.

4. Mountain Parks will withdraw as a Member of Tri-State on February 1, 2025, and has transitioned to Open Access Transmission Tariff ("OATT") service from the applicable transmission providers. According to the Joint Application, Joint Applicants seek this asset transfer to facilitate Mountain Parks's transition to OATT service from applicable transmission providers, without the use of any Tri-State non-OATT facilities.

5. The parties entered into a Purchase and Sale Agreement, dated September 25, 2024, to effectuate the transfer of the assets that are the subject of this application¹ and provided a list of the specific assets proposed to be transferred including transmission level circuit breakers, switching facilities and associated structures.² The Joint Applicants assert that approval of the Joint Application is in the public interest and should therefore be approved by the Commission.

6. Additionally, Joint Applicants provide accounting information that summarizes Tri-State's accounting treatment for the assets subject of the Joint Application to be transferred to Mountain Parks. According to Joint Applicants, the proceeds for the assets subject to the Joint Application are \$5.895 million. Joint Applicants represent that the amounts set forth in

¹ The Purchase and Sale Agreement is attached to the Joint Application as Attachment E.

² The list of transmission assets is attached to the Joint Application as Attachment H.

Attachment F are estimated as of the anticipated closing date of February 1, 2025, and are based on the best available information as of the date of filing.

7. A statement by Mountain Parks showing accounting entries, under the Uniform System of Accounts, including any plant acquisition adjustment, gain, or loss proposed on the books before and after the transaction, which is the subject of this Joint Application, was attached as Attachment G to the application.

8. Attachment H sets out the Certificate of Public Convenience and Necessity (“CPCN”) status of each asset. Joint Applicants state that no CPCN was required for certain assets or no record of a filed CPCN, so there is no CPCN to be transferred from Tri-State to Mountain Parks in conjunction with the transfer of those assets.

C. Discussion of the Application

9. In support of the requested transfer approval, the application explains that: 1) the assets exclusively serve Mountain Parks, 2) the asset transfer will result in minimal, if any, difference in the kinds and costs of service rendered to Tri-State’s remaining members before and after the asset transfer, 3) Mountain Parks does not anticipate an impact on its members from the transfer, as it simply effectuates Mountain Parks’s access to the bulk electric system, and 4) the facilities being transferred will continue to be in service for the same general purposes they are used for currently, with the only change being that Mountain Parks will become the owner and operator of assets and facilities it uses to provide service to its members.

10. Further, the application states that the transfer of assets is expected to close on February 1, 2025, with receipt of approval from the Commission.

11. Joint Applicants maintain that the transfer of ownership of these transmission assets to Mountain Parks is in the public interest.

D. Findings and Conclusion

12. Pursuant to §40-5-105(1), C.R.S. “[t]he assets of any public utility, owned, or obtained by any public utility, may be sold, assigned, or leased as any other property, but only upon authorization by the commission and upon such terms and conditions as the Commission may prescribe ...”

13. Commission Rule 3002 provides the requirements for a party to file an application with the Commission, including the elements necessary for the Commission to consider the application.

14. Commission Rule 3104 provides the requirements for a utility seeking authority to transfer assets subject to the jurisdiction of the Commission outside the normal course of business.

15. Joint Applicants represent that the Joint Application was filed pursuant to these provisions and all requirements have been met, including the information required in Rules 3002(b) and 3002(c) as pertinent to each party to the transaction. We find Joint Applicants, through the Joint Application and attendant attachments provided the information required in conformance with Commission Rules in order for us to render a decision.

16. We find that the proposed application for transfer of transmission assets is complete.

17. Under the provisions of § 40-6-109(5), C.R.S. the Commission may consider an application that is uncontested or unopposed through modified proceedings “by affidavit or

otherwise without the necessity of a formal oral hearing.” As this proceeding is unopposed, we find it appropriate to consider the Joint Application on the pleadings and affidavits filed.

18. The Joint Applicants provided what was described as: “[a] list of the assets to be transferred from Tri-State to Mountain Parks that are subject to Commission jurisdiction” as Attachment H; the “Purchase and Sale Agreement” that “provides the definitive terms and conditions of the asset transfer;” and “[a] one-line diagram depicting the relevant portion of the transmission and distribution system and the functions of the assets to be transferred that are the subject of this Joint Application” as Attachment J.

19. Commission Staff conducted a thorough analysis of the assets proposed to be transferred. Based on its research, analysis, and recommendation, we find the transfer of assets to be in the public interest. Mountain Parks’s withdraw from Tri-State is expected to close on February 1, 2025. We are satisfied that the transfer of assets will allow Mountain Parks to continue to provide safe, reliable, and affordable power and transmission services to its members in all of Grand and Jackson counties, as well as parts of Larimer, Routt, and Summit Counties of Colorado. We are additionally satisfied that the transfer of assets will not adversely affect Tri-State’s ability to continue to provide safe, reliable, and affordable power and transmission services to its remaining member systems.

20. Consequently, we approve the transfer of the transmission assets at the following substations: Blue Valley, Fraser, Gore Pass, Granby Pumping Switchyard, McKenzie, North Park, North Park Solar Metering, Troublesome and Windy Gap as described in detail in the Joint Application. By this approval, we authorize Mountain Parks to succeed to the electric utility rights, title and interest in the applicable Tri-State utility plant and facilities, and to all

consents and permits relating to the ownership and operation of such plant and facilities, as fully delineated and described in the Joint Application and attendant attachments.

II. ORDER

A. The Commission Orders That:

1. The Joint Application of Tri-State Generation and Transmission Association, Inc. and Mountain Parks Electric, Inc. for an Order Approving the Transfer of Certain Additional Transmission Assets from Tri-State Generation and Transmission Association, Inc. to Mountain Parks Electric, Inc. is deemed complete within the meaning of § 40-6-109.5, C.R.S., and is granted.

2. Mountain Parks, Inc. is authorized to succeed to all of Tri-State Generation and Transmission Association, Inc.'s electric utility rights, title and interest in the utility plant and facilities subject to the Joint Application, and to all consents and permits relating to the ownership and operation of such plant and the facilities associated with and subject to the Joint Application.

3. The authority granted by approval of this transfer shall be exercised from and after the effective date of this Decision.

4. The 20-day period provided by § 40-6-114, C.R.S., to file an Application for Rehearing, Reargument, or Reconsideration shall begin on the first day after the effective date of this Decision.

5. This Decision is effective upon its Issued Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
November 13, 2024.**

(S E A L)



ATTEST: A TRUE COPY

Rebecca E. White,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

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MEGAN M. GILMAN

TOM PLANT

Commissioners