

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

* * *

THE JOINT APPLICATION OF POUDBRE)
 VALLEY RURAL ELECTRIC ASSOCIATION,)
 INC., AND PUBLIC SERVICE COMPANY OF)
 COLORADO FOR: (1) COMMISSION)
 AUTHORIZATION TO TRANSFER CERTAIN)
 CERTIFICATES OF PUBLIC CONVENIENCE)
 AND NECESSITY AND TO TRANSFER)
 CERTAIN ASSETS PURSUANT TO)
 §§ 40-5-105 AND 40-9.5-105, C.R.S.;)
 (2) COMMISSION GRANT OF CERTIFICATES)
 OF PUBLIC CONVENIENCE AND NECESSITY)
 TO EXERCISE FRANCHISE RIGHTS GRANTED)
 BY THE CITY OF GREELEY, COLORADO)
 PURSUANT TO § 40-2-105, C.R.S., AND)
 ASSIGNMENT OF A PORTION OF THOSE)
 RIGHTS; AND (3) COMMISSION APPROVAL)
 AND ORDER FOR IMPLEMENTATION OF AN)
 AGREEMENT DATED FEBRUARY 26, 1991,)
 IMPLEMENTING THE FOREGOING.)

DOCKET NO. 91A-772E

COMMISSION DECISION GRANTING
 JOINT APPLICATION: (1) TO
 TRANSFER CERTAIN CERTIFICATES
 OF PUBLIC CONVENIENCE AND
 NECESSITY; (2) GRANTING
 CERTIFICATES OF PUBLIC
 CONVENIENCE AND NECESSITY TO
 EXERCISE FRANCHISE RIGHTS
 GRANTED BY THE CITY OF GREELEY
 AND AUTHORIZING ASSIGNMENT OF A
 PORTION OF THOSE RIGHTS; AND
 (3) AUTHORIZING IMPLEMENTATION
 OF AN AGREEMENT DATED
 FEBRUARY 26, 1991

 Mailed Date: January 15, 1992
 Adopted Date: January 8, 1992

STATEMENT

BY THE COMMISSION:

On November 20, 1991, Poudre Valley Rural Electric Association, Inc. ("Poudre Valley"), and Public Service Company of Colorado ("Public Service") filed a joint application with the Commission for: (1) Commission authorization to transfer certain certificates of public convenience and necessity and to transfer certain assets pursuant to §§ 40-5-105 and 40-9.5-105, C.R.S.; (2) Commission granted certificates of public convenience and necessity to exercise franchise rights granted by the City of Greeley, Colorado pursuant to § 40-2-105, C.R.S., and assignment of a portion of those rights; and (3) Commission approval and order for implementation of an agreement dated February 26, 1991, implementing the foregoing. The joint application was docketed by the Commission as Docket No. 91A-772E. Also on November 20, 1991, Poudre Valley and Public Service requested that the Commission give ten days' notice rather than ten days' notice with respect to the joint application. Counsel for Poudre Valley and Public Service orally withdrew the request for 10 days' notice rather than 30 days' notice on

November 22, 1991, and confirmed the oral request by written motion filed on November 25, 1991.

The Commission gave 30 days' notice of the joint application on November 22, 1991. No protests or motions to intervene in opposition to the joint application have been filed. Accordingly, the joint application may be determined by the Commission, without hearing, pursuant to § 40-6-109(5), C.R.S., and Rule 24 of the Commission's Rules of Practice and Procedure.

FINDINGS OF FACT

A. Several Facts

1. Poudre Valley is a cooperative electric association as defined in § 40-9.5-102, C.R.S., and is a public utility as defined in § 40-1-103, C.R.S. Poudre Valley voted to exempt itself from Commission regulation under Part 1 of Article 9.5 of Title 40, Colorado Revised Statutes on August 29, 1983; and the exemption began on October 4, 1983, when the election results were filed with the Commission. Poudre Valley's restated articles of incorporation are filed with the Commission.

2. Public Service is, among other things, an electric corporation that is a public utility as defined in § 40-1-103, C.R.S. Public Service's articles of incorporation are filed with the Commission.

3. The Commission has jurisdiction over Poudre Valley and Public Service with respect to the provision of electric service to the public within a certain territory of the State of Colorado. The Commission has jurisdiction over the issuance, modification, and transfer of certificates of public convenience and necessity to provide exclusive electric service to the public within a defined territory pursuant to §§ 40-5-105 and 40-9.5-105, C.R.S.

4. On March 18, 1970, Poudre Valley entered into a "Stipulation" with Home Light and Power Company (Home Light) in Colorado Public Utilities Commission Application No. 19574-Amended, Application No. 19606-Amended, and Case No. 5286. The Commission approved the stipulation in Decision No. 74654 dated April 3, 1970. Effective November 1, 1986, Public Service merged with Home Light, and Public Service thereby assumed the position of Home Light under the provisions of the stipulation.

B. Approval of Agreement and Certificate Rights

5. On December 22, 1971, Poudre Valley entered into an "Agreement" with Public Service. The Commission approved the provisions of the Agreement in Application No. 25599 in Decision No. 80437 dated June 9, 1972 (hereinafter the "Decision"). Poudre Valley received a certificate of public convenience and necessity exclusively to render electric service to the public within a defined territory under the terms of the Decision.

6. An Agreement, dated February 26, 1991, attached to the application as Exhibit 1 to Appendix A amends the "Stipulation" and provides for presentation to the Commission of an amendment to the Decision and the respective certificates of public convenience and necessity of the Applicants.

7. On September 8, 1987, the Colorado Supreme Court entered a decision in Case No. 85 SA 293 which was an action brought by the City of Greeley, Colorado (City) against Poudre Valley for a declaratory judgment. Home Light intervened in the lawsuit brought by the City against Poudre Valley. The Supreme Court decision and opinion in this litigation is reported at 744 P.2d 739. The case was remanded to the District Court for further proceedings consistent with the opinion of the Colorado Supreme Court. Subsequently, the Weld County District Court in Case No. 82 CV 617 entered an order on March 21, 1989, a copy of which was attached to the application as Exhibit 2 to Appendix A. The Weld County District Court decision was appealed to the Colorado Court of Appeals in Case No. 89 CA 0526. A decision was entered on April 26, 1990, affirming the District Court decision (not selected for official publication). On December 17, 1990, the Colorado Supreme Court denied Poudre Valley's Petition of Writ of Certiorari in Case No. 90 SC 384 with respect to the Court of Appeals decision.

8. Poudre Valley and Public Service through the February 26, 1991 Agreement attached as Exhibit 1 to Appendix A to the joint application, desire to resolve the territorial service conflict which is the subject of the litigation referenced in paragraph 7 regarding municipal franchise rights granted to Public Service by the City with respect to exclusive electric service territory certificated by the Commission to Public Service and Poudre Valley in and around the City. Each Applicant is ready, willing, and able to serve exclusively all electric requirements of the areas sought to be transferred to each of them pursuant to that agreement.

9. The agreement attached as Exhibit 1 to Appendix A to the joint application herein provides for the transfer of certificates of public convenience and necessity whereby Poudre Valley and Public Service will be enabled to render exclusive electric service within certain territories as defined in the agreement. The agreement also provides for the transfer of facilities and customers between Poudre Valley and Public Service, and for the assignment of certain franchise rights heretofore granted by the City. With the approval of the within joint application, the protracted litigation regarding the territorial dispute referenced in paragraph 7 above will be brought to a close with mutual benefit not only to Poudre Valley and Public Service, but ultimately to their respective ratepaying customers.

10. Article XXV of the Colorado Constitution and the Public Utilities Law adopted by the Colorado General Assembly provide that this Commission has statewide control of the boundaries of exclusive electric service to be provided by electric utilities within this state subject to the jurisdiction of the Commission.

C. Grant of Certificate of Public Convenience and Necessity to Public Service and Poudre Valley

11. Public Service requests the Commission to issue an order granting it a certificate of public convenience and necessity to exercise franchise rights, on a non-exclusive basis, to sell and distribute electricity to the City and to all residents of the City within the City pursuant to Ordinance No. 23, 1991, which was adopted by the City Council of the City on May 7, 1991, (the 1991 Franchise) subject to approval by the voters of the City at a special election called for June 18, 1991. At the June 18, 1991, special election, 1,199 votes were cast in favor of the franchise ordinance, and 49 votes were cast in opposition. Accordingly, the requisite approval of the franchise by the City has been obtained. Public Service and Poudre Valley also request that the Commission issue an order granting Poudre Valley a certificate of public convenience and necessity to exercise franchise rights with respect to the portion of the City franchise assigned to Poudre Valley pursuant to the assignment of electric franchise from the City (1991 Assignment) which is attached as Exhibit 26 to the joint application. The assignment has been approved by the City pursuant to 14.50.055 (Section 2) of the ordinance.

12. Public Service has been providing electric service to the City and its inhabitants pursuant to the terms and conditions of an electric franchise granted by Ordinance No. 16-1968 adopted May 7, 1968. Authority to operate under said franchise was granted by the Commission in Decision No. 71606 issued July 18, 1968, in Application No. 23271.

13. Public Service and Poudre Valley, by these proceedings, seek to continue said electric service for the benefit of its customers in the City of Greeley, the continuation of which service is in the public interest. As such, the public convenience and necessity requires granting approval for the exercise of the franchise rights granted by the City of Greeley to Public Service and the approval of the assignment of a portion of those rights to Poudre Valley.

14. Public Service obtains electricity for service under the franchise from its own electric generation facilities and from various power purchase agreements and transmits it to the City through its interconnected electric system.

15. Public Service's tariffs under Colorado PUC No. 6-Electric, currently on file with this Commission, will be utilized for service under this application.

16. There are no other public utilities, subject to the jurisdiction of this Commission, authorized to serve electricity in the City.

17. In further support of its application to serve franchise rights in Greeley, and in accordance with the Commission's Rules of

Practice and Procedure, the following exhibits were attached to Appendix A to the application as required by Rule 55(c):

Exhibit No. 10 is a copy of the franchise ordinance submitted in compliance with Rule 55(c)(14).

Exhibit No. 11 is a copy of the Acceptance of the Franchise on May 22, 1991 by Public Service submitted in compliance with Rule 55(c)(14).

Exhibit No. 4 is the balance sheet of Public Service as of June 30, 1991 in compliance with Rule 55(c)(7).

Exhibit No. 6 is a Statement of Income and a Statement of Retained Earnings of Public Service for the twelve months ended June 30, 1991 in compliance with Rule 55(c)(8).

Exhibit No. 13 is proof of publication in the Greeley Tribune of public hearing in Ordinance No. 23, 1991, on May 10 and 17, 1991.

Exhibit No. 14 is a copy of the proceedings of the City Council of the City of Greeley on May 21, 1991.

Exhibit No. 16 is proof of publication in the Greeley Tribune of Ordinance No. 23, 1991 by title only on May 28, 1991.

Exhibit No. 17 is a copy of the certificate of clerk as to the introduction, publication, passage, and signature by the mayor of Ordinance No. 23, 1991.

Exhibit No. 18 is a copy of the certificate of the clerk as to the recording and authenticating of Ordinance No. 23, 1991.

Exhibit No. 20 is proof of publication in the Greeley Tribune of the Notice of Election on June 7, 1991.

Exhibit No. 21 is a copy of the Voters Abstract for the election held on June 18, 1991.

Exhibit No. 22 is a copy of the ratification of Public Service of the Franchise Ordinance No. 23, 1991 on June 23, 1991.

Exhibit No. 23 is a copy of certificate of clerk as to transcript of all proceedings signed on June 27, 1991.

Exhibit No. 24 is a copy of the proceedings of the City Council of the City of Greeley on May 7, 1991.

Exhibit No. 25 is a copy of the Notice of Application by Public Service to exercise franchise rights.

Exhibit No. 26 is a copy of the Assignment of Electric Franchise from the City of Greeley.

There were no Exhibits No. 12, 15, and 19 attached to the Joint Application.

18. Public Service and Poudre Valley have the financial ability and are qualified and competent to conduct the utility operations sought in the franchise application.

19. In accordance with Rule 55(c)(14), Public Service states that the approximate population of the City is 62,190. Public Service is currently providing electric service to approximately 25,015 customers.

CONCLUSIONS ON FINDINGS OF FACT

In accordance with the above findings of fact, the Commission finds that approval of the joint application of Poudre Valley and Public Service is in the public interest and that the joint application should be approved for: (1) Commission authorization to transfer certain certificates of public convenience and necessity and to transfer certain assets pursuant to §§ 40-5-105 and 40-9.5-105, C.R.S.; (2) Commission grant of certificates of public convenience and necessity to exercise franchise rights granted by the City pursuant to § 40-2-105, C.R.S., and assignment of a portion of those rights; and (3) Commission approval and order for implementation of an Agreement dated February 26, 1991, implementing the foregoing.

THEREFORE THE COMMISSION ORDERS THAT:

1. The joint application, more particularly described in the caption above, filed by Poudre Valley Rural Electric Association, Inc., and Public Service Company of Colorado on November 20, 1991, is granted.

2. The agreement entered into between Public Service Company of Colorado and Poudre Valley Rural Electric Association, Inc., on February 26, 1991, which agreement was attached as Exhibit 1 to Appendix A to the joint application is approved and Public Service Company of Colorado and Poudre Valley Rural Electric Association, Inc., respectively, shall implement that agreement in accordance with its

terms. The agreement is set forth as Exhibit 1 to Appendix A to this Decision and is incorporated herein.

3. Public Service Company of Colorado and Poudre Valley Rural Electric Association, Inc., respectively, shall modify the east/west boundary (demarcated by a north/south line) which currently separates their respective certificated territories and which are more particularly described in Decision Nos. 96597 and 74654 as modified by Decision No. 80437 (dated June 9, 1972) so that the east/west boundary shall now be located as described in Exhibit 2 attached to Appendix A to this Decision and incorporated herein.

4. Poudre Valley Rural Electric Association, Inc., shall transfer to Public Service Company of Colorado that portion of its certificate of public convenience and necessity, along with (except as otherwise provided herein) the distribution facilities located therein so as to allow Public Service Company of Colorado to serve the territory depicted as Area A on Exhibit 2 which is attached to the February 26, 1991, Agreement and incorporated herein. The transfer shall also include easements, rights-of-way, and other occupancy rights necessary to maintain those facilities on the lands being transferred.

5. Poudre Valley Rural Electric Association, Inc., shall transfer to Public Service Company of Colorado those customers of Poudre Valley Rural Electric Association, Inc., as described in Exhibit 3 attached to the February 26, 1991, Agreement which is made a part of this Decision and Order. In connection with the transfer of customers and facilities, Public Service Company of Colorado and Poudre Valley Rural Electric Association, Inc., shall comply with the terms set forth in the February 26, 1991, Agreement.

6. Public Service Company of Colorado is authorized to exercise franchise rights, on a non-exclusive basis, to sell and distribute electricity to the City of Greeley and all residents of the City of Greeley within the City of Greeley pursuant to Ordinance No. 23, 1991, which was adopted by the City Council of Greeley on May 7, 1991, and approved by the voters of Greeley at a special election on June 18, 1991, and this Decision and Order shall be a certificate of public convenience and necessity therefor.

7. Public Service Company of Colorado is authorized to assign to Poudre Valley Rural Electric Association, Inc., its certificate of public convenience and necessity, granted by the preceding ordering paragraph in this Decision, with respect to the exercise of franchise rights for the sale and distribution of electricity to the City of Greeley and to all residents of the City of Greeley within the City of Greeley pursuant to Ordinance No. 23, 1991, which is more specifically referenced in the preceding ordering paragraph, and Poudre Valley Rural Electric Association, Inc., is authorized to exercise said franchise rights, on a non-exclusive basis in accordance with the assignment by Public Service Company of Colorado to Poudre Valley Rural Electric Association, Inc., made on November 22, 1991, by and between Public Service Company of Colorado and Poudre Valley Rural Electric Association,

Inc. The assignment of electric franchise from the City of Greeley, which was Exhibit 26 to the joint application, is attached to this Decision as Exhibit 3 to Appendix A and made a part hereof.

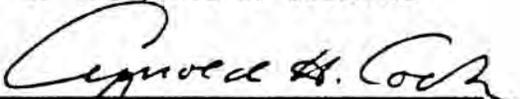
8. Poudre Valley Rural Electric, Inc., and Public Service Company of Colorado, respectively, shall record accounting entries, under the Commission's prescribed uniform system of accounts, including plant acquisition adjustments, in accordance with Exhibits 8 and 9, respectively, attached to Appendix A which was appended to the joint application.

9. Public Service Company of Colorado shall provide electric service under its Colorado PUC No. 6-Electric Tariffs, currently on file with this Commission for the provision of service authorized by this Decision and Order.

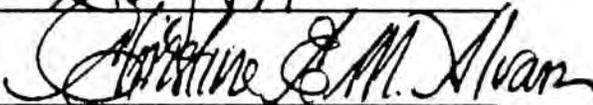
This Decision is effective immediately on its Mailed Date.

ADOPTED IN OPEN MEETING January 8, 1992.

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO







Commissioners

SDR:srs:4893J

APPENDIX A

AGREEMENT

This agreement between Public Service Company of Colorado (hereinafter PSCo) and Poudre Valley Rural Electric Association, Inc. (hereinafter PV) is upon the following terms and conditions:

1. On March 18, 1970 PV entered into a "Stipulation" with Home Light and Power Company (hereinafter Home Light) in Colorado Public Utilities Commission (hereinafter PUC) Application No. 19574 - Amended, Application No. 19606 - Amended, and Case No. 5286. The PUC approved the Stipulation in Decision No. 74654 dated April 3, 1970. Effective November 1, 1986, PSCo merged with Home Light, and PSCo thereby assumed the position of Home Light under the provisions of the Stipulation.

2. On December 22, 1971 PV entered into an "Agreement" with PSCo. The PUC approved the division of territory and transfer of customers and facilities set forth in the Agreement in Application No. 25599 in Decision No. 80437 dated June 9, 1972 (hereinafter the "Decision").

3. This agreement amends the "Stipulation" and provides for presentation by the parties to the PUC of an amendment to the Decision and the respective certificates of public convenience and necessity (CPCN) of the parties. The parties acknowledge that certain other PUC decisions may need to be modified; provided, however, that except as is expressly required as a result of this agreement, the Stipulation, the Decision and any other such PUC decision shall not be modified.

4. On September 8, 1987 the Colorado Supreme Court entered its decision in Case No. 85 SA 293 regarding an action brought by the City of Greeley, Colorado (hereinafter City), with PSCo as a plaintiff in intervention. That decision resulted in the entry of an order by the Weld County District Court in Case No. 82 CV 617 on March 21, 1989, a copy of which is attached hereto as Exhibit 1. That district court decision was appealed to the Colorado Court of Appeals in Case No. 89 CA 0526, and a decision was entered on April 26, 1990 affirming the district court decision. On December 17, 1990 the Colorado Supreme Court denied PV's Petition for Writ of Certiorari in Case No. 90 SC 384 with respect to the Court of Appeals decision.

5. The parties hereby intend to resolve the territorial service conflict which is the subject of the above-referenced litigation with respect to municipal franchise rights granted to PSCo by the City and with respect to exclusive electric service territory granted by the PUC to PSCo and to PV in and around the City. The parties agree that they will not take any action or

fail to take any action that would impair or prevent the fulfillment of the terms and conditions of this agreement. The parties agree that they will jointly present this agreement to the PUC for approval under the PUC Application procedure. The parties will act in good faith to achieve the intent of this agreement between the parties in each of their activities. Both parties acknowledge and agree that upon obtaining the necessary approvals and authorizations from those authorities having jurisdiction in the premises, each is now ready, willing, and able to exclusively serve, all electrical requirements of the areas being transferred to it hereunder.

6. The parties agree to modify the east/west boundary (demarcated by a north/south line) which currently separates the certificated territory of PSCo and PV and which is more particularly described in PUC Decision Nos. 76597 and 74654 as modified by the Decision. Said east/west boundary shall be modified so as to now be located as described in Exhibit 2 attached hereto and by this reference made a part hereof. PV agrees to transfer to PSCo that portion of its CPCN, along with (except as otherwise provided herein) the distribution facilities located therein, so as to allow PSCo to serve the territory depicted as Area A on Exhibit 2 which is created as a result of the modification of the east/west boundary described in Exhibit 2. The transfer shall also include easements, rights of way and other occupancy rights necessary to maintain those facilities on the lands being transferred.

7. PV agrees to transfer to PSCo those customers of PV as described on Exhibit 3 attached hereto and by this reference made a part hereof.

8. PSCo agrees to transfer to PV that portion of its CPCN, along with (except as otherwise provided herein) the distribution facilities located therein, so as to allow PV to serve the territory depicted as Area B on Exhibit 2, which is created as a result of the modification of the east/west boundary as described in Exhibit 2. The transfer shall also include easements, rights of way and other occupancy rights necessary to maintain those facilities on the lands being transferred.

9. PSCo agrees to transfer to PV those customers of PSCo as described on Exhibit 3 attached hereto and by this reference made a part hereof.

10. The following provisions shall apply to the transfer of customers and facilities:

A. The compensation to be paid at closing by the parties for customers and facilities to be sold and exchanged hereunder shall be the present-day reproduction cost, new, of the

electric distribution facilities less depreciation computed on a straight-line basis over thirty-five years with such depreciation being limited to one-half of such cost.

In the alternative, in the event that the facilities of either party are required (at the option of the transferee) to be removed from the area being transferred to the other hereunder, the party requesting removal shall pay the removing party the cost of labor incurred for said removal, less the salvage value of the facility being removed.

For the purposes of this paragraph, the term "electric distribution facilities" shall exclude transformers, meters, and primary distribution lines of the transferor to be used to serve other customers of the transferor, except as may otherwise be agreed to in writing by the parties.

B. Each of the parties shall supply the other, ten days prior to the date of Closing with a list enumerating capital additions, excluding transformers and meters, made to the respective facilities to be sold and exchanged hereunder which are made subsequent to the date hereof. Payment shall be made by the party acquiring said capital additions based upon the original cost of same.

C. Each of the parties shall take all necessary and reasonable action to obtain public acceptance of this proposal to effect the exchange of facilities and customers with the least possible inconvenience to the public and the customers involved, and at a minimum cost to the parties.

D. Each of the parties shall supply to the other the following customer and rate data within thirty days after the execution of this agreement.

- i. For those customers being transferred by PSCo to PV, the name, address, meter numbers, customer classifications and 1990 revenue data and copies of rates and special contracts applicable to such customers.
- ii. For the customers being transferred by PV to PSCo, the name, address, meter numbers, customer classification and 1990 revenue data and copies of rates and special contracts applicable to such customers.
- iii. Each of the parties shall have reasonable access to the books or records of the other party for purposes of verifying data furnished as set forth in this Paragraph 10.

E. The date of Closing shall be a date mutually agreed by and between the parties hereto, but shall in no event be later than thirty days after the date the order of approval of the transfer and exchange contemplated hereunder by the PUC becomes final. Closing shall take place at a mutually agreed time and place.

At the time of Closing, each party shall deliver to the other party as many duly authorized and executed counterparts of the required Closing instruments as may be reasonably requested, and each party agrees that it will execute and deliver any additional instruments of further assurance as may be reasonably requested by the other party to fully effectuate the terms hereof. Neither party hereto shall be obligated to convey any property or to make any payment or tender any instrument pursuant to the terms hereof on the date of Closing unless both parties hereto shall be prepared simultaneously to perform all of the acts required by this agreement to be performed on or before Closing.

iii. Each of the parties shall take possession of the facilities to be acquired by it under the terms of this agreement as set forth herein.

F. Prior to the date of Closing, and as a condition precedent to the consummation of the exchange, transfer and sale contemplated hereunder, the respective parties shall obtain the following approvals and authorizations:

- i. PV shall obtain any necessary approval of its directors required by its bylaws and articles of incorporation.
- ii. PSCo shall obtain any necessary approval of its directors required by its bylaws and articles of incorporation.
- iii. Both of the parties hereto shall jointly obtain the approval of the PUC for any and all things provided for in this Agreement within the jurisdiction of the PUC and requiring its approval pursuant to the joint Application. In addition, the parties hereto shall obtain any and all other authorizations, orders, consents or approvals required by any federal, state or local authorities having jurisdiction in the premises.
- iv. Each of the parties hereto shall obtain any and all releases, consents or approvals from any party holding any lien, mortgage, deed or trust, or other encumbrance upon any of the property, facilities and customers contemplated to be transferred and exchanged hereunder so that all of such property, facilities and customers may be transferred and exchanged free and clear of any and all liens and encumbrances whatsoever with the exception of current taxes.

G. Copies of the above consents, releases, permits or approvals required to be obtained by either party hereto prior to Closing of this transaction shall be furnished to the other party for its examination upon request.

H. Any amounts payable to either party under this agreement shall be made by certified check or by such other method as the parties may agree.

I. Not later than three days after the Closing date, each of the parties hereto shall cause the meters of its customers served through its facilities to be transferred and exchanged hereunder to be read. If the party receiving said customers to be transferred so desires, it may simultaneously read said meters. Within five days after all of said meters have been read, each party shall furnish to the other party a record of such meter readings so that each party will have a sufficient basis for future billing. The customers shall be deemed to have been transferred between the parties as of the date of Closing.

i. Within fifteen working days after final meter readings have been made, final bills shall be rendered to all customers being transferred. Each party hereto shall be responsible for collecting such final bills of its respective accounts and shall be entitled to receive the proceeds of such collections.

ii. Within thirty days after Closing each party hereto shall refund or cause to be refunded to its respective customers served by its facilities to be sold and exchanged hereunder any and all customer's refundable deposits of every nature made by such customers and shall, to the extent legally possible, terminate or cause to be terminated any and all existing guaranteed monthly revenue service agreements or contracts with any customer served by its facilities to be sold and exchanged hereunder. If any such service agreement or contract is not legally subject to termination, it shall be assigned to the other party hereto upon request. Refundable deposits as referred to herein shall not relate to or include capital credits or excess margins or profit retained by PV for refund to patrons pursuant to adopted bylaws, tariffs, rules or regulations of PV. PV indemnifies and holds PSCo harmless from and against any claims arising out of or in connection with PV's retention or treatment of said capital credits or excess margins and profits relating to the customers transferred to PSCo hereunder.

J. Arrangements for orderly exchange of customers and facilities shall be made by a committee composed of operating personnel representing both parties. Said committee shall determine the most expeditious manner, creating the least inconvenience to customers, of phasing in and cutting over of facilities to be sold and exchanged and of changing of distribution transformers and meters and meter bases, where necessary.

i. Each receiving party shall bear all costs of whatsoever nature incurred in revising, rearranging, rebuilding or reconnecting the facilities received from the other party and necessary to operation of such facilities as a part of the distribution system of said receiving party.

ii. Except as may otherwise be agreed to by the parties in writing, at the time of cutover of a particular line, the party transferring the line shall remove its distribution transformers and the party receiving said line shall install thereon its distribution transformers necessary to render service at the operating voltage of the party receiving said line.

iii. On the same working day on which a particular line is cutover, all meters served from said line shall be read by the party transferring the line for purpose of determining the energy supplied to the other party's customers during the period between the Closing date and the cutover date. If the party receiving said customers to be transferred so desires, it may simultaneously read said meters.

K. No later than thirty days after the cutover of a particular line, the party receiving the line shall remove the meters and install thereon its meters. All such meters removed shall be tagged with a tag indicating the date, name, and address of customer and shall be delivered to the designated service center of the party owning same at least once a week. All such returned meters shall be properly receipted for.

L. Except as may otherwise be agreed to by the parties in writing, each of the parties shall operate and maintain its respective facilities sold and exchanged hereunder until said facilities are cutover and physically connected to the receiving party's system; provided, however, such cutover shall be completed no later than thirty days after Closing. Notwithstanding the provisions for transfer herein provided, the transferee may request the transferor to maintain service after Closing to any customer required to be transferred by

such party; and the transferor shall continue its service to such customer until a mutually agreed date with no additional compensation [not under the formula in Paragraph 10(O)]; and the transferor shall retain all revenue received during the term of service to any such customers.

M. In the event that any new or additional customers should be required to be connected to a line which is to be transferred in accordance with this agreement but which has not yet been cutover, said connection shall be made in accordance with the following:

- i. During the period of the time subsequent to the date of this agreement and prior to the date of Closing extensions to new or additional customers from a party's distribution system shall be made by that party.
- ii. Subsequent to the date of Closing but prior to the date of cutover, extensions made to new or additional customers within the new territory to be transferred under this agreement shall be made by the party receiving said territory. At the option of that party, the transferring party may be requested to make the extension, and the cost of the extension will be paid by the receiving party as outlined in paragraph 10B.

N. Where required or requested, both parties shall be present at times when cutovers are made and when transformers and meters are changed.

O. Within thirty days after completing the cutover of all the facilities to be transferred between the parties, all energy consumed between the date of Closing and the date of cutover by customers that have been transferred hereunder shall be computed. Such computation shall be based on final meter readings as set forth in Paragraph 10 (I) and meter readings taken at time of cutover as set forth in Paragraph 10 (J)(iii). The party supplying the lesser amount of energy shall pay the other party at the rate of four cents (\$0.04) per KWh for the amount of the difference in KWh supplied. Provided that this provision will not apply to customers that continue to be served by the transferor at the request of the transferee under Paragraph 10(L).

P. The respective parties hereto shall pay all taxes of every kind and nature on or relating to the operation of their respective facilities to be sold and exchanged pursuant to this agreement, to and including the date of Closing, and shall also pay any and all transfer and other taxes which may become due by reason of said sale and exchange, including without limitations any State sales taxes accrued and owing as

of the date of Closing. All ad valorem taxes in respect of the respective facilities for the year 1991, payable in 1992, shall be paid by the party owning such facilities as of the date hereof, and there shall be no attempt to pro-rate such taxes. Each party shall indemnify the other and save such other party harmless against any liability with respect to its own share, as herein defined, of all taxes referred to in this Paragraph 10(P).

11. PV may maintain its legal rights by Petition for Writ of Certiorari (or any other such appeal to the extent such rights exist) to the United States Supreme Court. PV will withdraw any such Petition upon final PUC approval of this agreement.

12. To the extent permitted by law, upon request of PV at or after the Closing, PSCo shall irrevocably assign to PV its franchise(s) that it now has or may have at any time in the future from the City; provided, however, that PSCo shall be under no duty or obligation to obtain such future franchise(s) from the City. Such assignment(s) shall be for the purpose of allowing PV to service its exclusive electric service territory as granted by the PUC consistent with the terms hereof. If the approval of the City is necessary to assign a franchise, then both parties will request and support such approval. If, despite the best efforts of PSCo and PV, the City fails or refuses to permit the assignment of any such franchise, or fails or refuses to provide that such franchise is assignable, then PSCo will provide support to PV for the grant of a franchise to PV. "Support" as used in this agreement shall mean reaffirmance by PSCo of the terms of this agreement and the intent of the parties to have each serve their certificated territory pursuant to a franchise granted by the City and shall include: 1) public support by PSCo management and in particular the public support of the manager having supervisory authority over the area of the City; 2) providing materials to the public and customers that supports granting of a franchise consistent with this agreement; 3) holding educational meetings with PSCo employees; 4) presentations to the City's governing body and other citizen groups. PV will hold harmless and indemnify PSCo against any claims for PV's failure to comply with the provisions of any franchise which is assigned to it by PSCo.

13. To the extent permitted by law, upon request of PSCo at or after the Closing, PV shall irrevocably assign to PSCo its franchise(s) that it now has or may have at any time in the future from the City; provided, however, that PV shall be under no duty or obligation to obtain such future franchise(s) from the City. Such assignment(s) shall be for the purpose of allowing PSCo to service its exclusive electric service territory as granted by the PUC consistent with the terms hereof. If the approval of the City is necessary to assign a franchise, then both parties will request and support such approval. If, despite

the best efforts of PSCo and PV, the City fails or refuses to permit the assignment of any such franchise, or fails or refuses to provide that such franchise is assignable, then PV will provide support to PSCo for the grant of a franchise to PSCo. "Support" as used in this agreement shall mean reaffirmance of PV of the terms of this agreement and the intent of the parties to have each serve their certificated territory pursuant to a franchise granted by the City and shall include: 1) public support by PV management and in particular the public support of the manager having supervisory authority over the area of the City; 2) providing materials to the public and customers that supports granting of a franchise consistent with this agreement; 3) holding educational meetings with PV employees; 4) presentations to the City's governing body and other citizen groups. PSCo will hold harmless and indemnify PV against any claims for PSCo's failure to comply with the provisions of any franchise which is assigned to it by PV.

14. PV shall not interfere with any future franchise negotiations between PSCo and the City, nor with any franchise election which may be necessary in order to implement such a franchise. PV shall not oppose, but it may support PSCo with respect to the negotiations and election (if necessary) and shall not use any means or device to cause disapproval or deferral of the application. If the City attempts to impose a condition on PSCo's future franchise(s) that the franchise(s) not be assignable to PV, PSCo shall attempt to dissuade the City from imposing such a condition, and if PSCo is unsuccessful, then PV may oppose such imposed franchise(s). So long as not inconsistent with or contrary to the terms of any franchise assigned to it hereunder, PV may provide service to customers under its tariffs within the City under the terms of any franchise assigned by PSCo to PV, or under the terms of its own franchise, whichever is in effect. The parties to this agreement recognize that there are legal constraints imposed upon the parties by the Constitution, statutes and laws of the State of Colorado and the United States and that, subject to such constraints, the parties intend to carry out the terms and conditions of this agreement. Whenever possible, each provision of this agreement shall be interpreted by the parties in such a manner as to be effective and valid under applicable law.

15. PV may at any time subsequent to the date of this agreement apply for and obtain a franchise(s) or other sufficient right(s) from the City that grants PV the same or substantially similar rights to PV that PV has by reason of the assignment by PSCo of its franchise to PV. In the event PV makes such application(s), PSCo agrees not to interfere with any future franchise negotiations between PV and the City, nor with any franchise election which may be necessary in order to implement such a franchise; and PSCo shall not oppose, and shall at least maintain

strict neutrality, but PSCo may support PV, with respect to the application and the negotiation and election (if necessary), and shall not use any means or device to cause disapproval or deferral of the application(s). If the City attempts to impose a condition on PV's future franchise(s) that the franchise(s) not be assignable to PSCo, PV shall attempt to dissuade the City from imposing such a condition, and if PV is unsuccessful, then PSCo may oppose such imposed franchise(s). So long as not inconsistent with or contrary to the terms of any franchise assigned to it hereunder, PSCo may provide service to customers under its tariffs within the City under the terms of any franchise assigned by PV to PSCo, or under the terms of its own franchise, whichever is in effect.

16. In the event that at any time subsequent to the date of this agreement PSCo does not have a franchise from the City, PSCo shall transfer or assign to PV, non-exclusively, such existing rights it may have from the City or the State (if any) to continue to serve PV's certificated electric service territory within the City (not including PSCo's PUC certificate); PSCo, upon obtaining franchise rights after such a period of time, shall thereupon assign such rights described in paragraph 12. The parties agree that the parties shall have the same legal position with respect to franchise rights from the City regardless of whether such rights arise out of an initial grant from the City or from an assignment hereunder. The parties will jointly support an amendment to the City's charter to provide that electric utility franchises may be granted consistent with Article XX of the Colorado constitution by the city council and that such franchises will be assignable so that each party will be able to serve its certificated territory.

17.

A. The Colorado Public Utilities Commission, the Rural Electrification Administration or other governmental authority that has jurisdiction over this agreement and the regulation of electric service, that is determined to have a right of approval (if either party deems it appropriate, it shall be a jointly submitted application) of this agreement shall receive an application for approval of this agreement by the parties. The respective parties shall promptly take all reasonable and necessary action to obtain approvals necessary to consummate this agreement and render to each other such assistance in cooperation as the parties may reasonably request of the other in order to expeditiously carry out the terms and provisions hereof. In the event such a necessary approval is not obtained, the parties agree to negotiate in good faith to amend this agreement such that approval can be obtained. In the event the parties negotiate in good faith but are unable to resolve the amendment, then the parties agree to mediate the dispute, which mediation shall be nonbinding. Each party

shall bear its own costs, including attorney's fees incurred by it in the preparation and review of this agreement as well as those costs incurred in obtaining the approvals and consents required herein.

- B. The laws of the state of Colorado shall govern the validity, performance and enforcement of this agreement. The invalidity or unenforceability of any provisions of this agreement shall not affect or impair any other provisions. This agreement, including but not limited to all duties, obligations, covenants, warranties, liabilities, representations and indemnities contained herein, shall survive the Closing and delivery of any documents hereunder and shall survive any decision by the PUC or other agency and shall not be deemed merged therein. The obligations imposed on the parties in this agreement shall be deemed continuing. The parties represent that neither is aware of any legal prohibition to their agreement to assign future franchise rights which either may obtain from the City. However, the parties agree and do hereby expressly assume all risk regarding any later determination by a court or other proper authority that the obligation to make future franchise assignments is void or otherwise unenforceable for any reason whatsoever as well as with regard to any refusal or failure by the City to approve any such franchise assignment and that should any such circumstance or event occur, the transfer of territory, customers and facilities contemplated herein shall remain in full force and effect and the parties shall be under no obligation to negotiate a new territorial division.
- C. The parties agree that the provisions of this agreement may be specifically enforced in a court or administrative agency of competent jurisdiction. Upon request of either party, the parties agree to mediate any dispute regarding this agreement, with such mediation to be conducted with an outside mediator chosen by the parties. Mediation shall be nonbinding and shall not be a condition precedent to any such action.
- D. Nothing contained herein shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or a partnership or a joint venture between the parties hereto.
- E. The covenants, agreements and obligations herein contained, except as herein otherwise specifically provided, shall extend to, bind, and inure to the benefit of the parties hereto and their respective successors and assigns.
- F. Notwithstanding paragraph 17E above, neither party may assign or transfer all or any part of this agreement without the

prior written consent of the non-assigning party which consent shall not be unreasonably withheld.

- G. Any notice, demand, or request required or authorized by this agreement shall be deemed properly given if mailed, postage pre-paid by first class mail to Poudre Valley Rural Electric Association, Inc., P.O. Box 1727, Fort Collins, Colorado 80522, and to Public Service Company at, 550 15th St., Room 770, Denver, Colorado 80202. The address may be changed at any time by similar notice.

IN WITNESS WHEREOF, the parties have executed this Agreement on the 26th day of February, 1991.

PUBLIC SERVICE COMPANY OF
COLORADO

By: Clark B. Ewald
Senior Vice-President

ATTEST:

Jan White
Secretary

POUDRE VALLEY RURAL ELECTRIC
ASSOCIATION, INC.

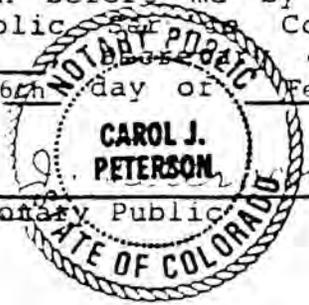
By: Richard B. Simpson
President

ATTEST:

S. Paul Olson
Secretary

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

Subscribed and sworn to under oath before me by CLARK B. EWALD, Senior Vice-President of Public Service Company of Colorado, and James R. McCotter of Public Service Company of Colorado on this 26th day of February, 1991.



Carol J. Peterson

Notary Public

My commission expires:
My Commission expires
March 10, 1992

STATE OF COLORADO)
) ss.
COUNTY OF LARIMER)

Subscribed and sworn to under oath before me by NEELAND B. SIEBRING, President of Poudre Valley Rural Electric Association, Inc. and ALICE OCHS, Secretary of Poudre Valley Rural Electric Association, Inc. on this 26th day of February, 1991.

Carol J. Peterson

Notary Public

My commission expires: My Commission Expires: May 20, 1992



EAST - WEST BOUNDARY

The following is a legal description of the west, north-south boundary line separating lands to be furnished electric service by the Poudre Valley Rural Electric Association and Home Light and Power Co. (now PSCO).

Beginning at the NE Section Corner of Section 12, T 9 N, R 66 W, and continuing along the east line of Section 12, to the SE Section Corner;

thence along the east line of Section 13, T 9 N, R 66 W, between the NE Section Corner and the SE Section Corner of Section 13;

thence along the north line of Section 24, T 9 N, R 66 W, from the NE Section Corner to the NW Section Corner of Section 24;

thence along the north line of Section 23, T 9 N, R 66 W, from the NE Section Corner to the NW Section Corner of Section 23;

thence along the north line of Section 22, T 9 N, R 66 W, from the NE Section Corner to the NW Section Corner of Section 22;

thence along the north line of Section 21, T 9 N, R 66 W, from the NE Section Corner to the NW Section Corner of Section 21, thence along the west line to the W 1/4 Corner of Section 21;

thence along the east-west center line of Section 20, T 9 N, R 66 W, from the east 1/4 corner to the center 1/4 corner, thence south along the NS center line of Section 20 from the center 1/4 corner to the S 1/4 corner;

thence along the NS center line of Section 29, T 9 N, R 66 W, from the N 1/4 corner to the center 1/4 corner, thence west along the EW center line of Section 29 from the center 1/4 corner to the W 1/4 corner;

thence along the EW center line of Section 30, T 9 N, R 66 W, from the E 1/4 corner to the W 1/4 corner, thence south along the west line of Section 30 to the SW Section Corner;

thence along the north line of Section 36, T 9 N, R 67 W, from the NE Section Corner to the NW Section Corner, thence south along the west line of Section 36 from the NW Section Corner to the SW Section Corner;

thence along the west line of Section 1, T 8 N, R 67 W, from the NW Section Corner to the SW Section Corner, thence east along the south line of Section 1, from the SW Section Corner, to the SE Section Corner;

thence along the south line of Section 6, T 8 N, R 66 W, from the SW Section Corner to the SE Section Corner;

thence along the south line of Section 5, T 8 N, R 66 W, from the SW Section Corner to the SE Section Corner;

thence along the west line of Section 9, T 8 N, R 66 W, from the NW Section Corner to the West 1/4 corner, thence along the EW center line of Section 9, to the center 1/4 corner, thence along the NS center line of Section 9, from the center 1/4 corner to the S 1/4 corner;

thence along the north-south center line of Section 16, T 8 N, R 66 W, from the N 1/4 corner to the S 1/4 corner;

thence along the NS center line of Section 21, T 8 N, R 66 W, south from the north 1/4 corner to the west 1/4 corner of the SE 1/4, thence east along the north line of S 1/2 of the SE 1/4 of Section 21 to the east 1/4 corner of SE 1/4, thence south along the east line of Section 21, from the E 1/4 corner of SE 1/4 south to the south east Section Corner;

thence along the west line of Section 27, T 8 N, R 66 W, from the NW Section Corner, south 900 feet more or less, thence east 1100 feet along an EW line, thence along a NS line 4420 feet to the south line of said Section 27;

thence along a north-south line in Section 34, T 8 N, R 66 W, from a point 1100 feet east of the NW Section Corner to the south line of said Section 34, thence east to the S 1/4 corner SW 1/4;

thence along a north-south line in Section 3, T 7 N, R 66 W, from the N 1/4 corner of the NW 1/4 to the center of the SW 1/4 of Section 3, thence along the north line of the south half of the SW 1/4 of Section 3, from the center of the south-west quarter to the north-south center line of said Section 3, thence along the north-south center line of Section 3 from the E 1/4 corner of the SW 1/4 to the S 1/4 corner of said Section 3;

thence along the NS center line of Section 10, T 7 N, R 66 W, from the N 1/4 corner south to the E 1/4 corner of NW 1/4 of said Section 10, thence along the south line of N 1/2 of NW 1/4 of Section 10, from E 1/4 corner of NW 1/4 to the W 1/4 corner of NW 1/4;

thence along the south line of the N 1/2 of the NE 1/4 of Section 9, T 7 N, R 66 W, from E 1/4 corner of NE 1/4 to the W 1/4 corner of NE 1/4, thence along the north-south center line of said Section 9, from the W 1/4 corner of NE 1/4 to center 1/4 corner, thence along the east-west center line of Section 9, from center 1/4 corner to W 1/4 corner;

thence along the east-west center line of Section 8, T 7 N, R 66 W, from E 1/4 corner to center 1/4 corner, thence along the north-south center line of Section 8, from the center 1/4 corner to W 1/4 corner of SE 1/4, thence along the north line of the S 1/2 of the SW 1/4 of Section 8, from E 1/4 corner of the SW 1/4 to the W 1/4 corner of the SW 1/4;

thence along the north line of the S 1/2 of the SE 1/4 of Section 7, T 7 N, R 66 W, from E 1/4 corner of the SE 1/4 to the W 1/4 corner of SE 1/4, thence along the north-south center line of Section 7, from the W 1/4 corner of the SE 1/4 to the center 1/4 corner, thence along the east-west center line through Section 7, from the center 1/4 corner to the west 1/4 corner;

thence along the east-west center line through Section 12, T 7 N, R 67 W, from E 1/4 corner to N 1/4 corner of SE 1/4, thence along a north-south line through Section 12, from N 1/4 corner of SE 1/4 to the S 1/4 corner of SE 1/4 of Section 12;

thence along a north-south line through Section 13, T 7 N, R 67 W, from N 1/4 corner of NE 1/4 to the S 1/4 corner of NE 1/4, thence along an east-west center line through Section 13, from the S 1/4 corner of the NE 1/4 to the E 1/4 corner of Section 13;

thence along an east-west center line through Section 18, T 7 N, R 66 W, from the W 1/4 corner to the E 1/4 corner;

thence along an east-west center line through Section 17, T 7 N, R 66 W, from W 1/4 corner to E 1/4 corner;

thence along an east-west center line through Section 16, T 7 N, R 66 W, from the W 1/4 corner to the center 1/4 corner, thence continued along the north-south center line, through Section 16, from the center 1/4 corner to W 1/4 corner of NE 1/4, thence along the North line of S 1/2 of the NE 1/4 of Section 16, from the W 1/4 corner of the NE 1/4 to the E 1/4 corner of the NE 1/4;

thence along the north line of the S 1/2 of the NW 1/4 Section 15, T 7 N, R 66 W, from the W 1/4 corner of the NW 1/4 to the center of the NW 1/4, thence south along a north-south line in Section 15, from the center of the NW 1/4 to the S 1/4 corner of SW 1/4;

thence along the north line of Section 22, T 7 N, R 66 W, from the N 1/4 corner of the NW 1/4 to the NW Section Corner;

thence along the north line of Section 21, T 7 N, R 66 W, from the NE Section Corner to the N 1/4 corner of the NE 1/4, thence along a north-south line in Section 21, from the N 1/4 corner of the NE 1/4 to the S 1/4 corner of the NE 1/4, thence along the east-west center line in Section 21, from S 1/4 corner of the NE 1/4 westerly 3500 feet more or less and thence south to the south line of said Section 21;

thence along a north-south line commencing 600 feet east of the NW Section Corner of Section 28, T 7 N, R 66 W, and continuing 1000 feet more or less in a southerly direction thence continuing west on an east-west line 650 feet more or less to the west boundary of said Section 28;

thence along an east-west line across Section 29, T 7 N, R 66 W, to the west line of Section 29, thence continuing west a distance of 1000 feet more or less into Section 30, T 7 N, R 66 W, thence south a distance of 2100 feet, more or less, thence east a distance of 600 feet, more or less, easterly into Section 29, thence south 2100 feet, to the south line of said Section 29, thence continuing east along the south line of Section 29, a distance of 700 feet more or less to the S 1/4 corner of SW 1/4 of said Section 29;

thence along a north-south line in Section 32, T 7 N, R 66 W, from the N 1/4 corner of the NW 1/4 to the S 1/4 corner of the NW 1/4, thence continuing along an east-west center line in Section 32, from the S 1/4 corner of the NW 1/4 to the W 1/4 corner, thence along the north-south line of Section 32, from the W 1/4 corner to the SW Section Corner;

thence along the east-west line of Section 6, T 6 N, R 66 W, from the NE Section Corner westerly 600 feet more or less, thence south to the east-west center line of the NE 1/4, thence west to the north-south center line of Section 6, thence south on the north-south center line to the S 1/4 corner;

thence along the north-south center line of Section 7, T 6 N, R 66 W, from the N 1/4 corner to the center 1/4 corner, thence westward along the east-west center line of Section 7, to the west 1/4 corner, thence along the west boundary of Section 7, from the W 1/4 corner south to the SW Section Corner, thence continuing along the south boundary of Section 7, T 6 N, R 66 W, eastward from the SW Section Corner to the S 1/4 corner of SW 1/4;

thence along the north-south line in Section 18, T 6 N, R 66 W, from the N 1/4 corner of NW 1/4 to the S 1/4 corner of NW 1/4, thence along the east-west center line in Section 18, eastward from the S 1/4 corner of NW 1/4 to the S 1/4 corner of the NE 1/4, thence south to the center of the SE 1/4 and thence east to the E 1/4 corner of the SE 1/4, thence south along the east line of Section 18 to the south-east Section Corner of said section;

thence along the east line of Section 19, T 6 N, R 66 W, from the NE Section Corner south to the E 1/4 corner, thence westward along the east-west center line of Section 19, from the E 1/4 corner to the N 1/4 corner of the SW 1/4, thence north from the N 1/4 corner of the SW 1/4 to the center of the NW 1/4, thence west to the W 1/4 corner of the NW 1/4 oil in said Section 19;

thence along the north line of the S 1/2 of the NE 1/4, and the north line of the S 1/2 of the NW 1/4 of Section 24, T 6 N, R 67 W, from the E 1/4 corner of the NE 1/4 west to the center of the NW 1/4, thence south along a north-south line between the center of the NW 1/4 and the S 1/4 corner of the SW 1/4 all in said Section 24;

thence along a north-south line in Section 25, T 6 N, R 67 W, between N 1/4 corner of NW 1/4 and S 1/4 corner of SW 1/4 all in said Section 25;

thence along the north-south line of Section 36, T 6 N, R 67 W, between the N 1/4 corner of the NW 1/4 and the S 1/4 corner of the SW 1/4 all in said Section 36;

thence along the north line of Section 1, T 5 N, R 67 W, between the N 1/4 corner of the NW 1/4 and the NE Section corner, thence south along the east section line to the SE Section corner;

thence along the west line of Section 7, T 5 N, R 66 W, between the NW Section corner and the SW Section corner, thence along the south line between the SW Section corner and the SE Section corner;

thence along the south line of Section 8, T 5 N, R 66 W, between the SW Section corner and the SE Section corner;

thence along the west line of Section 16, T 5 N, R 66 W, between the NW Section corner and the W 1/4 corner, thence along the east-west centerline between the W 1/4 corner and the SW corner of the NE 1/4, thence along the north-south centerline between the SW corner of the NE 1/4 and the W 1/4 corner of the NE 1/4, thence along the east-west centerline of the NE 1/4 between the W 1/4 corner of the NE 1/4 and the SW corner of the NE 1/4 of the NE 1/4, thence along the north-south centerline of the NE 1/4 between the SW corner of the NE 1/4 of the NE 1/4 and the S 1/4 corner of the NE 1/4, thence along the east-west centerline between the S 1/4 corner of the NE 1/4 to the E 1/4 corner, thence along the east Section line between the E 1/4 corner and the SE Section corner;

thence along the east line of Section 21, T 5 N, R 66 W, between the NE Section corner and the SE Section corner;

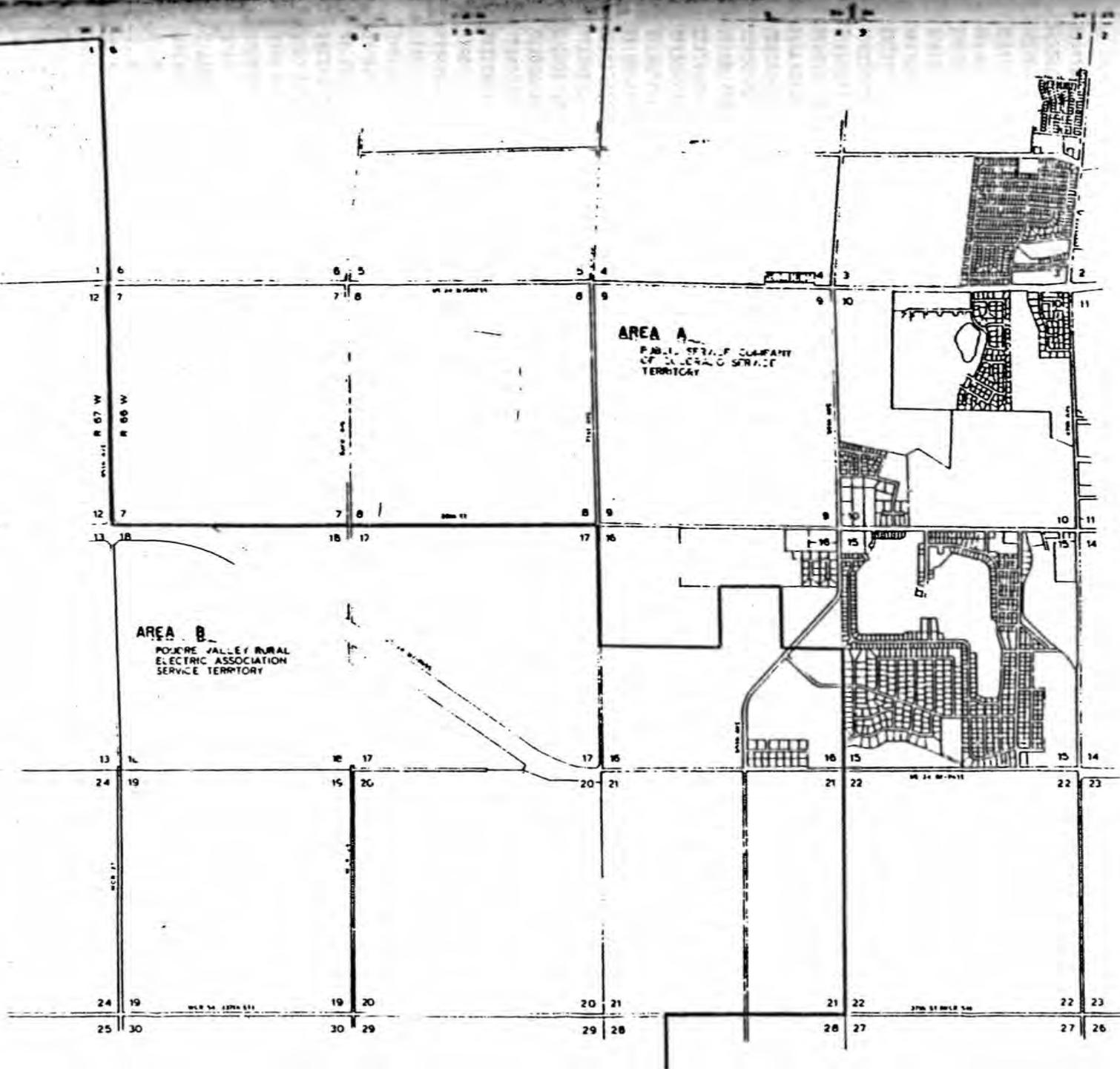
thence along the north line of Section 28, T 5 N, R 66 W, from the NE Section Corner to the W 1/4 corner of the NW 1/4, thence continued along a north-south line from the N 1/4 corner of the NW 1/4, to the S 1/4 corner of the NW 1/4, thence along an east-west line from the S 1/4 corner of the NW 1/4 to the W 1/4 corner;

thence along the east-west center line of Section 29, T 5 N, R 66 W, from the E 1/4 corner to the center 1/4 corner, thence south along the north-south center line from the center 1/4 corner to a point 800 feet, more or less, south on said center line, thence west to a point on the west line of Section 29, thence north 2300 feet, more or less, along the west line of Section 29;

thence along an east-west line in Section 30, T 5 N, R 66 W, from a point 1140 feet, more or less, south of the north-east Section Corner, extending 1300 feet, more or less, westerly, thence north 1140 feet, more or less, to the north line of Section 30, thence along the north line of Section 30, to the NW Section Corner;

thence along the north line of Section 25, T 5 N, R 67 W, from the NE Section Corner to the NW Section Corner, thence south along the west line of said Section 25, from the NW Section Corner to the SW Section Corner, thence east along the south line of Section 25, for a distance of 3450 feet, more or less;

thence along a north-south line 1750 feet, more or less, west of the north-east Section Corner of Section 36, T 5 N, R 67 W, for a distance of 1640 feet, more or less, thence west 950 feet, more or less, on an east-west line to the north-south center line, thence south along the north-south center line to the south 1/4 corner; thence west along the south Section line to the south-west Section Corner;



PUBLIC SERVICE CO OF COLO
HOME LIGHT DIVISION
EXHIBIT 2

Customers to be transferred to PSCo by PV

08:40:20

1990 KWH & Revenue

PAGE 1

Grid C	Account	Name	1990 KWH's	1990 Revenue
001300/203100	431570	LEE RUTHFORD	6,950	471.02
005450/213850	496498	SUNSET MEMORIAL GARD	47,330	2,864.64
005500/202550	30851	ROBERT W DAUER	0	120.00
005700/214500	457036	MARY HELEN SHAKLEE	8,135	537.17
006100/204100	30850	ROBERT W BAUER	13,170	806.88
006400/213950	496485	SUNSET MEN GARDEN IN	19,370	1,340.49
008050/202200	529155	GLEN WALL	12,070	749.83
008150/202200	554405	WILLIAM A WILHOT	5,920	414.10
008200/202460	46204	LOREN F BLEY	13,920	846.24
008200/202500	82245	WM C & JANA CARPENTER	6,370	439.93
008250/202200	155301	ROBERT G FAULKNER	25,730	1,460.36
008500/202480	475043	DEAN W & J K SHYDER	6,560	449.99
008520/202210	31933	RICHARD L BEAR	7,070	477.56
008680/202500	478260	JA & SK SPECHT	32,420	1,808.24
008840/202500	383790	SCOTT FACE	12,690	782.29
009000/202220	499640	DR GILBERT H SYDNEY	15,157	910.44
0091000/208650	461168	MIKE SHOULDERS	15,337	919.92
0091500/209800	496405	SUNNY VW CH DF KAZAR	5,010	362.22
0091550/197050	423093	DOUGLAS W ROGAKIS	17,863	1,051.27
0091800/186750	159076	GERTRUDE FILLINGER	5,870	411.17
0091850/196050	186933	JERRY D GOLDMAN	16,350	972.54
0091925/197425	146220	DONALD A ELLIOTT	24,981	1,573.92
0092000/190850	406442	BERT RASNUSSEN	9,270	599.43
0092200/186100	159077	LOUIS C FILLINGER	4,760	348.08
0093050/192000	447545	E SCHDENHAAR	7,310	491.42
0093400/201300	525561	W B LIVESTOCK CO	0	.00
0093700/185600	447032	VICTOR A SCHNEIDER	18,791	1,221.10
0094000/191150	406440	BERT RASNUSSEN	11,154	700.32
0094475/191650	380625	RANDY E MORRISON	19,310	1,126.52
0094500/190950	485615	DAVID J STEPHENS	0	120.00
0094700/191100	359853	VERNON C MORGAN	6,310	436.79
0094850/192600	549045	W H WIEDENAN	12,800	879.60
0095400/201650	525560	W B LIVESTOCK/JESJD	23,230	1,488.12
0095500/200600	525562	W B LIVESTOCK/JESJD	10,130	642.98
0096250/186050	447030	VICTOR A SCHNEIDER	12,929	792.19
0096400/187600	411076	HAZEL M REICHERT	0	.00
0096500/187600	411007	KEITH A REICHERT	5,366	381.90
0096500/201700	525563	W B LIVESTOCK/JESJD	9,500	1,067.10
0096650/186050	447033	VICTOR A SCHNEIDER	13,210	809.08
0096650/191050	485617	DAVID J STEPHENS	8,370	546.64
0096800/187550	411006	KEITH A REICHERT	11,062	696.17
0096875/191050	485785	THOMAS STEPHENS	9,083	582.45
0096900/188150	411074	SAMUEL C REICHERT	6,451	443.67
0097150/191050	447031	VICTOR SCHNEIDER	8,111	535.14
0097200/186550	517678	RONALD E UTLEY	10,161	648.16
0097250/192450	356740	DOX MOODY	5,970	417.57
0097500/191100	447034	VICTOR SCHNEIDER	11,086	694.60
0098450/191150	532150	RICKY A WAREHINE	15,930	950.76

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1990 KWH & Revenue

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Grid	Account Name	1990 KWH's	1990 Revenue
FINAL TOTALS			
TOTAL		568,567	36,390.01
COUNT	48		

END OF REPORT ***

No customers to be transferred to PV by PSCo.