

COLORADO DEPARTMENT OF REGULATORY AGENCIES

Public Utilities Commission

4 CODE OF COLORADO REGULATIONS (CCR) 723-3

PART 3 RULES REGULATING ELECTRIC UTILITIES

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[indicates omission of unaffected rules]

3206. Construction or Extension of Transmission Facilities.

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[indicates omission of unaffected rules]

- (h) Any application for a CPCN or any filing made pursuant to paragraph (d) of this rule for a transmission line project shall explain how the proposed project is consistent with the utility's ten-year and conceptual long range transmission plans filed with the Commission pursuant to rule 3627.

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[indicates omission of unaffected rules]

3616. – 362449. [Reserved]

(new rules)

TRANSMISSION PLANNING

3625. Applicability.

This rule shall apply to all jurisdictional electric utilities in the state of Colorado that are subject to the Commission's regulatory authority.

3626. Overview and Purpose.

The purpose of these rules is to establish a process to coordinate the planning for additional electric transmission in Colorado. The Commission endorses the concept that planning should be done on a comprehensive and state-wide basis and taking into account the needs of all stakeholders.

3627. Transmission Planning.

- (a) No later than February 1, 2011 and February 1 of each even year thereafter, utilities shall file a ten-year transmission plan pursuant to this rule.

- (I) The ten-year transmission plan shall be consistent with the single-system planning concept, defined as a collective use of the existing transmission system and making the appropriate additions, upgrades and enhancements to the system as if the transmission system were owned by a single entity.
 - (II) The transmission plan shall be coordinated with all transmission providers in Colorado.
 - (III) The transmission plan shall be developed in conjunction with the Colorado Coordinated Planning Group (CCPG), a formal subregional transmission planning organization recognized by the Western Electricity Coordinating Council (WECC), in a manner consistent with its charter and with the Federal Energy Regulatory Commission (FERC) regulations regarding transmission planning.
- (b) The ten-year transmission plan shall demonstrate compliance with the following requirements:
- (I) The efficient utilization of the transmission system on a best-cost basis.
 - (II) All applicable reliability criteria for selected demand levels over a range of forecast system demands, including summer peak load, winter peak load and reduced load when renewable generation is maximized.
 - (III) All legal and regulatory requirements, including renewable energy portfolio standards and resource adequacy requirements.
 - (IV) Consistency with and appropriate consideration of the economic studies required by paragraph (e).
 - (V) Consistency with and appropriate consideration of the conceptual long range plan required by paragraph (f).
- (c) The utilities shall file a plan with the Commission that contains the information specified below. When required by the Commission, the utilities shall provide work papers to support the information contained in the plan. The plan shall include the following:
- (I) All criteria, assumptions, data, methodology, and processes that underlie the ten-year transmission plan. This information shall include load forecasts, generator additions to supply forecasted load, required operating and planning reserve margins, applicable reliability criteria, base cases, facility ratings, alternatives considered (transmission and non-transmission), criteria for selecting the preferred alternative, operating procedures and study reports.
 - (II) Changes, additions, or deletions in the current plan when compared to the prior plan.
 - (III) The expected in-service date for the facilities and the entities responsible for constructing and financing each facility.
 - (IV) Meeting minutes, studies or reports prepared for CCPG, WestConnect, WECC or any other appropriate organization that support the ten-year transmission planning process.
 - (V) A summary of stakeholder input and how this input was incorporated into the ten-year transmission plan.

- (d) Government agencies and stakeholders shall have the opportunity to participate in the planning process in a manner consistent with the CCPG charter.
 - (I) Government agencies include affected federal, state, municipal and county agencies. Other stakeholders include organizations and individuals representing various interests that have indicated a desire to participate in the planning process.
 - (II) During the development of the ten-year transmission plan when objectives and concerns are being identified, the utilities shall actively engage the appropriate government agencies and stakeholders to identify alternative solutions.
 - (III) Once the utilities have evaluated the alternative solutions and have prepared recommendations for inclusion in the ten-year transmission plan, the utilities shall notify the government agencies and stakeholders to communicate their recommendations.
 - (IV) The outreach anticipated in paragraphs (d)(II) and (d)(III) shall occur in a timely manner prior to the filing of the ten-year plan.
 - (V) The utilities shall concurrently provide copies of the filings made pursuant to paragraphs (a), (e) and (f) of this rule to all regulatory agencies and stakeholders that participated in the planning process.
- (e) No later than February 1, 2011 and February 1 of each even year thereafter, utilities shall file all economic studies performed since the last filing.
 - (I) Economic studies are defined as studies that evaluate transmission upgrades not necessarily needed for reliability, but nevertheless reduce the cost of serving load.
 - (II) The report shall indicate whether the economic studies were initiated by a utility, a regulatory agency or another stakeholder, and shall identify all economic studies requested, but not performed.
 - (III) Examples of transmission additions that could be justified for economical reasons include:
 - (A) Transmission additions that permit access to more economical generation;
 - (B) Transmission additions that allow the reduction of local generation that is operated out of economic order only for local reliability considerations; and
 - (C) Transmission additions that permit the interconnection of new resources on an aggregated or regional basis.
- (f) No later than February 1, 2011 and February 1 of each even year thereafter, utilities shall file a conceptual long range plan looking 20 years into the future. This conceptual long range plan shall consider projected system needs for various credible alternatives, including, at a minimum, the following:
 - (I) Reasonably foreseeable future public policy initiatives;
 - (II) Possible retirement of existing generation due to age, environmental regulations or economic considerations;

- (III) Emerging generation, transmission and demand limiting technologies; and
 - (IV) Various load growth projections.
- (g) Amended filings made pursuant to paragraphs (a), (e), and (f) of this rule are permitted at any time for good cause shown.
- (h) The Commission may hold a hearing on the plan for the purpose of reviewing and rendering a decision regarding the contents of the utilities' filed transmission plan. The Commission will allow interested persons to make comments regarding the plan. The Commission will review the filings and supporting information made pursuant to this rule and will issue a written decision regarding the adequacy of the existing and planned transmission facilities in this state to meet the present and future energy needs in a reliable manner. In this decision, the Commission may also provide further guidelines to be used in the preparation of the next biennial filing.

3628. – 3649. [Reserved]