

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 14M-0061E

IN THE MATTER OF THE DESIGNATION OF ELECTRIC UTILITY TRANSMISSION FACILITIES FOR WHICH AN APPLICATION TO OBTAIN A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY IS REQUIRED OR THE FILING OF A FORMAL DETERMINATION THAT NO CERTIFICATE IS REQUIRED.

**DECISION REGARDING
CERTIFICATION OF FACILITIES**

Mailed Date: July 1, 2014
Adopted Date: June 25, 2014

I. BY THE COMMISSION

A. Statement

1. Rule 3206 (d) of the Colorado Public Utilities Commission's (Commission) Rules Regulating Electric Utilities, 4 Code of Colorado Regulations 723-3, requires each Colorado electric utility to file with the Commission, no later than April 30 of each year, information on proposed new construction or extensions of transmission facilities for the next three calendar years.

2. The following utilities filed Rule 3206 reports into this proceeding:

- § Black Hills/Colorado Electric Utility Company, L.P.
- § Grand Valley Power
- § Intermountain Rural Electric Association, Inc.
- § La Plata Electric Association, Inc.
- § Public Service Company of Colorado
- § Tri-State Generation and Transmission Association, Inc.

3. Not all the utilities that filed Rule 3206 reports have proposed new construction or extensions of transmission facilities for the next three calendar years.

4. Commission Decision No. C14-0518-I issued May 16, 2014 provided notice of filings, informed parties that specific information of each utility's filings was on file with the Commission, and established an opportunity for interested parties to file comments on or before June 16, 2014. One comment was filed, from the City of Thornton.

5. There were no significant changes or updates to projects filed in previous Rule 3206 report filings.

6. New projects that were filed in 2014 under Rule 3206 (d) are listed below by utility:

La Plata Electric Association, Inc.

- § Transmission line, built to 115 kV standards, to be energized at 69 kV, from Bayfield Substation to the La Plata/Archuleta County Line
- § Transmission line, built to 115 kV standards, to be energized at 69 kV, from Tri-State Generation and Transmission Bayfield Substation to the La Plata Electric Association Bayfield Substation
- § Transmission line, 115 kV, from Sunnyside Substation to BP Florida River Substation

Public Service Company of Colorado

- § Thornton Distribution Substation (Thornton Substation)
- § Wheeler -Wolf Ranch 230 kV Transmission Project (Wheeler-Wolf Ranch)
- § Moon Gulch 230/13.8 kV, 50 MVA Distribution Substation (Moon Gulch)
- § Sullivan 230/13.8 kV, 50 MVA # 3 Distribution Project (Sullivan)
- § Avery 230/13.8 kV, 28 MVA Distribution Substation (Avery)
- § Beaver Creek – Brush 115 kV Reconductor Project (Beaver Creek-Brush)
- § Grand Junction 138/115 kV, 50 MVA Transformer Replacement Project (Grand Junction)

- § Littleton 115/13.8 kV, 50 MVA # 3 Distribution Project (Littleton)
Tri-State Generation and Transmission Association, Inc.
- § Keota – East Pony 230 kV Line
- § Southwest Weld Expansion Project
- § Empire 115/24 kV Delivery Point

7. La Plata Electric Association, Inc. stated in its filing that all three of its projects are located solely within its certificated service territory. Therefore, pursuant to Rule 3206 (a), the Commission finds that the three new projects listed by La Plata Electric Association, Inc. do not require Certificates of Public Convenience and Necessity (CPCNs).

8. Public Service Company of Colorado (Public Service) listed Thornton Substation as a new project. Thornton Substation replaces the previously proposed Brantner Substation, which the Commission had previously ruled to be in the ordinary course of business. Public Service indicated that it is evaluating underground transmission options to serve Thornton Substation. On June 16, 2014, the City of Thornton filed comments on the Thornton Substation project, indicating that it would work with Public Service to identify an appropriate location for the substation, but expects that the undergrounding of transmission lines to be part of Public Service's CPCN application. The filing from the City of Thornton also indicated that siting of the substation would be extremely difficult if it did not involve the undergrounding of "all electric distribution lines."¹

¹ Commission Rule 3207(a) states that expansion of distribution facilities, as authorized in § 40-5-101, C.R.S., is deemed to occur in the ordinary course of business and shall not require a CPCN. Therefore, this Decision will address the transmission facilities to serve Thornton Substation and not the distribution facilities emanating from the substation.

9. Thornton Substation is a new substation with potentially complex siting issues. The Commission finds that this project requires a CPCN or a formal determination that no CPCN is required.

10. A substation, such as the proposed Thornton Substation, is a viable project only if transmission service to the substation is included within the scope of the project. Further, the Commission must ensure that new transmission facilities for the substation be in compliance with Rule 3206 *et al.* The Commission expects the new transmission facilities required to serve Thornton Substation be included with the CPCN application for the substation.

11. Commission rules generally require a CPCN for transmission facilities designed at 230 kV or above. The Commission may waive applicable rules and not require CPCNs for specific projects, such as the addition of 230 kV transformers at existing substations that were originally designed to accommodate additional transformers. Public Service requested that the Commission rule that the following 230 kV projects not require a CPCN and provided justification for this request for each project: Wheeler-Wolf Ranch, Moon Gulch, Sullivan, and Avery.

12. The Wheeler-Wolf Ranch project includes a radial transmission line that will serve a single customer and will terminate at the customer's premises. The Commission finds that this project does not require a CPCN.

13. The Moon Gulch and Avery projects consist of new 230 kV facilities to be located on greenfield sites and will serve multiple retail customers. Therefore the Commission finds that these projects each require a CPCN or a formal determination that no CPCN is required.

14. The Sullivan project consists of adding a third 230/13.8 kV transformer at an existing substation. The Commission finds good cause to waive Rule 3206(b)(I) and finds that a CPCN is not required for this project.

15. Commission Rule 3206(d) allows utilities to request a decision that projects do not require a CPCN and are in the ordinary course of business. Public Service requested the Commission affirmatively rule that the following projects be in the ordinary course of business: Beaver Creek-Brush, Grand Junction, and Littleton. As these projects do not fall under transmission facilities designed for 230 kV or above, the Commission finds these projects do not require a CPCN and are in the ordinary course of business.

16. In its filing, Tri-State Generation and Transmission Association, Inc. (Tri-State) indicated that the Keota-East Pony project and the Southwest Weld Expansion Project would likely require a CPCN. The Commission agrees, and finds that these projects each require a CPCN or a formal determination that no CPCN is required.

17. Tri-State listed the Empire 115/24 kV Delivery Point Project as a new project under an Ordinary Course of Business heading. The Commission finds that, pursuant to Commission rules, no CPCN is required for this project.

II. ORDER

A. The Commission Orders That:

1. No Certificate of Public Convenience and Necessity (CPCN) shall be required for the following La Plata Electric Association, Inc projects:

- a. Transmission line, built to 115 kV standards, to be energized at 69 kV, from Bayfield Substation to the La Plata/Archuleta County Line
- b. Transmission line, built to 115 kV standards, to be energized at 69 kV, from Tri-State Generation and Transmission Bayfield Substation to the La Plata Electric Association Bayfield Substation

- c. Transmission line, 115 kV, from Sunnyside Substation to BP Florida River Substation

- 2. A CPCN, or a formal determination that no CPCN is required, shall be required

for the following Public Service Company of Colorado projects:

- a. Thornton Distribution Substation
- b. Moon Gulch 230/13.8 kV, 50 MVA Distribution Substation
- c. Avery 230/13.8 kV, 28 MVA Distribution Substation

- 3. No CPCN shall be required for the following Public Service Company of Colorado project:

- a. Wheeler -Wolf Ranch 230 kV Transmission Project

- 4. Commission Rule 3206(b)(I) is waived and no CPCN shall be required for the following Public Service Company of Colorado project:

- a. Sullivan 230/13.8 kV, 50 MVA # 3 Distribution Project

- 5. The following Public Service Company of Colorado projects do not require a CPCN and are in the ordinary course of business:

- a. Beaver Creek – Brush 115 kV Reconductor Project.
- b. Grand Junction 138/115 kV, 50 MVA Transformer Replacement Project
- c. Littleton 115/13.8 kV, 50 MVA # 3 Distribution Project

- 6. A CPCN, or a formal determination that no CPCN is required, shall be required for the following Tri-State Generation and Transmission Association, Inc. projects:

- a. Keota – East Pony 230 kV Line
- b. Southwest Weld Expansion Project

- 7. No CPCN is required for the following Tri-State Generation and Transmission Association, Inc. project:

a. Empire 115/24 kV Delivery Point

8. The CPCN filings or applications for formal determinations that no CPCNs are required shall include, but shall not be limited to:

- a. A map showing the general area or actual locations where facilities will be constructed, population centers, major highways, state boundaries, county boundaries;
- b. Electric online diagrams including substation one line diagrams;
- c. Information on alternatives studied, costs for those alternatives, criteria used to rank or eliminate alternatives;
- d. Justification for the preferred alternative, including technical and/or economic studies;
- e. Demonstration that the public convenience and necessity of Colorado consumers require granting of the application;
- f. With respect to electromagnetic fields, a report of prudent avoidance measures considered and justification for the measures selected to be implemented; and
- g. A report describing 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, including computer studies which show the potential noise levels expressed in dB(A) and measured at the edge of the transmission line right-of-way.

9. The 20-day period provided for in § 40-6-114, C.R.S., within which to file applications for rehearing, reargument, or reconsideration begins on the first day following the effective date of this Decision.

10. This Decision is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
June 25, 2014.**

(S E A L)



ATTEST: A TRUE COPY

A handwritten signature in cursive script that reads "Doug Dean".

Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

JOSHUA B. EPEL

PAMELA J. PATTON

GLENN A. VAAD

Commissioners