

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 14A-0896E

IN THE MATTER OF THE APPLICATION OF TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC. FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE SOUTHWEST WELD EXPANSION PROJECT, FOR SPECIFIC FINDINGS WITH RESPECT TO MAGNETIC FIELDS AND AUDIBLE NOISE, AND FOR A DETERMINATION THAT CERTAIN FACILITIES ARE IN THE ORDINARY COURSE OF BUSINESS.

**DECISION GRANTING INTERVENTION,
GRANTING MOTION TO WITHDRAW REQUEST
FOR HEARING, AND GRANTING APPLICATION**

Mailed Date: December 16, 2014

Adopted Date: November 20, 2014

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I. BY THE COMMISSION**A. Statement**

1. This Decision grants a Certificate of Public Convenience and Necessity (CPCN) to Tri-State Generation and Transmission Association, Inc. (Tri-State) for certain components of its proposed Southwest Weld County Expansion Project (SWEP), determines that certain other components of the SWEP will be developed in the ordinary course of business and thus do not require a CPCN, and enters related findings with respect to magnetic fields and noise.

B. Discussion**1. Proposed Southwest Weld County Expansion Project (SWEP)**

2. Tri-State filed an application for a CPCN for the SWEP (Application) on August 26, 2014. Tri-State filed the Application with supporting sworn Direct Testimony and Exhibits of Grant D. Lehman, Mark Stout, Karl Myers, and Robert L. Pearson. These witnesses presented the description and rationale for the SWEP, alternatives, siting and permitting activities, and the results of audible noise and magnetic field studies.

3. The proposed project entails: a new 230/115 kV Greenhouse Substation to be located adjacent to Tri-State's existing J.M. Shafer Generating Station; a new 230 kV single circuit transmission line extending from the Greenhouse Substation to Tri-State's existing Henry Lake Substation; and a new 230/115 kV double circuit transmission line connecting the Greenhouse Substation to Tri-State's Neres Canal Substation, then extending as a single circuit 115 kV line to Tri-State's existing South Kersey Substation. Tri-State proposes to design and construct the double circuit line to be capable of 230 kV operation but to operate one circuit at 115 kV and leave the other circuit de-energized.

4. Tri-State requests a CPCN only for the components of the SWEP that are designed at 230 kV. For the facilities designed for operation at or below 115 kV and which meet

the requirements for magnetic fields and noise under Rules 3206(e) and 3206(f) of the Commission's Rules Regulating Electric Utilities, 4 *Code of Colorado Regulations* (CCR) 723-3, Tri-State requests that the Commission find that the facilities do not require a CPCN.

5. Tri-State states that the SWEP is needed to provide service to certain of its member systems where there has been substantial growth in oil and gas development. Tri-State explains, for example, that United Power has received formal requests for service to several large industrial loads in southwest Weld County, primarily for oil and gas extraction, processing, and transportation. United Power also anticipates a significant amount of native load growth in support of other oil and gas development. Likewise, Poudre Valley Rural Electric Association has made inquiries regarding service for an additional 50 MW of load in the area south of Kersey and immediately north of United Power's service area.

6. The estimated cost of the SWEP is approximately \$55.5 million. Construction is scheduled to begin in the spring of 2015 with an in-service date by the end of 2016.

7. Tri-State evaluated four alternatives to the SWEP: (1) a "no action" alternative; (2) addition of new generation resources; (3) utilization of energy efficiency or demand side management; and (4) construction of new transmission and sub-transmission facilities. Tri-State concluded that the forecasted load serving needs in the project area are best met through transmission investments, specifically the transmission and sub-transmission improvements comprising the proposed SWEP.

8. Through the Direct Testimonies of Dr. Robert L. Pearson and Grant D. Lehman, Tri-State explains that the estimated magnetic field levels at the maximum thermal limit of the proposed project are below 150 mG at the rights-of-way and are therefore considered reasonable pursuant to Rule 3206(e). Tri-State requests that the Commission make specific findings that the

expected maximum level of magnetic fields that could be experienced under design conditions at the edge of the SWEP's property boundaries and transmission line rights-of-way, at a location one meter above the ground, are therefore reasonable and need not be mitigated to a lower level. Similarly, Tri-State requests that the Commission make specific findings that the proposed line routes will all have audible noise levels of 50 dB(A) or less measured 25 feet beyond the edge of the rights-of-way and will therefore be in compliance with Rule 3206(f).

9. Tri-State explains that the SWEP was not included in its portion of the 2014 Joint Ten-Year Transmission Plans for the State of Colorado filed by Black Hills/Colorado Electric Utility Company, Public Service Company of Colorado (Public Service), and Tri-State because the need for the project arose after that plan was filed with the Commission. However, Tri-State states that it added the project to its 2014 Rule 3206 filing in Proceeding No. 14M-0061E (filed April 30, 2014).

10. Tri-State explains that the final alignment of SWEP must be reviewed and approved through local government permitting proceedings. With respect to outreach to affected stakeholders, Tri-State reports that a pre-application meeting with the Weld County Planning Department and the Public Works Department was held on March 20, 2014 as part of the Use by Special Review and Areas and Activities of State Interest (1041 Permit) permitting process. Tri-State states that it has also met with the City of Fort Lupton and will complete similar coordination with the City of Brighton.

2. Procedural History

11. On September 29, 2014, Public Service filed a Motion to Intervene with a request for hearing in this matter. According to Public Service, the proposed project could reduce or replace existing transmission capacity currently serving the needs of the area and may result in

the duplication of facilities. Public Service also states that only through discovery could it know for certain whether it contests or opposes the Application.

12. On October 3, 2014, Staff of the Colorado Public Utilities Commission (Staff) filed a notice of intervention of right. Staff states that it does not oppose the granting of a CPCN for the SWEP based on the Direct Testimony and Exhibits filed in support of the Application. Staff states that its intervention would allow it to investigate the matter further through discovery, to review and respond to any Answer Testimony filed by others (namely Public Service), and to provide the Commission recommendations.

13. On October 14, 2014, the Application was deemed complete by operation of Rule 1303(c)(III) of the Commission's Rules of Practice and Procedure, 4 CCR 723-1.

14. On November 10, 2014, Public Service filed a motion to withdraw its request for a hearing in this matter and requested that the Commission grant the Application. Public Service explains that, since the filing of its Motion to Intervene, Public Service and Tri-State engaged in discussions and that Public Service may participate in the SWEP because the project has the potential to help it meet its anticipated load growth and to facilitate reliability improvements in the Greeley area without having to plan and construct duplicate facilities. Public Service states that the expeditious granting of the CPCN to Tri-State is necessary for it to meet load growth and any anticipated future CPCN filing by Public Service associated with its participation in the SWEP should not delay this proceeding for Tri-State. Public Service further states that both it and Tri-State recognize that an amendment to the CPCN, if it is granted to Tri-State here, may be needed to accommodate Public Service's participation in the SWEP. Public Service also states that Tri-State has reviewed its motion to withdraw the request for a hearing and supports the relief requested.

C. Findings and Conclusions

15. We find good cause to grant Public Service's motion to intervene in this proceeding. We also grant Public Service's motion to withdraw its request for hearing.

16. Absent Public Service's request for hearing, the Application is unopposed. We therefore consider the Application under Rule 1403 of the Commission Rules of Practice and Procedure, 4 CCR 723-1.

17. We find good cause to approve the Application in accordance with § 40-5-101, C.R.S., *et seq.*, and Rules 3102 and 3206 of 4 CCR 723-3. The project has been shown to be needed and in the public interest with respect to Tri-State based on its sworn statements and Direct Testimony and Exhibits. Although Public Service states that it may participate in the SWEP, we conclude that our approval of Tri-State's Application at this time will not impede our future consideration of any modified application from Tri-State reflecting Public Service's participation or any related CPCN filings from Public Service.

18. We grant Tri-State a CPCN for the components of the SWEP designed at 230 kV and deem the components of the SWEP designed for operation at or below 115 kV to be in the ordinary course of business and thus do not require a CPCN. In addition, we find the values presented in Tri-State's studies comply with the magnetic fields and noise requirements set forth in Rules 3206(e) and 3206(f), respectively, and are therefore considered reasonable.

II. ORDER**A. The Commission Orders That:**

1. The Motion to Intervene filed by Public Service Company of Colorado (Public Service) on September 29, 2014 is granted.

2. The Motion to Withdraw Request for Hearing filed by Public Service on November 10, 2014 is granted.

3. The Application for a Certificate of Public Convenience and Necessity for the Southwest Weld Expansion Project filed by Tri-State Generation and Transmission Association, Inc. on August 26, 2014 is granted without a hearing, consistent with the discussion above.

4. The 20-day period provided 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.

5. This Decision is effective upon its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
November 20, 2014.**

(S E A L)



ATTEST: A TRUE COPY

Doug Dean

Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

JOSHUA B. EPEL

PAMELA J. PATTON

GLENN A. VAAD

Commissioners