(Decision No. C90-630)

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

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THE JOINT APPLICATION OF SPRINGER) ELECTRIC COOPERATIVE, INC., AND) SAN ISABEL ELECTRIC ASSOCIATION,) INC., TO TRANSFER THE CERTIFICATE) OF PUBLIC CONVENIENCE AND NECESSITY) OF SPRINGER ELECTRIC COOPERATIVE,) INC., TO SAN ISABEL ELECTRIC) ASSOCIATION, INC.)

DOCKET NO. 90A-209E

COMMISSION DECISION GRANTING APPLICATION TO TRANSFER CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

May 9, 1990

STATEMENT

BY THE COMMISSION:

On March 22, 1990, Springer Electric Cooperative, Inc. (Springer), and San Isabel Electric Association, Inc. (San Isabel), jointly filed Docket No. 90A-209E requesting authority for Springer to transfer to San Isabel Springer's certificate of public convenience and necessity to provide electric service in part of Las Animas, Colorado. Notice of the application was given by the Commission to all interested persons, firms, and corporations on April 6, 1990. No protests or motions to intervene have been filed in connection with this application, and it is unopposed. Accordingly, pursuant to § 40-6-109(5), C.R.S., and Rule 24 of the Commission's Rules of Practice and Procedure, this application may be determined, based upon the verified application as filed.

FINDINGS OF FACT

1. Springer and San Isabel are both electric utilities serving in Las Animas County, Colorado and subject to the jurisdiction of this Commission.

2. Springer is a New Mexico corporation authorized to do business in Colorado. Its principal office is located in Springer, New Mexico, and it does not have a principal office in Colorado. Springer was granted a certificate of public convenience and necessity by Decision Nos. 44499, dated August 18, 1955, 73488, dated September 8, 1969, and 73622, dated September 25, 1969, to serve the territory in Las Animas County which is more particularly described in Exhibit B attached to the application. 3. San Isabel is a Colorado corporation with its principal office in Pueblo West, Colorado. Its Colorado agent for service of process is William W. Wood, its general manager. A copy of its articles of incorporation and certificate of authority were attached to the application as Exhibit A. San Isabel's operations are to provide electric services within its certificated areas which generally surround the certificated territory of Springer. San Isabel's territory is set forth in Exhibit D to the application which is a copy of Decision No 88068, dated January 14, 1976, in Application No. 28579. Appendix B to Decision No. 88068, dated January 14, 1976, sets forth the total area certificated to San Isabel pursuant to Decision No. 49302, dated January 13. 1958, Decision No. 474182, dated January 15, 1970, Decision No. 76421, dated December 9, 1970, Decision No. 79878, dated March 30, 1972, as well as Decision No. 88068, dated January 14, 1976.

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4. San Isabel is affiliated with, and a member of Colorado-Ute Electric Association, Inc., its wholesale supplier. No other person holds duplicating authority in any respect to the authority sought to be transferred pursuant to the application.

5. There are no areas not previously served which are the subject matter of the application. Springer and San Isabel requests the balance sheet, income statements, and statement of retained earnings submitted with the application be accepted by the Commission in lieu of an independent feasibility study, as set forth in Exhibit E, attached to the application.

6. A copy of San Isabel's tariffs containing the proposed rates, rules, and regulations to be applicable if the application is granted was attached to the application as Exhibit F.

7. No other public utility of like character provides similar service in or near the area involved in this application other than the City of Trinidad which is a municipally owned utility, which operates wholly within its municipal limits.

8. The territory sought to be transferred is all of the terrorities served by Springer in the State of Colorado. If the application is granted Springer would no longer conduct public utility operations in the State of Colorado as an adjunct to its public utility business in the State of New Mexico.

9. San Isabel's certificated territory surrounds Springer's territory sought to be transferred by this application. San Isabel has existing facilities in close proximity, including two transmission lines which provide an effective loop for service. San Isabel currently maintains a service center located closer to the relevant territory than that of Springer. San Isabel has the capacity to provide three-phase service for industrial and large customers. San Isabel's rates are currently lower than Springer's and the affected customers will receive equivalent service at lower cost. 10. A statement showing the accounting entries of San Isabel, including any plant acquisition adjustment, gain, or loss, for its books both before and after the proposed transfer is shown on Exhibits E and H, attached to the application. A like statement of accounting entries for Springer is shown on Exhibit J, also attached to the application.

11. A copy of the sales agreement between the parties, conditioned upon this Commission's approval, was attached to the application as Exhibit I.

12. A comparison of the kinds and costs of service rendered before and after the proposed transfer of Springer's certificate to San Isabel was attached to the application, Springer's rate schedule being Exhibit K and San Isabel's rate schedule being Exhibit F.

13. If the transfer is granted, San Isabel will file any further necessary tariffs with the Commission and will operate in accordance with all of the applicable Commission Rules and Regulations.

14. This application resolves certain disputes between Springer and San Isabel and for the reasons already set forth in the above findings of fact, it is in the public interest and should be approved.

THEREFORE THE COMMISSION ORDERS THAT:

1. Springer Electric Cooperative, Inc., is authorized to transfer its certificate of public convenience and necessity, granted by Decision Nos. 44499, dated August 25, 1955, 73488 dated September 8, 1969, and 76332 dated September 25, 1969, in Application No. 13522, to San Isabel Electric Association, Inc.

2. The total area certificated to San Isabel Electric Association, Inc., pursuant to this Commission Decision No. 49302, dated January 13, 1958; Decision No. 74182, dated January 15, 1970; Decision No. 76421, dated December 9, 1970; Decision No. 79878, dated March 30, 1972; Decision No. 88068, dated January 14, 1976, in this Decision is described by the description to set forth in Appendix B attached to this Decision.

3. San Isabel Electric Association shall operate in the territory described in the proceeding ordering paragraph pursuant to its rates, rules and regulations attached to the application as Exhibit F, until such time as they are lawfully changed.

4. San Isabel Electric Association shall affect accounting entries, including plant acquisition adjustment, gain, or loss, for its books in accordance with Exhibits E and H, attached to the application. This Decision is effective immediately.

DONE IN OPEN MEETING May 9, 1990.

THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO moed A. σ ch an Commissioners

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"Beginning at a point which point is the NW Corner Sec. 35, Township 33-8, Range 64-W, thence east along the North boundry of said Sec. 35, 36, Township 33-S, Range 64-W to its point of intersection with the east boundary of Range 64-W, thence South along the east boundary of Range 64-W, approximately 6 miles to the SE Corner of Sec. 25, Township 34S, Range 64-W, thence east along the North boundaries of Sections 31 and 32, Township 34-S, Range 63-W, to the NE Cor. of Sec. 32, Township 34-S, Range 63W, thence south along the easterly line of said Sec. 32 if extended to a point of intersection on the Colorado, New Mexico border, thence West along Colorado-New Mexico border a distance of approximately six (6) miles to a point which would be the intersection of the West line if extended of Sec. 33, T. 34-S, R. 64-W, thence north along said line to the NW Corner of Sec. 33, T. 34-S, R. 64-W, thence east along the north line of Sections 33 and 34 to the NE corner of Sec. 34, T. 34-S, R. 64-W, thence north approximately 6 miles along the east line of said Sec. 34 extended to the NW Corner of Sec. 35, T. 33-S, R. 64-W, which is the point of beginning." Thence, "Beginning at a point which is 1,275.95 feet East of the Northwest Corner of Section Thirty-Five (35), Township Thirty-Three South (33-S), Range Sixty-Four West (64W), thence in a Northeasterly direction North 75 Degrees 16 Minutes East a distance of 9,402.69 feet to a point on the East boundary line of Section Twenty-Five (25), Township Thirty-Three South (33-S), Range Sixty-Four West (64-W), thence South along the East boundry of said Section Twenty-Five (25), to a point which is the Northeast Corner of Section Thirty-Six (36), Township Thirty-Three South (33-S), Range Sixty-Four West (64-W), thence West along the North boundary of Sections Thirty-Five and Thirty-Six (35 and 36), Township Thirty-Three South (33-S), Range Sixty-Four West (64-W) a distance of 9,284.5 feet to the point and place of beginning."

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Beginning at a point on the Pueblo County-Otero County Line, which point is the Southeast corner of Section 24, Township 23 South, Range 60 West; thence West along the South line of Sections 24, 23, 22, 21, 20, and 19, Township 23 South, Range 60 West; thence continuing West along the South line of Sections 24, 23, 22, 21, 20, and 19, Township 23 South, Range 61 West; thence continuing West along the South line of Sections 24, 23, 22, 21, 20, and 19, Township 23 South, Range 62 West; thence continuing West along the South line of Sections 24, 23, 22, 21, 20, and 19 to the Southwest corner of Section 19, Township 23 South, Range 63 West; thence North along the West line of Sections 19, 18, 7, and 6, Township 23 South, Range 63 West; thence continuing North along the West line of Sections 31, 30, 19, 18, and 7 to the Northwest corner of Section 7, Township 22 South, Range 63 West; thence West along the South line of Sections 1, 2, 3, and 4 to the Southwest corner of Section 4, Township 22 South, Range 64 West; thence North along the West line of Section 4 to the Northwest corner of Section 4, Township 22 South, Range 64 West; thence West along the South line of Sections 32 and 31, Township 21 South, Range 64 West; thence continuing West along the South line of Sections 36, 35, 34, 33, 32, and 31, Township 21 South, Range 65 West; thence continuing West along the South line of Sections 36, 35, 34, 33, and 32 to the Southwest corner of Section 32, Township 21 South, Range 66 West; thence North along the West line of Sections 32, 29, 20, 17, 8, and 5, Township 21 South, Range 66 West; thence continuing North along the West line of Sections 32, 29, and 20, Township 20 South, Range 66 West, to the North right-of-way line for the relocation of the Denver and Rio Grande Western Railroad; thence Easterly along the said North right-of-way line to the East line of Section 20, Township 20 South, Range 66 West; thence continuing Easterly along the said North right-of-way line to the West line of Section 22, Township 20 South, Range 66 West; thence North along the West line of Section 22 to the North line of the SW 1/4 of Section 22, Township 20 South, Range 66 West; thence East along the North line of the SW 1/4 of Section 22, to the East line of the SW 1/4 of Section 22 to the South line of Section 22, Township 20 South, Range 66 West; thence South along the East line of the SW 1/4 of Section 22 to the South line of Section 22. Township 20 South. Range 66 West, being a point in the Fryingpan-Arkansas take line; thence Easterly along said Fryingpan-Arkansas take line to the East line of the W 1/2 of Section 23, Township 20 South, Range 66 West; thence North along said East line of the W 1/2 of Section 23 to the North line of Section 23, Township 20 South, Range 66 West; thence East along the North line of the E 1/2 of Section 23, Township 20 South, Range 66 West; thence continuing East along the North line of Section 24 to the Northeast

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corner of Section 24, Township 20 South, Range 66 West; thence North 1588.66 feet along the East boundary of Tract 341 of Pueblo West Metropolitan District according to Recording No. 390171, dated April 20, 1970; thence Northwesterly 1077.89 feet along the North boundary of Tract 341 according to Recording No. 390171, dated April 20, 1970; thence Northwesterly 821.17 feet along the North boundary of Tract 336 according to Recording No. 389760, dated April 9, 1970; thence Northwesterly 4322.11 feet along the East boundary of Tract 335 according to Recording No. 383545, dated October 16, 1969; thence Northwesterly 5957.49 feet along the East boundary of Tract 331; thence Westerly 1025.08 feet along the North boundary of Tract 331; thence Southerly 125 feet along the West boundary of Tract 331 to the North right-of-way of Abarr Drive according to Recording No. 380801, dated August 7, 1969; thence Westerly 276.09 feet along the North right-of-way of Abarr Drive to the Easterly right-of-way of McCulloch Boulevard; thence Northerly along the Easterly right-of-way of McCulloch Boulevard to the Northwest corner of future Tract 374 as shown in File No. 69 M.P.I. PC-P-10-157 date of revision September 9, 1970; thence Westerly along the Northerly boundary to the Northwest corner of future Tract 367 as shown in File No. 69 M.P.I. PC-P-10-157 date of revision September 9, 1970; thence Southerly 1516.41 feet along the East boundary of Tract 343 according to Recording No. 389373, dated March 30, 1970; thence Westerly 60 feet along the South boundary of Tract 343, which is the most Southeasterly corner of Lot 55, Block 2, as shown on recorded map No. 343, Reception No. 389373, records of said county; thence along the Southerly Boundary of recorded map No. 343, North 73°10'00" West, 670.01 feet; thence South 74°30'00" West, West, 719.01 feet; thence South 89°35'00* 374.22 feet: thence South 29°27'38" West, 257.51 feet; thence South 50°00'00" West, 577.09 feet; thence South 73°00'00" West, 947.13 feet; thence South 46°28'37" West, 289.56 feet; thence South 61°00'00" West, 1040.00 feet; thence North 89°06'03" West, 126.90 feet; thence South 5°50'00" West, 632.48 feet; thence Southwesterly 442.97 feet along the South Boundary of Tract 343; thence Northerly 1517.33 feet along the West boundary of Tract 343 to the North right-of-way of Spaulding Avenue according to Recording No. 389373, dated March 30, 1970; thence Westerly 251.14 feet along the North right-of-way of Spaulding Avenue; thence Northerly 3073.17 feet along the East boundary to the Northeast corner of Tract 346; thence Westerly 2068.18 feet along the North boundary of Tract 346 to a point on the South right-of-way line of McCulloch Boulevard; thence continue Westerly 2767.97 feet along the South right-of-way boundary of McCulloch Boulevard to the West boundary of Tract 346 according to Recording No. 386612, dated January 16, 1970; thence Northerly 100 feet along the East boundary to the Northeast corner of Tract 307 according to Recording No. 393647, dated July 10, 1970; thence Westerly 2377.19 feet along the North

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right-of-way boundary of McCulloch Boulevard to the Northwest corner of Tract 307 according to Recording No. 393647, dated July 10, 1970; thence northwesterly 2945.22 feet along the North right-of-way boundary of McCulloch Boulevard to the Northwest corner of Tract 309 according to 393651, dated July 10, 1970; thence Northwesterly Recording No. 831.88 feet along the North boundary of Tract 306 as shown in Recording No. 396770, dated September 17, 1970; thence Northwesterly 2430.23 feet along the Northerly boundary of Tract 300; thence Southwesterly 1011.02 feet along the Northerly boundary of Tract 300; thence Northwesterly 469.08 feet along the Northerly boundary of Tract 300 according to Recording No. 383035, dated October 2, 1969; thence North 265.91 feet along the East boundary of Tract 304; thence Westerly 5434.70 feet along the North boundary of Tract 304 to the Northwest corner of said Tract 304, according to Recording No. 389758, dated April 9, 1970; thence West 2659.60 feet along the North boundary of Tract 301 according to Recording No. 384476, dated November 13, 1969; thence South along the West line of the E 1/2 of Section 1, Township 20 South, Range 67 West, to the South line of Section 1, Township 20 South, Range 67 West; thence West along the South line of W 1/2 of Section 1; thence continuing along the South line of Sections 2 and 3, to the Southwest corner of Section 3, Township 20 South, Range 67 West; thence North along the West line of Section 3 to the Northwest corner of Section 3, Township 20 South, Range 67 West; thence West along the South line of Sections 33, 32, and 31 to the Southwest corner of Section 31, Township 19 South, Range 57 West, which is a point on the Pueblo County-Fremont County line; thence North to the Northwest corner of Section 31, Township 19 South, Range 67 West; thence Westerly on the section line eight miles to the Northwest corner of Section 35, T 19S, R69W; thence Southerly on the section line three miles to the Northwest corner of Section 14, T2OS, R69W; thence Westerly on the section line two miles to the Northwest corner of Section 16, T2OS, R69W; thence Southerly on the section line four miles to the Southeast corner of Section 32, T2OS, R69W, which point is on the Fremont-Custer County line; thence Westerly on the Fremont-Custer County line two miles to the Southwest corner of Section 31, T2OS, R69W; thence Southerly on the Section line eight miles to the Southwest corner of Section 7, T22S, R69W; thence Westerly on the section line three miles to the Northwest corner of Section 15, T22S, R70W; thence Southerly on the section line four miles to the Southwest corner of Section 34, T22S, R7OW; thence Westerly on the section line three miles to the Southwest corner of Section 31, T22S, R7OW; thence Southerly on the section line twelve miles to the Southwest corner of Section 31, T24S, R7OW, which point is on the Custer-Huerfano County line; thence Westerly along the Custer-Huerfano County line to a point common to Custer, Huerfano, and Saguache Counties; thence Southerly along the Huerfano-Saguache County line to a point

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common to Huerfano-Saguache, and Alamosa Counties; thence along the Huerfano-Alamosa County line to a point common to Huerfano, Alamosa, and Costilla Counties; thence along the Huerfano-Costilla County line to a point of intersection with the South right-of-way line of the Denver and Rio Grande Western Railroad, said point being in the NW 1/4, Section 36, Township 29 South, Range 70 West; thence Northwesterly on and along said South right-of-way approximately 44,000 feet; thence N87° 00'E a distance approximately 2,342 feet; thence S35°00' E a distance approximately 2,700 feet to a point, said point being the most Northeasterly point of the Sangre de Cristo Ranches boundary; thence approximately S59°15'32" E a distance of 12,248.666 feet; thence generally following the top of a ridge in a Southeasterly direction as follows: approximately S34°30' E a distance of 9,600 feet; thence approximately Sll°E a distance of 3,800 feet; thence approximately S53°00' E a distance of 2,600 feet; approximately S25° 30E a distance of 12,100 feet; thence thence approximately S21°30'E a distance of 10,600 feet to a point on the summit of Harrison Peak; thence S38°00'E a distance of 5,600 feet to the summit of a peak, said peak being on the Huerfano-Costilla County line; thence Southerly along the Huerfano-Costilla County line to a point common to Huerfano, Las Animas, and Costilla Counties; thence along the Las Animas-Costilla County line to a point where said County line intersects with the Colorado-New Mexico State Boundary; thence East along the Colorado-New Mexico State Boundary; thence East along the Colorado-New Mexico Boundary to a point where the West line of Section 33. Township 34 South, Range 64 West, if extended, intersects with the Colorado-New Mexico Boundary; thence East along the Colorado-New Mexico boundary to a point where the East line of Section 9. Township 35 South. Range 55 West, if extended, intersects with the Colorado-New Mexico boundary; thence North along the East lines of Sections 9 and 4, Township 35 South; Range 55 West; thence continuing North along the East lines of Sections 33, 28, 21, 16, 9, and 4. Township 34 South. Range 55 West; thence continuing North along the East lines of Sections 33, 28, 21, 16, 9, and 4, Township 33 South, Range 55 West; thence continuing north along the East lines of Sections 33, 28, and 21 to a point in the Northeast corner of Section 21, Township 32 South, Range 55 West; thence West along the North lines of Sections 21, 20, and 19, Township 32 South, Range 55 West; thence continuing West along the North lines of Sections 24 and 23 to a point in the Northwest corner of Section 23, Township 32 South, Range 56 West; thence North along the East lines of Sections 15, 10, and 3, Township 32 South, Range 56 West; thence continuing North along the East lines of Sections 34, 27, 22, 15, 10, and 3, Township 31 South, Range 56 West; thence continuing North along the East lines of Sections 34, 27, 22, 15, 10, and 3, Township 30 South, Range 56 West; thence continuing North along the East lines of Sections 34, 27, 22, 15, 10, and 3, Township 29 South, Range 56 West; thence continuing North along the East lines of

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Sections 34, 27, 22, 15, 10, and 3, to a point on the Las Animas-Otero County line in the Northeast corner of Section 3, Township 28 South, Range 56 West; thence West along the Las Animas-Otero County line to a point in the Southeast corner of Section 33, Township 27 South, Range 57 West; thence diagonally in a Northwesterly direction across Sections 33, 29, 20, 19, and 18, Township 27 South, Range 57 West; thence continuing in a Northwesterly direction across Sections 12, 1, and 2, Township 27 South, Range 58 West; thence continuing in a Northwesterly direction across Sections 35, 34, 27, 21, 16, 17, 8, 7, and 6, Township 26 South, Range 58 West to a point in the Southeast corner of Section 36, Township 25 South, Range 59 West; thence North along the East boundary of Range 59 West to a point in the Southeast corner of Section 12, Township 24 South, Range 59 West; thence diagonally in a Northwesterly direction across Sections 12, 1, and 2, Township 24 South, Range 59 West; thence continuing in a Northwesterly direction across Sections 35, 34, and 27 to a point in the Northwest corner of Section 27, Township 23 South, Range 59 West; thence West along the North lines of Sections 28, 29, and 30, Township 23 South, Range 59 West, to a point in the Southeast corner of Section 24, Township 23 South, Range 60 West which is the point of beginning, on the Pueblo-Otero County line, to include the area within the City limits of Walsenburg, Colorado.