IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF COLORADO FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE MIDWAY - WATERTON 345KV TRANSMISSION PROJECT

DIRECT TESTIMONY OF

ANNE MACRAE

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF COLORADO FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE MIDWAY-WATERTON 345KV TRANSMISSION PROJECT.	))))))	**DOCKET NO. _____**

DIRECT TESTIMONY AND EXHIBITS OF ANNE MACRAE

Q. WHAT IS YOUR NAME AND BUSINESS ADDRESS?

A. My name is Anne MacRae. My business address is 550 15th Street, Suite 700, Denver, Colorado 80202.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by Public Service Company of Colorado. My title is Principal Agent, Siting and Land Rights.

Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS DOCKET?

A. I am testifying on behalf of Public Service Company of Colorado ("Public Service" or the "Company").

Q. HAVE YOU PREPARED A STATEMENT OF YOUR EXPERIENCE AND QUALIFICATIONS?

A. Yes. The statement is included with my testimony as Attachment A.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to describe the route selected for the Midway – Waterton 345kV Transmission Project ("Project"), identify local jurisdictions involved, and discuss proposed public notification activities.

Q. PLEASE DESCRIBE THE ROUTE SELECTION PROCESS FOR THE PROJECT?

A. The Project consists of establishing an approximately 82-mile 345kV transmission circuit between the Midway Substation, south of Colorado Springs and the Waterton Substation located in northwest Douglas County. This Project will take place entirely within existing Public Service transmission line corridors. The Project can be described in two sections. The southern portion includes a 73-mile transmission line upgrade, previously approved[1] from an existing 230kV transmission line to 345kV between the Midway Substation and Daniels Park Substation. The northern portion of the Project is approximately 9 miles in length and consists of rebuilding an existing single-circuit 230kV transmission line to double circuit 345kV between the Daniels Park Substation and the Waterton Substation. Routing in existing corridors allows Public Service to build within areas where a utility facility land use has existed for many years, and reduces or eliminates the need for the Company to purchase additional right-of-way. This approach helps minimize Project right-of-way acquisition costs and potential impacts to additional landowners. The Company believes it prudent to maximize the utilization of existing transmission line rights-of-way, whenever possible.

Q. WHAT CONSTRUCTION ACTIVITIES ARE NEEDED FOR THE WATERTON AND MIDWAY SUBSTATIONS?

[1] The Commission approved the upgrade of the southern portion of the proposed Midway – Waterton Project to double circuit 345kV capable transmission when it approved the Comanche – Daniels Park Transmission Project in Docket No. 05A-072E.

A. The project also includes 345kV equipment additions to both the Waterton and Midway substations. Public Service owns approximately 22 acres of land at the Waterton Substation and 20 acres of land at the Midway Substation.

Q. HOW WIDE IS THE EXISTING RIGHT-OF-WAY BETWEEN THE WATERTON AND DANIELS PARK SUBSTATIONS?

A. The existing right-of-way corridor varies from 210-feet to 260-feet wide. Public Service owns portions of the existing corridor through fee ownership and portions through easement rights.

Q. WILL PUBLIC SERVICE NEED TO ACQUIRE ANY ADDITIONAL RIGHT-OF WAY FOR THE PROJECT?

A. In order to accommodate the Project, Public Service will purchase an additional 60,000 square foot easement (1.4 acres) adjacent to the south side of the Daniels Park Substation.

Q. WHAT IS THE ANTICIPATED LENGTH OF THE OVERALL PROJECT?

A. At this time, the anticipated length of the proposed rebuild project within existing right-of-way is nine miles. The 73 miles between Daniels Park Substation and the Midway Substation was previously approved by the CPUC and the local jurisdictions and construction will begin this fall.

Q. WILL THE PROJECT BE NEAR ANY RESIDENTIAL AREAS?

A. Yes. Approximately 10% of the existing and proposed project between Daniels Park and Waterton substations is adjacent to an existing subdivision, Castle Pines North. An open space corridor between the transmission line right-of-way and Castle Pines North provides some additional separation.

Colorado's communities continue to expand and develop, surrounding many of our historically rural overhead transmission line corridors. Subdivisions continue to be approved and developed immediately adjacent to our existing major utility facilities throughout the state. For example, south of the Denver metro area, subdivisions have been built near our transmission right-of-way and around our Daniels Park Substation. Significant development continues to occur in Douglas County, making it very difficult to find new transmission corridors that would entirely avoid residential areas.

Q. WHAT IS THE ZONING DESIGNATIONS FOR PROPERTIES ADJACENT TO THE EXISTING TRANSMISSION LINE CORRIDOR?

A. Based on a review of the Douglas County parcel map information, there appears to be five zoning districts adjacent to the corridor. The zoning districts include: Agricultural, Rural Residential, General Industrial, Planned Development (Non-Urban) and Planned Development (Urban).

Q. PLEASE DESCRIBE THE CURRENT LAND USES ADJACENT TO THE TRANSMISSION LINE CORRIDOR?

A. A number of existing land uses are adjacent to the transmission line corridor with the majority of land use being agricultural. Other existing land uses include: commercial, industrial, mobile homes, improved residential land, a police training facility and parcels of land owned by metropolitan districts and homeowners' association that are used as open space and for utility facilities and trails. In areas close to the Daniels Park Substation, subdivisions are adjacent to the open space.

Q. WILL LOCAL GOVERNMENTS REVIEW THE PROJECT?

A. Yes. Local government land use approvals will be required from Douglas County for the Project. Based on the previous Comanche to Daniels Park Transmission Line Project, Public Service anticipates that Douglas County will require Location and Extent approval for the transmission line upgrade and a Use by Special Review and Site Improvement Plan approval for the proposed expansion at the Waterton Substation.

Public Service also assumes that El Paso County will require a Location Application for the expansion at the Midway Substation. PSCo is working with the County to identify the specific application requirements.

Q. WILL THE COMPANY CONDUCT PUBLIC NOTIFICATION ACTIVITIES FOR THIS PROJECT?

A. Yes. Public Service will develop a comprehensive plan for this Project in order to notify the public and the homeowners associations in the vicinity of the proposed Project. The Company will work closely with the counties to identify what homeowners associations and other local jurisdictional entities will need to be included as part of this process.

Q. CAN YOU DESCRIBE THE TIMING NECESSARY TO CONDUCT LOCAL LAND USE PERMITTING ACTIVITIES?

A. Yes. Public Service has initiated contact with the local jurisdictions and will begin public informational activities later this year. It is anticipated that local land use permits will be submitted to the jurisdictions during the first quarter of 2008.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

Attachment A
Statement of Qualifications
Anne MacRae

Ms. MacRae is a Prinicipal Agent with over 17 years of experience siting, permitting, and acquiring land rights for major utility facilities. Ms. MacRae is primarily responsible for siting, permitting, and acquiring the necessary land rights for Public Service substations, transmission lines, and select generation and gas utility facilities. Ms. MacRae conducts siting studies and presents project recommendations to federal, state, and local regulatory and land management agencies and commissions and to the general public. She has specialized knowledge of federal, state, and local land use permitting and land rights acquisition processes, property valuation, property management, siting and environmental analysis, and electric and gas utility systems. Ms. MacRae has a Master of Science in Urban and Regional Planning from the University of Arizona.