

Exhibit 2

Decision No. C08-0676

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

CASE NO. 6396

IN THE MATTER OF THE DESIGNATION OF ELECTRIC UTILITY TRANSMISSION FACILITIES AND ELECTRIC UTILITY GENERATION 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.

**ORDER REGARDING
CERTIFICATION OF FACILITIES**

Mailed Date: July 8, 2008
Adopted Date: July 2, 2008

I. BY THE COMMISSION

A. Statement

1. Rule 3205(c) and Rule 3206(c) of the Commission's Electric Utility Rules, 4 *Code of Colorado Regulations* 723-3, require each Colorado electric utility to file a schedule of its proposed new construction or extensions of generation and transmission facilities for the next three calendar years, no later than April 30 of each year.

2. Rule 3205(f)(l) and Rule 3206(h)(l) further provide that the Commission shall issue its decision on whether a certificate of public convenience and necessity (CPCN), or a formal determination regarding the necessity of a CPCN, is required within 60 days of April 30 of the calendar year in which the data are filed.

3. Rules 3205(d) and 3206(f) provide that the Commission will give notice of the filing of data to all those who, in the opinion of the Commission, are interested persons, firms, or

corporations. Any interested person, firm, or corporation may file comments concerning the identified projects within 15 days of the filing of the data.

4. The Commission issued notice of the data filing on May 30, 2008, per Decision No. C08-0534, and a 15-day period for comments ended June 16, 2006. No comments were received.

5. In the June 25, 2008 Commissioners' Weekly Meeting, the Commissioners waived 4 *Code of Colorado Regulations* 723-3-3206(h)(l) to allow themselves more time to review those transmission projects requiring a CPCN determination.

6. The following utilities submitted proposed projects:

Aquila, Inc.

Public Service Company of Colorado

Grand Valley Power Electric Association, Inc.

Highline Electric Association (late submittal)

Intermountain Rural Electric Association, Inc.

Mountain View Electric Association, Inc.

Poudre Valley Rural Electric Association, Inc. (not listed initially)

Tri-State Generation and Transmission Association, Inc.

White River Electric Association, Inc.

7. New projects were reported as listed below by company:

Aquila, Inc.

No new projects submitted.

Public Service Company of Colorado

Horsethief 138kV Load Delivery and 138kV Transmission Line, in-service January 31, 2010.

Gunbarrel Substation, in-service May 2009.

Comanche - Reader 115kV Underground Line #2, in-service May 31, 2010.

Clear Creek Substation and Clear Creek - Starkey Gulch 230kV

Transmission Line, in-service January 31, 2010.

Kelim 115-13.8kV Substation, in-service May 31, 2010.

College Lake 115-1 3.8kV Substation, in-service May 31, 2010.

New Castle 115/69-24.9 kV Substation, in-service June 1, 2010.

Missile Site 230kV Switching Station, in-service May 31, 2010.

Niwot - Gunbarrel Load Service Request (LSR) 230kV Underground Line Project, in-service May 31, 2011.

Eldorado - Plainview - Ridge 115kV Line Removal/Rebuild Project, in-service December 31, 2010.

Eldorado - Valmont - Ridge 115kV Line Removal/Rebuild Project, in-service December 31, 2010.

San Luis - Walsenburg 230kV Line Project, in-service May 31, 2012.

Construct Two Combustion Turbines at the Fort St. Vrain Generating Station, in-service June 2009.

Construct a Combined Cycle Generating Unit at Arapahoe Station, in-service May 13, 2013.

Grand Valley Power Electric Association, Inc.

Red Cliff Mine Transmission Line, in-service January 2010.

Clear Creek Substation, in-service January 2010.

Horsethief Substation, in-service January 2009.

Highline Electric Association

Crook Substation to 3.7 MW Co-generator Facility 12 mile 69kV line, in-service January 1, 2009.

Intermountain Rural Electric Association, Inc.

No new projects.

Mountain View Electric Association, Inc.

Calhan Substation, in-service September 2008.

Poudre Valley Rural Electric Association, Inc.

Kodak Substation 115-12.5kV 50 MVA transformer, already in service.

Black Hollow Substation replace transformer with 12 MVA, already in service.

Boomerang Substation 115-24.5 kV 24 MVA, in-service 1st Q 2009.

Red Feather Substation 69-12.5 kV 7.5 MVA, in-service 2nd Q 2009.

Gateway Substation 115-12.5kV 15 MVA, in-service 2010-2011.

Tri-State Generation and Transmission Association, Inc.

Ault-Cheyenne 230x115kV Double Circuit Rebuild, in-service 3rd Quarter 2009.

Big Sandy-Lincoln-Midway 230 kV Line, in-service, 1st Quarter 2009.

Hotchkiss 2-7.5 MVAR, 115kV Cap Addition, in-service 1st Quarter 2008.

White River Electric Association, Inc.

Exxon Mobil Industrial Load-Greasewood Substation, in-service October 2008.

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

1. No certificate of public convenience and necessity (CPCN) shall be required for the following Public Service Company of Colorado (PSCo) projects:

Horsethief 138kV Load Delivery and 138kV Transmission Line.

Gunbarrel Substation.

Comanche - Reader 11 5kV Underground Line #2.

Clear Creek Substation and Clear Creek-Starkey Gulch 230kV Transmission Line.

Kelim 115-1 3.8kV Substation.

College Lake 115-1 3.8kV Substation.

New Castle 1 15/69-24.9 kV Substation.

Missile Site 230kV Switching Station.

Niwot - Gunbarrel LSR 230kV Underground Line Project.

2. No CPCN shall be required for the following Grand Valley Power Electric Association, Inc. projects:

Red Cliff Mine Transmission Line.

Clear Creek Substation.

Horsethief Substation.

3. No CPCN shall be required for the following Highline Electric Association project:

Crook Substation to 3.7 MW Co-generator Facility 12 mile 69kV Line.

4. No CPCN shall be required for the following Mountain View Electric Association, Inc. project:

Calhan Substation.

5. No CPCN shall be required for the following Poudre Valley Rural Electric Association, Inc. projects:

Kodak Substation 115-12.5kV 50 MVA Transformer.

Black Hollow Substation replace transformer with 12 MVA one.

Boomerang Substation 115-24.5 kV 24 MVA.

Red Feather Substation 69-12.5 kV 7.5 MVA.

Gateway Substation 115-12.5kV 15MVA.

6. No CPCN shall be required for the following White River Electric Association, Inc. project:

Exxon Mobil Industrial Load-Greasewood Substation.

7. No CPCN shall be required for the following Tri-State Generation and Transmission Association, Inc. projects:

Big Sandy-Lincoln-Midway 230 kV Line.

Hotchkiss 2-7.5 MVAR, 115kV Cap Addition.

8. PSCo shall file for a CPCN or for a formal determination that no CPCN is required for the following projects: a) Eldorado - Plainview - Ridge 115kV Line Removal/Rebuild Project, in-service December 31, 2010 (consider 230kV construction); b) Eldorado - Valmont - Ridge 115kV Line Removal/Rebuild Project, in-service December 31, 2010 (consider 230kV construction); c) San Luis - Walsenburg 230kV Line Project, in-service

May 31, 2012; d) Pawnee Smoky Hill 345kV Transmission Project, in service May 31, 2008 – CPCN application filed October 31, 2007; e) Construct Two Combustion Turbines at the Fort St. Vrain Generating Station, in-service June 2009-CPCN application Docket No. 07A-469E filed November 27, 2007; and e) Construct a Combined Cycle Generating Unit at Arapahoe Station, in-service May 31, 2013-CPCN application Docket No. 08A-145E filed April 29, 2008, CPCN application withdrawn on June 11, 2008. The filing 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 one line 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) 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. Tri-State Generation and Transmission Association, Inc. shall file for a CPCN or for a formal determination that no CPCN is required for the following projects: previously named projects, a) Archuleta County System Improvement Project (formerly Bayfield-Pagoda 115kV Loop Project), in-service 3rdQ 2013, per Decision No. C03-0707; b) San Luis Valley 230kV Loop (formerly San Luis Valley-Walsenburg 230kV Line), in-service 4thQ 2011, per

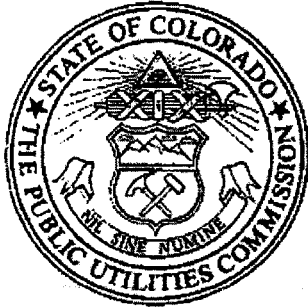
Decision No. C03-0707; c) Boone-Comanche-Stem Beach-Walsenburg 230kV Line, in-service 4thQ 2012, per Decision No. C06-0761; d) Eastern Plains Transmission Project, in-service 3rd Quarter 2011-2014, per Decision No. C07-0417; and new project with this Order, e) Ault-Cheyenne 230x115kV Double Circuit Rebuild, in-service 3rdQ 2009. The filing 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 one line 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) 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.

10. This Order is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
July 2, 2008.**

(S E A L)



ATTEST: A TRUE COPY

Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

RON BINZ

JAMES K. TARPEY

MATT BAKER

Commissioners