## Exhibit 5

Decision No. C09-0048

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

DOCKET NO. 07A-421E

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF COLORADO FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE PAWNEE – SMOKY HILL 345KV TRANSMISSION PROJECT.

#### **COMMISSION DECISION ON REMAND**

Mailed Date: February 26, 2009 Adopted Date: December 30, 2008

## Appearances:

Ann E. Hopfenbeck, Esq., Denver, Colorado, and Gregory E. Sopkin, Esq., Denver, Colorado, for Applicant Public Service Company of Colorado;

Jeffrey G. Pearson, Esq., Denver, Colorado, for Intervenor Trans-Elect Development Company, LLC, and Intervenor Wyoming Infrastructure Authority; and

Stephen W. Southwick, Esq., Denver, Colorado, for Intervenor Colorado Office of Consumer Counsel.

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## I. BY THE COMMISSION

## A. Statement of the Case

- 1. An abbreviated statement of the case from Decision No. C08-0444 is provided here for context.
- 2. On October 31, 2007, Public Service Company of Colorado (Public Service, PSCo, Company, or Applicant) filed a Verified Application for a Certificate of Public Convenience and Necessity with Specific Findings with Respect to Electromagnetic Fields and Noise (Application). This filing commenced this proceeding.
- 3. We assigned this matter to an administrative law judge (ALJ) but determined that we would issue an initial decision in this matter. We also requested that specified information be provided during the hearing.
- 4. The following are Intervenors in this docket: Colorado Office of Consumer Counsel (OCC); Ms. Leslie Glustrom; Interwest Energy Alliance; Trans-Elect Development Company, LLC (Trans-Elect); Tri-State Generation and Transmission Association, Inc.; Western

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whether the 1272 kcmil or the 1431 kcmil conductor is used, the Project's maximum transfer capability will not be achieved due to at least this limiting factor.<sup>27</sup>

36. Should transfer capability above 1,000 MW be required when the Pawnee - Missile Site - Smoky Hill transmission is operated with double-circuit 345kV and double-circuit 230kV, the Company has identified some options. Each option involves either an upgrade of an existing transmission line or of one or more underlying systems or construction of a new transmission line.

## E. Information Regarding Proposed Missile Site Substation.

- 37. Public Service plans to build the Missile Site Substation (formerly known as Corner Point) in Section 1. Missile Site is planned to intersect (or sectionalize) the Pawnee Daniels Park 230kV transmission line approximately 40 miles east of Denver (where the line turns north toward Pawnee) and will be built on a new 35-40 acre site. Missile Site will operate initially at 230kV but will be built 345kV, 230kV, and 115kV capable to allow expansion. Public Service expects Missile Site to be in-service in 2010.<sup>29</sup>
- 38. The Pawnee Smoky Hill Project will be in-service in 2013 or 2014. When the single-circuit Pawnee Smoky Hill 345kV transmission line is constructed, Section 1 of the line will tie into Missile Site. By that time, Missile Site will operate at 345kV.
- 39. Public Service has planned Missile Site as an interconnection point for future 345kV transmission to the eastern and northern areas of Colorado. Missile Site will be located in ERZ 2 and is planned as the injection point for wind and solar resources in Generation

<sup>&</sup>lt;sup>27</sup> The transfer capability may be increased by action to address the constraining factor or factors.

<sup>&</sup>lt;sup>28</sup> These are discussed in Hearing Exhibit No. 38 at 22:3-12.

The details of the Missile Site Substation are found in Public Service's Rule 3205 Report - Proposed Construction or Expansion of Generating Capacity for 2009-2011, filed on April 30, 2008 in Case No. 6396.

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Development Areas (GDAs) 3, 4, and 5.<sup>30</sup> Public Service estimates that, when the generation resources are in-service,<sup>31</sup> approximately 500 to 1,000 MW will be injected at Missile Site from generation in ERZ 2.

## F. Public Service's Transmission Planning and Information Regarding Transmission to Serve Public Service's 2046 Projected Peak Load.

40. In Public Service's opinion, the most appropriate approach to transmission planning is to

focus on balanced planning and implementation of the logical building blocks that lay the best foundation for appropriate future extensions and enhancements in a cost effective and prudent manner.

Hearing Exhibit No. 38 at 20:17-20. Further, the Company opines that the Commission should not be concerned that the Company will not have adequate transmission to meet the Denver metro area demand in the future because

[s]tandards set by the North American Electric Reliability Corporation (NERC) require that Transmission Providers continually assess and develop their systems so that they "meet specified performance requirements with sufficient lead time, and that those systems continue to be modified or upgraded as necessary to meet present and future system needs." Public Service Transmission Planners annually perform 5-10 year assessments and develop plans to address the future needs of the transmission system.

Id. at 21:3-9.

41. Looking at transmission in the five- to ten-year planning horizon, PSCo prepares detailed five-year capital budget cases. Public Service prepares detailed ten-year planning studies in cooperation with the Western Electric Coordinating Council.<sup>32</sup> The Company

Senate Bill 07-91 created GDAs to target potential wind and solar generation. In Public Service's transmission planning, every GDA is located within an ERZ and should be able to be accessed by transmission planned for the ERZs. GDAs 3, 4, and 5 are located principally in ERZ 2.

<sup>&</sup>lt;sup>31</sup> The in-service dates could be as far in the future as 15 years.

These studies use as inputs the data from every utility in the western United States. The frequency with which Public Service performs these planning studies is unclear.

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# B. ADOPTED IN COMMISSIONERS' DELIBERATIONS MEETING December 30, 2008.

(SEAL)

ATTEST: A TRUE COPY

Doug Dean, Director THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

RONALD J. BINZ

JAMES K. TARPEY

MATT BAKER

Commissioners