

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

DOCKET NO. 10A-240E

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF COLORADO FOR A DECLARATORY ORDER THAT AN APPLICATION FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY IS NOT REQUIRED TO EXPAND THE MISSILE SITE SUBSTATION, OR IN THE ALTERNATIVE, APPLICATION FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE EXPANSION OF THE MISSILE SITE SUBSTATION.

**ORDER GRANTING A CERTIFICATE OF PUBLIC
CONVENIENCE AND NECESSITY FOR THE EXPANSION
OF THE MISSILE SITE SUBSTATION**

Mailed Date: June 8, 2010
Adopted Date: June 2, 2010

I. BY THE COMMISSION

A. Statement

1. On April 16, 2010, Public Service Company of Colorado (Public Service or the Company) filed a Petition for a Declaratory Order (Petition) seeking a declaration that a certificate of public convenience and necessity (CPCN) is not required to expand the planned Missile Site Substation (Project) near Deer Trail, Colorado. Public Service filed its Petition pursuant to Colorado Rule of Civil Procedure 57 and Rule 1304(i) of the Rules of Practice and Procedure, 4 *Code of Colorado Regulations* (CCR) 723-1. In the alternative, Public Service filed an application for a CPCN (Application) for the expansion of the planned Missile Site Substation, under § 40-5-101, C.R.S., and Rules 3002(a)(III) and 3102 of the Rules Regulating Utilities, 4 CCR 723-3.

2. Public Service submitted direct testimony and exhibits of Mr. Gerald M. Stellern, Manager of Transmission Asset Management, in support of its Application. Mr. Stellern stated

the reasons why Public Service sought to expand the Missile Site Substation, including the 345kV station equipment and 345-230kV autotransformers. He also discussed the Project costs, the timeline for the Project, and describes the measures the Company will employ to minimize noise levels.

3. On April 19, 2010, the Commission noticed this filing as an Application for a CPCN. Because of the 345kV voltage design and the strategic location and importance of the substation for generation interconnections from Senate Bill 100 Energy Resource Zones 2 and 3, the Commission determined that the Project was not in the ordinary course of business and that a CPCN was required.

4. On May 18, 2010, Colorado Independent Energy Association (CIEA) filed a Motion to Intervene (Motion) in this proceeding. CIEA did not request a hearing and stated that it expects to monitor the proceedings without sponsoring a witness. We find good cause to grant the Motion.

5. We discussed the Project at the Commissioners' Weekly Meeting held on May 26, 2010. To be fully informed in the matter prior to ruling on the merits, we determined that certain information on proposed generation interconnections at the Missile Site Substation and the proposed 252 MW Cedar Point Wind generation project was necessary. *See* Decision No. C10-0524.

6. Public Service filed a response as required by Decision No. C10-0524 on June 1, 2010.

7. Because the Application is unopposed, the Commission finds that it will determine this matter upon the record, without a formal hearing under § 40-6-109(5), C.R.S., and Rule 1403, Commission Rules of Practice and Procedure, 4 CCR 723-1.

8. The Commission also finds that the Application contains all of the information required by applicable Commission Rules and is therefore deemed complete.

B. Discussion

9. In its Report filed pursuant to Rule 3206 on April 30, 2008, Public Service first stated its plans to construct a 230kV Substation at Missile Site, located approximately 40 miles east of Denver near Deer Trail, Colorado. Public Service proposed to sectionalize the existing Pawnee-Daniels Park 230kV transmission line to provide an interconnection point for wind generation, and add a 230-115kV transformer to provide an interconnection point with a large wholesale customer. By Decision No. C08-0676, the Commission ruled that the construction of a 230kV Missile Site Substation did not require a CPCN.

10. Subsequently, the Commission granted Public Service's application for a CPCN for the Pawnee-Smoky Hill 345kV Transmission Line by Decision No. C09-0048. In its filing made pursuant to Rule 3206 on September 16, 2009, Public Service stated that the Commission approval of a CPCN for the Pawnee-Smoky Hill 345 kV Transmission Project made it necessary to move forward with expanding the Missile Site Substation to 345kV. Public Service argued that the 345kV construction is needed to allow additional generation interconnections and to allow for a smooth transition to sectionalize future planned 345kV lines.

11. Public Service contends that the Missile Site 345kV Substation Expansion will sectionalize the Pawnee-Smoky Hill 345kV line with a half mile in-and-out tap while maintaining the electromagnetic field and noise levels of that line, add a 345-230kV transformer, and add the necessary associated equipment and facilities to complete the construction.

12. The in-service date of the Missile Site 345kV Substation Expansion is May 2013 at a cost of \$14 million.

13. The Commission has reviewed the Application and the accompanying testimony and exhibits filed by the Company, as well as the information provided by the Company in response to Decision No. C10-0524. The Commission finds that the proposed expansion is required to provide additional generation injection potential from Energy Resource Zones 2 and 3 by sectionalizing the Pawnee-Smoky Hill 345kV line and to provide a 345kV terminus for future planned 345kV lines. We find that the Application is in the public interest and therefore grant the Application and the CPCN for the expansion of the Missile Site Substation.

II. ORDER

A. The Commission Orders That:

1. The application filed on April 16, 2010 by Public Service Company of Colorado (Public Service) for a Certificate of Public Convenience and Necessity (CPCN) for the expansion of the Missile Site Substation is deemed complete.

2. The Motion to Intervene filed by the Colorado Independent Energy Association on May 18, 2010 is granted.

3. The application of Public Service for a CPCN for the expansion of the Missile Site Substation is granted.

4. Public Service is required to maintain the prudent avoidance measures to minimize the effects of electromagnetic fields and noise utilized in its construction of the Pawnee-Smoky Hill 345kV transmission line as it sectionalizes the line at Missile Site. The electromagnetic fields and noise levels that were deemed reasonable for the construction of that line are also deemed reasonable here.

5. The 20-day period provided for 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 Order.

6. This Order is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
June 2, 2010.**

(S E A L)



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