

Decision No. C19-0175

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 18A-0860E

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF COLORADO FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE SHORTGRASS SWITCHING STATION PROJECT.

**DECISION GRANTING APPLICATION
FOR CERTIFICATE OF PUBLIC
CONVENIENCE AND NECESSITY FOR THE
SHORTGRASS SWITCHING STATION**

Mailed Date: February 19, 2019

Adopted Date: February 14, 2019

I. BY THE COMMISSION

A. Statement

1. This Decision finds that this matter is uncontested under Rule 1403 the Commission's Rules of Practice and Procedure, 4 *Code of Colorado Regulations* (CCR) 723-1, and grants the Application for the Certificate of Public Convenience and Necessity (CPCN) for the Shortgrass Switching Station Project (Shortgrass CPCN Application or Application) filed on December 5, 2018, as amended, by Public Service Company of Colorado (Public Service or Company).

B. Background and Filings

2. Through its Application, the Company requests that the Commission grant Public Service a CPCN for the Shortgrass Switching Station, a 345 kV transmission facility that the Company states is necessary to interconnect the Bronco Plains and Cheyenne Ridge wind generation facilities. The wind facilities which are among the 11 generation facilities for which

the Company was granted a presumption of prudence in Phase II of its most recent Electric Resource Plan.¹

3. In addition, the Company seeks Commission findings consistent with Rule 3206(e) of the Rules Regulating Electric Utilities 4 CCR 723-3, that the expected maximum level of magnetic fields that could be experienced under design conditions at the edge of the Project's property boundaries and transmission line rights-of-way, at a location one meter above the ground, are 150 mG or less and are, therefore, reasonable and need not be mitigated to a lower level. The Company further requests that, consistent with Rule 3206(f), the Commission make specific findings that the projected level of audible noise radiating beyond the Project's property lines and transmission line rights-of-way at a distance of 25 feet are less than 50 db(A) and are, therefore, reasonable and need not be mitigated to a lower level.

4. The Shortgrass Switching Station is located 12 miles east of Hugo in Lincoln County, Colorado and will be configured as a four-position ring bus switching station. The station will connect the 345 kV line that runs west to Pronghorn and Missile Site (*i.e.*, the Rush Creek Gen-Tie), the Rush Creek II wind facility, the 345 kV transmission line that will run east to the Cheyenne Ridge wind facility, and the 345 kV line that will connect to the Bronco Plains wind facility. Public Service estimates the cost of the project is \$13.9 million.

5. In the Shortgrass CPCN Application, the Company states: "Timely approval of this CPCN is necessary to commence construction of the Shortgrass Switching Station. This will ensure this interconnection facility is in service for the necessary testing and commissioning of

¹ See Decision No. C18-0761, Proceeding No. 16A-0396E, issued September 10, 2018.

the wind generation facilities in order to achieve a commercial operation date (“COD”) no later than December 31, 2020 and obtain the full value of the production tax credit.”²

6. On December 21, 2018, Public Service filed an Application for Approval of a CPCN for the Cheyenne Ridge Wind Project (Cheyenne Ridge CPCN Application), commencing Proceeding No. 18A-0905E. The Company states that a decision on the Cheyenne Ridge CPCN Application by May 1, 2019, is necessary to allow time to ensure that it gets the full value of the Production Tax Credit. The Company references the timing requested in the Cheyenne Ridge CPCN Application in its Shortgrass CPCN Application.

7. On January 7, 2019, the Office of Consumer Counsel (OCC) filed an intervention of right and requested a hearing in the Shortgrass CPCN Application. On January 11, 2019, Staff of the Commission (Staff) also filed an intervention of right in this proceeding and requested a hearing. Western Resource Advocates (WRA), Colorado Energy Consumers (CEC), and Climax Molybdenum Company (Climax), also timely filed requests for intervention, but did not oppose the Application or request a hearing.

8. By Decision No. C19-0068-I issued January 17, 2019, the Commission concluded that the Shortgrass CPCN Application was unclear about the timing requested for a decision, and directed Public Service to work with Staff and the OCC to file no later than noon on Tuesday, January 22, 2019, an update stating any preferred timing for a decision in the Shortgrass CPCN Application proceeding.³

9. On January 22, 2019, Public Service filed an Uncontested Motion in the Shortgrass CPCN Application proceeding seeking a Commission decision on the Shortgrass

² Application at p. 4, ¶ 8.

³ Decision No. C19-0068-I, Proceeding No. 18A-0860E, issued January 17, 2019.

CPCN Application no later than February 27, 2019, in the event OCC and Public Service withdraw their requests for hearing. The motion also requests that the Commission hear the Shortgrass CPCN Application *en banc* and that the Commission: (1) on January 30, 2019, require Supplemental Direct Testimony; and, (2) on February 5, 2019, at noon, permit Staff and OCC to make filings withdrawing their requests for hearing or, in the event Staff and OCC do not withdraw their requests, require Public Service to confer and file a revised proposed procedural schedule with additional deadlines for Answer Testimony and Rebuttal Testimony.

10. By Decision No. C19-0124-I, issued on January 30, 2019, we granted Public Service's Uncontested Motion and directed the Company to file Supplemental Direct Testimony. The decision established Staff, the OCC, WRA, CEC, and Climax as parties to this proceeding, and required the filings requested on February 5, 2019, of either: (a) OCC and Staff withdrawing their respective requests for hearing; or (b) Public Service conferring and filing a revised procedural schedule.

11. Public Service subsequently filed an Amended Application on January 22, 2019 and Supplemental Direct Testimony on January 30, 2019. Addressing Staff's concerns about magnetic fields levels, Public Service states that its consultant Tetra Tech concluded that magnetic field levels do not exceed the 150 mG level at either the edge of the switching station boundary or at the edge of the transmission line right-of-way. Public Service asserts that because the levels are well within the Commission's deemed-prudent levels, the Company does not believe these magnetic field levels warrant additional mitigation techniques. Public Service also argues that it does not need further mitigation because the projected audible noise levels of the switching station will be consistent with the intent of the Commission's Rules.

12. On February 4, 2019, and prior to a hearing, the OCC filed its Notice of Withdrawal indicating that its issues of concern were resolved and stating,

The OCC is satisfied that the Company's Amended Application supported by Mr. Green's Direct Testimony and Supplemental Direct Testimony provides a factual understanding of the Shortgrass CPCN request. Additionally, considering the cost estimate reduction of over \$4 million and the explanations of cost allocation and recovery mechanisms, the OCC believes that this Amended Application is in the public interest as an integral part of the CEPP.

OCC Withdrawal at p. 2, ¶ 8.

Staff also filed a notice of withdrawal on February 4, 2019, indicating that with the information included in the Company Amended Application and Supplement Direct Testimony that, "there is no longer a reason for Staff to request an evidentiary hearing to address the concerns raised in its intervention."⁴

13. In support of its Application, Public Service submitted Direct and Supplemental Direct Testimony of Thomas W. Green and Jack W. Ihle. On February 5, 2019, the Company filed affidavits of Jack W. Ihle and Thomas W. Green.

C. Findings and Conclusions

14. Under § 40-6-109(5), C.R.S., and Rule 1403 of the Commission's Rules of Practice and Procedure, 4 CCR 723-1, the Commission may consider an application without an evidentiary hearing if the matter is uncontested. Only Staff and the OCC, contested the Shortgrass CPCN. Rule 1403(c), states, "If all parties withdraw their interventions before completion of a hearing, the matter may be determined as an uncontested proceeding."

15. Staff and the OCC have withdrawn their requests for hearing and the Commission finds that the Shortgrass CPCN Application may be determined as an uncontested proceeding.

⁴ Staff Withdrawal at p. 1.

With the supporting affidavits of Jack W. Ihle and Thomas W. Green, filed February 5, 2019, we find the application, as amended, is accompanied by the necessary sworn statements to support the Company's pleadings as required by Rule 1403(a). Therefore, we consider this matter as uncontested and without further hearing, consistent with § 40-6-109(5), C.R.S., and Rule 1403.

16. The Commission has reviewed the Shortgrass CPCN Application filed by Public Service, as amended, and finds that the Shortgrass Switching Station is needed to interconnect the Bronco Plains and Cheyenne Ridge wind facilities.

17. We are further satisfied that the concerns of intervening parties are resolved through the amended Application and supplemental filings. We find the Application, as amended, meets the magnetic field values and audible noise values for the initial build-out presented in the studies referenced above and meets the conditions set forth in Rules 3206(e) and (f), 4 CCR 723-3.

18. Therefore, and as supported through Direct and Supplemental Direct Testimony, the Commission finds good cause to grant the unopposed Application, as amended.

II. ORDER

A. The Commission Orders That:

1. The Application for a Certificate of Public Convenience and Necessity for the Shortgrass Switching Station Project filed on December 5, 2018 by Public Service Company of Colorado is granted consistent with the discussion above.

2. 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 Decision.

3. This Decision is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
February 14, 2019.**

(S E A L)



ATTEST: A TRUE COPY



Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

JEFFREY P. ACKERMANN

FRANCES A. KONCILJA

JOHN GAVAN

Commissioners