

Siting & Land Rights 1800 Larimer Street, Ste 400 Denver, CO 80202

Sent Via Email to: dcaris@fruita.org

Mr. Dan Caris Planning and Development Director, City of Fruita 325 E Aspen Avenue Fruita, CO 81521

RE: Response to City of Fruita Staff and Referral Agency Comments – Conditional Use Permit Application (#2024-08) for 6683 Transmission Line Rebuild

Dear Mr. Caris,

Public Service Company of Colorado (PSCo), a Colorado corporation conducting business as Xcel Energy, has reviewed comments provided by City of Fruita (City) staff and referral agencies for our 6683 Transmission Line Rebuild Conditional Use Permit Application and included in the Planning and Development Department Staff Report, originally dated August 13, 2024. Xcel Energy respectfully submits responses to all City staff and referral agency comments.

Responses to Recommended Conditions of Approval

Condition #1: Underground transmission line Structure numbers 7, 8, 9-DE.

Response:

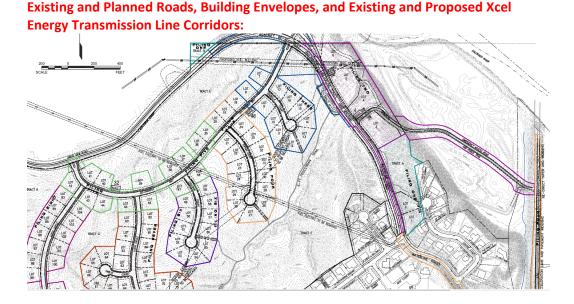
Xcel Energy first notes that Structures 7, 8 and 9-DE (depicted below) are located within an area that will be modified in the near future to accommodate the City's recently approved Sunset Pointe Development. Specifically, there will soon be a 20' emergency access road and public trail built through the area to accommodate over 120 new homes that will be built as part of that development. As shown in Sunset Pointe Development's plans included below, the City's 2023 approval of that development indicates the City would prefer for Xcel Energy to refrain from rebuilding its transmission line in its current corridor, and instead relocate that corridor to the north, away from existing and planned homes to the south. Xcel Energy's proposed route follows this path.







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As Xcel Energy has relayed to City Staff, the Colorado Public Utilities Commission does not allow local jurisdictions to require public utilities to underground transmission facilities as a permit condition if such undergrounding is more costly than installing the same facilities above ground. See *In re Application of Tri-State Generation and Transmission Association, Inc.* and *San Miguel County, Colorado,* Decision No. C04-0093; Docket No. 03A-192E; 2004 Colo. PUC LEXIS 75 (Granting Tri-State's petition under C.R.S. § 29-20-108(5) and rejecting Mesa County's condition to underground certain portions of a Tri-State electric transmission line unless the County entered into payment agreement by date certain to cover expenses incurred above what would be incurred for an overhead installation), Attachment 1 to this letter.

Xcel Energy may, however, agree to install its facilities underground if the local government pays for the difference in cost between building the facilities above ground and building the facilities underground. Xcel Energy is willing to do so here, subject to the City of Fruita entering into the *Relocation Agreement* that Xcel Energy provided the City on October 7, 2024, and subject to the City acquiring any necessary land rights required by its alternative underground route.

Xcel Energy has met with staff multiple times to evaluate this option, and in those meetings, Staff has suggested two alternative corridors for the underground transmission line:

- (1) Along Kings View Road, for an estimated additional expense of \$9.7 million* dollars to underground the facilities along that route; and
- (2) Along the emergency access route that will be built through the park as part of the Sunset Pointe Development, for an estimated additional expense of \$11.3 million* to underground the facilities along that route.



*Both of these options exclude any costs associated with additional land rights that may be necessary for these alternative routes.

Xcel Energy suggests that if the City is still evaluating whether it wants to enter into the Relocation Agreement, and/or which route it would like Xcel Energy to take but nonetheless still wants to consider undergrounding a portion of the Project, that Condition #1 be modified to align with the PUC's decision referenced above:

Approval subject to the condition that Xcel Energy install a portion of the transmission line underground along Kings View Road or the Emergency Access Road depicted in the Sunset Pointe Development plans, provided that such route alignment and undergrounding is contingent upon the City of Fruita: (1) selecting the alternative route for undergrounding; (2) acquiring all necessary land rights for said route; and (3) entering into Xcel Energy's Relocation Agreement by no later than October 31, 2024. If the City has not met these requirements by October 31, 2024, Xcel Energy shall proceed with overhead installation of the route included in the Application.

Condition #2

Adequately address/resolve any outstanding review agency comments.

Response:

Please see responses to comments that follow.

Responses to City of Fruita Public Works Comments

Comment:

Utility Plan: There are several places where the proposed structures are in the same alignment as the City's sewer infrastructure. The applicant will need to have existing utilities located prior to construction. This may include utility potholing/verification. The City recently replaced 17 sanitary sewer manholes in poor condition due to high levels of H2S along this proposed route.

RECOMMENDATION: The Public Works Dept. recommends approval of this Conditional Use Plan upon the satisfactory resolution of the items cited above.

Response:

Xcel Energy has developed more detailed locates for all existing utilities and underground infrastructure. Our updated utility composite did not identify any significant conflicts with existing utilities or underground infrastructure. This has been provided to the City and is also included as Attachment 2 to this letter. Xcel Energy is committed to working with the City and other underground infrastructure owners during construction to ensure that this project will not negatively impact existing facilities.



Responses to CDOT Comments

Comment:

CDOT assumes they will use the excising access to the rodeo grounds. No new accesses to the highway will be permitted.

Response:

Acknowledged. Xcel Energy is currently coordinating with CDOT regarding this project and will ensure compliance with all CDOT requirements.

Responses to Ute Water Comments

Comment:

Along River Road, there appear to be several conflicts between proposed UPs and existing water facilities owned/maintained by Ute Water Conservancy District that must be addressed. Waterline needs to be located to avoid conflict, see markup.

Response:

Xcel Energy has developed more detailed locates for all existing utilities and underground infrastructure including facilities owned/maintained by Ute Conservancy District. Our updated utility composite did not identify any significant conflicts with existing utilities or underground infrastructure (Attachment 2). Xcel Energy is committed to working with Ute Water Conservancy District and all other underground infrastructure owners during construction to ensure that this project will not negatively impact existing facilities.

Responses to City of Fruita Parks & Recreation Comments

Comment:

RECOMMENDATION: The Parks and Recreation Dept. recommends that the transmission lines that are in the open space and conservation areas to be buried. We want to maintain the land in a natural, scenic or open condition managed in a way that protects, preserves, enhances, and provides enjoyment of the visitors of this area. Burying transmission lines in open spaces and conservation areas can offer several advantages over traditional overhead lines. The underground lines will not disrupt the visual landscape, preserving the natural beauty of the conservation area. The lines will be less intrusive on wildlife and vegetation compared to overhead lines, which require clearing and maintenance of rights-of- way. The underground lines also have a reduced risk of fires and electrical hazards important in dry areas.

Response:

Please see response to proposed condition #1 above.

Responses to Central City of Fruita Planning Comments

Comment:

The Community Development Department recommends that in order to remove any conflicts with the Open Space and disc golf course near the sewer lift station area, that



the Transmission Line be placed underground for this portion of the project (this would apply to Transmission Line Structures 8 and 9-DE as identified on the Site Location Mapbook) and then may continue to be above ground thereafter. This may also allow for the project to avoid sewer and other utility conflicts that have been commented on already in this review. With the undergrounding, the City of Fruita would provide easements where reasonably necessary. The Community Development Department reserves the right to place additional conditions on this Conditional Use Permit application as it sees necessary to ensure protection of existing utilities, open space, residential properties, and the like.

Response:

Please see response to proposed condition #1 above.

Responses to City of Fruita Engineering

Comment:

Utility Plan: There are several places where the proposed structures are in the same alignment as the City's sewer infrastructure. The applicant will need to have existing utilities located prior to construction.

RECOMMENDATION: The Engineering Department recommends approval of this Conditional Use Plan upon the satisfactory resolution of the items cited above,

Response:

Xcel Energy has developed more detailed locates for all existing utilities and underground infrastructure including the City's sewer infrastructure. Our updated utility composite did not identify any significant conflicts with existing utilities or underground infrastructure (Attachment 2). Xcel Energy is committed to working with the City and all other underground infrastructure owners during construction to ensure that this project will not negatively impact existing facilities.

Responses to Lower Valley Fire Protection District Comments

Comment:

LVFD has no issues with the submittal of reconstruction of power line 6683. LVFD will require an emergency plan that will designate emergency contacts for the project. LVFD is looking forward to collaborating with you on fire mitigation plan.

Response:

We look forward to working with the Lower Valley Fire Protection District regarding any necessary emergency or fire mitigation planning.

Responses to Colorado Parks and Wildlife Comments

Comment:

Please see attached comments.

Response:



Xcel Energy ensures compliance with local, state, and federal regulations for construction, reconstruction, and maintenance of our facilities. As part of this, Xcel Energy employs best management practices on all construction projects to preserve resources and reduce impacts.

The Bureau of Land Management's Grand Junction Field Office (BLM) has been heavily involved in the evaluation and selection of the route for this transmission line rebuild project on federal land to reduce impacts. The BLM's comments played a significant role in the route selection across federal land. We expect to continue to work closely with the BLM throughout our federal review and approval process.

Xcel Energy understands that all referral comments have been provided by the City of Fruita. We look forward to continuing to work with you during the permit process. Please feel free to contact me by telephone at (303) 285-6533 or email at Jennifer.L.Chester@XcelEnergy.com, or contact Xcel Energy's Siting & Land Rights Senior Agent Delaney Selvidge at (303) 285-6467 or Delaney.L.Selvidge@XcelEnergy.com, or contact Xcel Energy's permitting consultant, Angie Woehler with Burns & McDonnell, at (303) 842-3847 or apwoehler@burnsmcd.com.

Sincerely,

Jen I. da

Jennifer Chester Xcel Energy Siting & Land Rights, Senior Manager Telephone: (303) 285-6533 Jennifer.L.Chester@XcelEnergy.com

4/05 Investigation #: 6683 Rebuild Document #:

RELOCATION AGREEMENT

This agreement is made and entered into this <u>day of</u> <u>2024</u>, by and between <u>City of</u> <u>Fruita</u>, hereinafter referred to as "Developer", and Public Service Company of Colorado, a Colorado corporation, hereinafter referred to as "PSCo", and concerns the relocation and/or modification of transmission circuit 6683 and related infrastructure, as found in Section 019, Township 1 North, Range 2 West, Mesa County, Colorado.

STATEMENT OF WORK

In order to accommodate the Developer's requested relocation of a portion of circuit 6683, at the sole expense of Developer, PSCo shall furnish or cause to be furnished, all equipment, labor, and materials necessary to relocate fixtures 7 through 13 of transmission circuit 6683 and place this section of transmission circuit 6683 underground, as shown on Exhibit A attached hereto and incorporated herein. This work is referred to as the "Project."

COMPENSATION

Developer shall compensate PSCo for all costs of the Project, including, but not limited to, the cost of engineering the Project, siting, permitting, land rights acquisition, construction, the cost of labor, materials, loss of revenue, and any other losses which may be suffered by PSCo to the extent that those losses are a direct or proximate result of the work specified herein, and not the result of PSCo's negligence. The estimated cost of the Project is nine million seven hundred forty thousand dollars and zero cents (\$9,740,000) for option 1 (Kingsview Road) and eleven million three hundred thousand dollars and zero cents (\$11,300,000) for option 2 (Emergency Access Road and Kingsview Road). This amount is due upon execution of this agreement and shall be paid to PSCo before commencement of the Project. Necessary changes in the scope of the Project may result in a difference between the estimate and the actual cost of the Project.

PSCo shall account for costs, using PSCo's method of charging costs of jobs as approved by the Colorado Public Utilities Commission (PUC). Upon completion of the work, PSCo shall provide a "Statement of Charges" to Developer, which will contain an itemization of all actual costs charged to the Project. If the total cost of the construction is less than the estimated cost for the Project, the balance shall be returned to Developer on or before one hundred twenty (120) days following completion of the work.

If the total cost of the construction exceeds the estimated cost for the Project, Developer agrees to compensate PSCo for the excess amount. Full payment by Developer for the Project shall be made within thirty (30) working days upon receipt of the "Statement of Charges."

In the event Developer abandons its plan for the Project, for any reason whatsoever, this agreement shall terminate. PSCo shall provide a "Statement of Charges" to Developer, which will contain an itemization of all actual costs incurred due to the termination. The same provisions above shall apply if the total cost is less than or exceeds the estimated cost for the Project.

PERFORMANCE OF WORK

In consideration of the compensation referred to above, PSCo and Developer mutually agree to the following:

PSCo shall complete the work necessary to remove and relocate structures 122 through 136 of the 6670 circuit, including any restoration of PSCo's facilities and right-of-way in a safe, efficient, and economical manner as conditions permit, giving due regard to soil and weather conditions, and other matters affecting the construction which are beyond the reasonable control of PSCo.

Developer shall prepare certified legal descriptions and drawings as deemed necessary by PSCo for easement(s) for the new facilities throughout the entire area of Developer's property or adjacent property as needed, and shall grant such easements(s) to PSCo or obtain the same in favor of PSCo in the form shown on Exhibit B attached hereto and incorporated herein. Such grant(s) shall be made to PSCo before commencement of the Project.

PSCo and Developer shall coordinate the work in order to avoid conflict with any other contractors who may be working in the immediate area. Developer agrees that no construction will interfere with or detour the progress of the Project.

Developer shall obtain all such permission and permits as may be necessary to accomplish the Project.

Developer agrees and understands that if PSCo has constructed natural gas gathering, storage, transmission, distribution, or related facilities on the right-of-way, Developer has been fully advised by PSCo that such natural gas facilities may now transport and may continue to transport natural gas at significant pressures. Developer shall advise all of its employees, agents, contractors, and other persons who enter upon the right-of-way, pursuant to the provisions of this agreement, of the existence and nature of such natural gas facilities and the danger and risk involved.

Developer has been fully advised by PSCo that the natural gas facilities of PSCo, if located on the right-ofway, may be subject to cathodic protection by rectifier and related anode beds. PSCo shall not be liable for stray current or interfering signals induced in the right-of-way as a result of the operating of PSCo's cathodic protection system.

Developer agrees and understands that if PSCo has constructed electric power generation, transmission, distribution, or related facilities on the right-of-way, Developer has been fully advised by PSCo that such electric facilities may now transmit and may continue to transmit electric current at significant voltages, and that the conductors on electric lines may not be insulated. Developer shall advise all of its employees, agents, contractors, and other persons who enter upon the right-of-way, pursuant to the provisions of this agreement, of the existence and nature of such electric facilities and the potential danger and risk involved.

As used in this agreement, the term "Claims" means (1) losses, liabilities, and expenses of any sort, including attorneys' fees; (2) fines and penalties; (3) environmental costs, including, but not limited to, investigation, removal, remedial, and restoration costs, and consultant and other fees and expenses; and (4) any and all other costs or expenses.

As used in this agreement, the term "Injury" means (1) death, personal injury, or property damage; (2) loss of profits or other economic injury; (3) disease or actual or threatened health effect; and (4) any consequential or other damages.

To the extent permitted by law, Developer covenants and agrees to at all times protect, indemnify, hold harmless, and defend PSCo, its directors, officers, agents, employees, successors, assigns, parents, subsidiaries, and affiliates from and against any and all Claims arising from, alleged to arise from, or related to any Injury allegedly or actually occurring, imposed as a result of, arising from, or related to (1) this agreement; (2) the construction, existence, maintenance, operation, repair, inspection, removal, replacement, or relocation of the electric power generation, transmission, or distribution; natural gas gathering, storage, transmission, or distribution; or any other utility facilities; or (3) Developer's or any other person's presence at the right-of-way as a result of or related to this agreement.

Developer's duty to protect, indemnify, hold harmless, and defend hereunder shall apply to any and all Claims and Injury, including, but not limited to:

Claims asserted by any person or entity, including, but not limited to, employees of Developer or its contractors, subcontractors, or their employees;

Claims arising or alleged to be arising in any way out of the existence at or near the right-of-way due to this agreement of (1) electric power generation, transmission, distribution, or related facilities; (2) electricity or electromagnetic fields; (3) natural gas gathering, storage, transmission, distribution, or related facilities; (4) asbestos or asbestos containing materials; (5) any Hazardous Materials, regardless of origin; or

Claims arising from, or alleged to be arising in any way from, the acts or omissions of Developer, its sublessees, invitees, agents, or employees.

This agreement may be executed in two original counterparts, each of which shall be deemed an original of this instrument. Any signature generated by the undersigned owner by a customarily recognized form of electronic signature (e.g. DocuSign, Adobe Sign, HelloSign, SignEasy, KeepSolid Sign) or any signature transmitted using any customary delivery method for electronic signatures (e.g. facsimile, .pdf, scan and email) shall be binding and recognized by the undersigned owner and PSCo as original.

This agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto as allowed herein.

IN WITNESS WHEREOF, this instrument has been executed the day and year first above written.

PUBLIC SERVICE COMPANY OF COLORADO

By: _____

Agreed to and accepted by Developer this _____ day of _____ 2024.

CITY OF FRUITA

NAME AND TITLE OF SIGNEE (Type or Print)

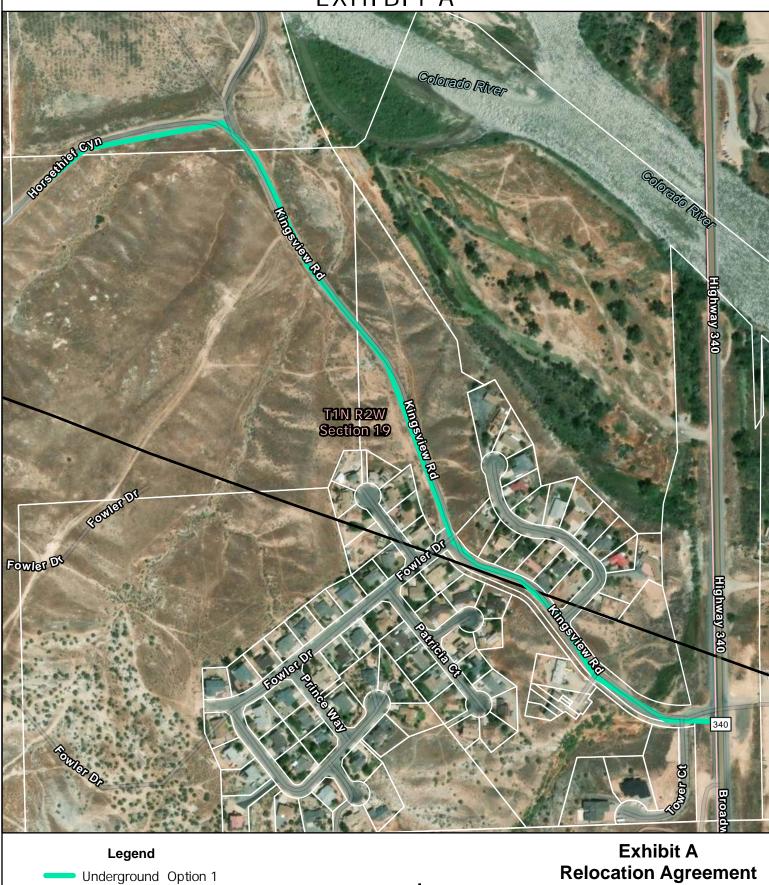
SIGNATURE

Street Address

City, State Zip

Area Code and Telephone Number

EXHIBIT A



0

1

350

1

Feet

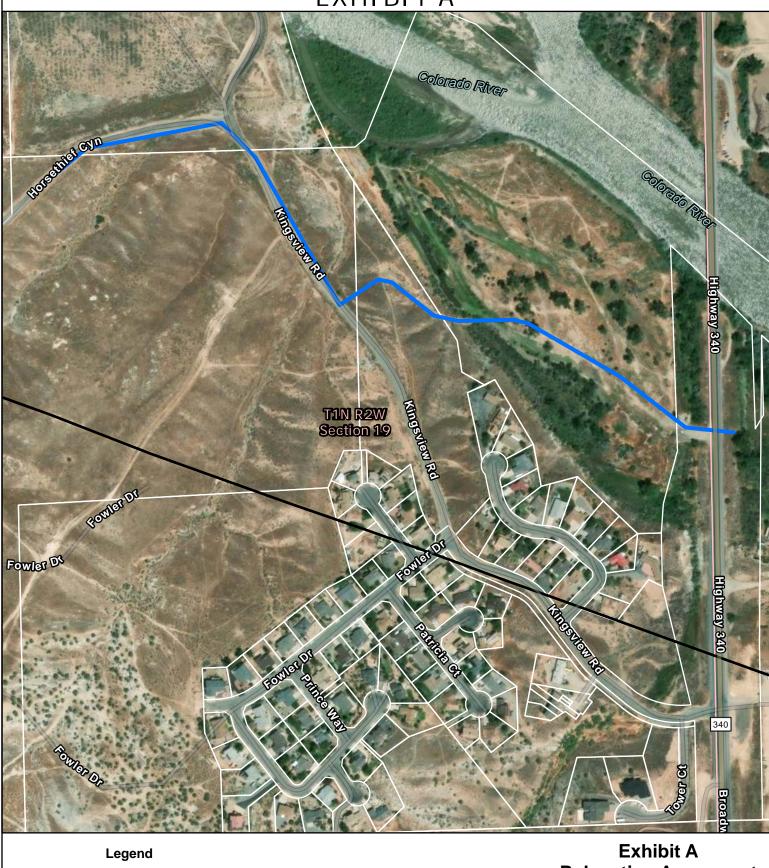
Option 1

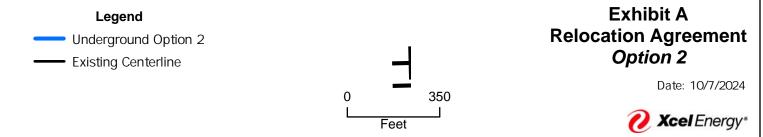
Date: 10/7/2024

Xcel Energy*

Existing Centerline

EXHIBIT A





After recording, return to: Public Service Company of Colorado 1800 Larimer St., Ste. 400 Denver, CO 80202 Attn: Senior Manager, Siting & Land Rights

Doc. No.: ______

ELECTRIC TRANSMISSION LINE EASEMENT (the "Easement")

The undersigned ("<u>Grantor</u>"), for good and valuable consideration, the receipt and adequacy of which is acknowledged, hereby grants, sells, conveys and confirms to PUBLIC SERVICE COMPANY OF COLORADO, a Colorado corporation (the "<u>Company</u>"), its successors and assigns, a perpetual, non-exclusive easement for the transmission and distribution of electricity and related communication signals on, over, under, and across the property described in Exhibit A, attached hereto and incorporated herein by this reference (the "<u>Easement Area</u>"),

Together with full right and authority to the Company, its successors, assigns, licensees and its and their contractors, agents, employees, and invitees, to: (1) enter the Easement Area at all times to survey, mark and sign the Easement Area or the Facilities (as defined below), and to construct, install, operate, repair, remove, replace, reconstruct, alter, relocate, patrol, inspect, improve, enlarge, and maintain electric transmission and distribution lines and related communication facilities, including towers, poles, and other supports; together with braces, guys, anchors, cross-arms, cables, conduits, wires, conductors, manholes, transformers, and other fixtures, devices, and appurtenances used or useful in connection therewith and evolutions thereof (collectively, the "<u>Facilities</u>"); (2) cut, fell, remove, prune or otherwise control, all trees, brush, and other vegetation on or overhanging the Easement Area; and (3) use the Easement Area for reasonable access for personnel, equipment, and vehicles to and from the Facilities.

No temporary or permanent wells, buildings, or structures (including, without limitation, mobile homes or trailers) shall be placed or permitted to remain on, under, or over the Easement Area by Grantor. No other objects shall be erected, placed or permitted to remain on, under, or over the Easement Area by Grantor, including trees, shrubs and fences, that may interfere with the Facilities or interfere with the exercise of any of the rights granted pursuant to this Easement.

Subject to the restrictions and limitations set forth herein, Grantor reserves the right to use the Easement Area for any purpose which does not interfere with or endanger the Facilities or otherwise interfere with the Company's use of the Easement Area as provided for herein.

The Company shall promptly pay when due the entire cost of any work on or about the Easement Area undertaken by the Company, so that the Easement Area shall remain free of liens for labor and materials supplied at the request of the Company.

Grantor shall disclose to the Company any pre-existing waste materials that Grantor knows or reasonably suspects to be present in soils, water (surface or groundwater), vapors or air, whether on, in, above, migrating to or from, or under the Easement Area ("<u>**Pre-Existing Wastes**</u>"), and any other information that would help the Company assess the risks of working in the Easement Area.

The Company shall have the right to perform environmental sampling in the Easement Area at its discretion. If the Company encounters any Pre-Existing Wastes, Company may stop work. Grantor shall retain its

obligations to comply with all applicable laws and regulations related to such wastes. Grantor shall release Company from any claims or responsibilities related to such Pre-Existing Wastes.

Non-use or a limited use of the Easement Area shall not prevent the Company from thereafter making use of the Easement Area to the full extent authorized. Following completion of construction or renovation of its Facilities on the Easement Area, the Company shall restore the surface of the Easement Area to as near a condition as existed prior to such work as is reasonably practicable, taking into account, among other things, the existence of the Facilities and the restrictions stated herein, including prohibitions or limitations on structures, trees, shrubs and other objects.

Grantor warrants and represents that Grantor is the owner of the Easement Area and has the right to sell, transfer, convey, confirm and grant this Easement and the rights contained herein. This Easement is binding on Grantor, is not conditioned upon obtaining the consent of any third party, and is not subject to any leases, mortgages, or liens, except those for which Grantor has provided the Company with a consent and subordination agreement, executed by such tenant, mortgagee, or lienholder in the form attached hereto.

No delay or omission in the exercise of any right or remedy accruing to the Company upon any breach shall impair such right or remedy or be construed as a waiver of any such breach or of a subsequent breach of the same or any other term, covenant or condition contained herein. No failure by the Company to remove any interference or otherwise object to any use by Grantor in violation of these terms shall be deemed to constitute consent on the part of the Company to such interference nor shall it be deemed a waiver of the Company's right to remove any such interference without further notice or compensation to Grantor.

No amendment, modification or supplement to this Easement shall be binding on the Company unless made in writing and executed by an authorized representative of the Company. No waiver by the Company of any provision hereof, nor any approval of the Company required herein, shall be deemed to have been made unless made in writing and signed by an authorized representative of the Company.

The provisions of this Easement shall run with, be binding on and burden the Easement Area, and shall be binding on and shall inure to the benefit of all persons claiming an interest in the Easement Area, or any portion thereof, through the parties hereto, including the heirs, executors, personal representatives, successors, and assigns of Grantor and the Company. "Grantor" shall include the singular, plural, feminine, masculine and neuter.

This Easement incorporates all agreements and stipulations between Grantor and the Company as to the subject matter of this Easement and no prior representations or statements, verbal or written, shall modify, supplement or change the terms of this Easement. The title of this document is inserted for convenience only and does not define or limit the rights granted pursuant to this Easement.

This Easement consists of the document titled "Electric Transmission Line Easement", and an Exhibit A containing a legal description or depiction of the Easement Area, and, if attached, any Consent and Subordination. No other exhibit, addendum, schedule or other attachment (collectively, "<u>Addendum</u>") is authorized, and no Addendum shall be effective and binding upon either party unless executed by an authorized representative of the Company and Grantor. This Easement has been drafted as a joint effort between the Company and Grantor, after negotiations, consultations, and approval as to form. Accordingly, neither the Company nor Grantor may hereafter be entitled to a presumption that any portion of this Easement should be construed either for or against a particular party or contend that this Easement was drafted by a particular party.

Signature page follows.

Signed this _____ day of ______, 20___.

GRANTOR:

Name:

[IF GRANTOR IS INDIVIDUAL – DELETE TITLE; IF GRANTOR IS A COMPANY - INCLUDE TITLE] Title:

Mailing Address:

 STATE OF ______)

)ss

 COUNTY OF ______)

The foregoing instrument was acknowledged before me this ______day of ______, 20___ by [Name of signatory from above] [IF GRANTOR IS INDIVIDUAL – END HERE; IF GRANTOR IS A COMPANY – CONTINUE] as [Title] of [Name of company], a [State of incorporation or formation] [type of entity (e.g., corporation, limited liability company)].

(Seal)

Notary Public

My Commission Expires:

EXHIBIT A

LEGAL DESCRIPTION OR DEPICTION OF EASEMENT AREA

[To be inserted/attached.]

PSCo, Electric Transmission Line Easement, (T), 2024

CONSENT AND SUBORDINATION [DEED OF TRUST]

This Consent and Subordination is executed by ______, a [State of incorporation or formation] [type of entity (e.g., corporation, limited liability company)] ("<u>Lender</u>"), for the benefit of PUBLIC SERVICE COMPANY OF COLORADO, a Colorado corporation (the "<u>Company</u>").

A. Lender is the current beneficiary of, and owner of the evidence of debt secured by, that certain deed of trust or mortgage recorded in the real estate records in the office of the Clerk and Recorder of ______ County, Colorado on ______ at [Book and Page or Reception Number as Applicable] (the "Mortgage").

B. The real property encumbered by the Mortgage includes the Easement Area as described in the foregoing Electric Transmission Line Easement (the "<u>Easement</u>").

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Lender agrees as follows:

Lender consents to the foregoing Easement and agrees and confirms for itself and its successors and assigns that the lien of the Mortgage and other rights and interests of the Lender in the Easement Area are subject and subordinate to the Easement. In the event of a foreclosure of the Mortgage and a sale of the property that is subject to the Mortgage pursuant to such foreclosure, the rights of the Company acquired by virtue of the Easement shall not be affected thereby.

LENDER:

Name:	
Title:	

STATE OF ______ COUNTY OF

The foregoing instrument was acknowledged before me this _____day of ______, 20____ by [Name of signatory from above] as [Title] of [Name of Lender], a [State of incorporation or formation] [type of entity (e.g., corporation, limited liability company)].

)ss

(Seal)

Notary Public

My Commission Expires:

CONSENT AND SUBORDINATION [LEASE]

This Consent and Subordination is executed by ______ ("<u>Tenant</u>"), for the benefit of PUBLIC SERVICE COMPANY OF COLORADO, a Colorado corporation (the "<u>Company</u>").

A. Tenant is a tenant of property owned by the Grantor of the foregoing Electric Transmission Line Easement ("the "<u>Easement</u>"), pursuant to a Lease titled: ______ and executed on ______ (the "<u>Lease</u>"), which lease or memorandum of lease **_____was not recorded** or **______was recorded** on DATE: ______ at RECORDING/BOOK and PAGE NUMBER: _______ in the real property records of the Clerk and Recorder of ______County, Colorado.

B. Some or all of the Easement Area as described in the foregoing Easement burdens or affects portions of the property covered by the Lease.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Tenant agrees as follows:

Tenant consents to the foregoing Easement and agrees and confirms for itself and its successors and assigns that the Lease and other rights and interests of the Tenant in the Easement Area are subject and subordinate to the Easement with the same force and effect as if the Easement were made and placed of record prior to the execution of the Lease.

TENANT:

Name:											
[IF GR.	ANT	OR	IS	IND	IVII	DUA	٩L	– C	DELE	ET.	E
TITLE;	IF	GR	AN	TOR	IS	А	CC	OMP	ANY	Y	-
INCLUI	DE 1	ΓITL	E]								
Title:			-								

STATE OF)
)ss
COUNTY OF)

The foregoing instrument was acknowledged before me this day of ______, 20__ by [Name of signatory from above] [IF TENANT IS INDIVIDUAL – END HERE; IF TENANT IS A COMPANY – CONTINUE] as [Title] of [Name of company], a [State of incorporation or formation] [type of entity (e.g., corporation, limited liability company)].

(Seal)

Notary Public

My Commission Expires:

October 3, 2024 R1

Xcel Energy/Public Service Company of Colorado

Project: 6683 Rebuild - Structure 7-13 Relocate

Prepared by: Nick Newbold, Consulting Engineer

Cost Elements	Project Cost - Kingsview Rd	Project Cost - Kingsview Rd / Emergency Access Rd	Comments
Engineering Design	\$378,900	\$374,300.00	Xcel Energy/PSCo Support (S&LR's, Legal, Design, Engineering, Project Management, Line Construction Support)
Civil Construction	\$2,560,300	\$4,175,000.00	Labor and Materials
Electrical Construction	\$4,393,100	\$3,923,000.00	Labor and Materials
Labor Overheads	\$258,400	\$464,000.00	Labor overheads on ST labor only (labor loadings, benefits, pension, insurance, taxes, worker's comp, A&G, incentive)
Construction Overheads	\$688,400	\$614,200.00	On direct charges - AFUDC has been excluded.
AFUDC	\$129,900	\$149,800.00	
Contingency	\$961,000	\$1,211,000.00	
Escalation	\$119,000	\$137,700.00	
Subtotal:	\$9,489,000	\$11,049,000	
Current Design Costs:			Costs of project to date for materials and labor already realized, and anticipated costs saved for labor/materials related to construction that would not be realized on the project.
			Material costs already occurred: Structures, anchor bolt cages, conductor/shield wire, misc materials. Material costs saved: Civil/Foundation Installation, Line Construction. Labor costs already occurred: PM, Engineer, Siting & Land Rights, Construction labor to this
Net Costs Material and Labor Total Project Estimate	\$251,000.00 \$9,740,000		point for this segment. Labor costs saved: Civil/Foundation Installation, Line Construction

Cost Estimate Assumptions:

Scoping level cost estimates (+/- 30% accuracy) were developed by PSCo Engineering. Estimates are based on 2024 labor rates, cost estimates and OH's (appropriate contingency and escalation applied).

AFUDC has been included.

Labor is estimated for straight time only – no overtime included.

Estimated time to design, procure and construct is 6 months after receiving the authorization to proceed. Lead times for materials were considered for the schedule.

Line outages (if/as needed) will be authorized during the construction period to meet ISD.

This estimate will need to be revised, if not accepted, 60 days after the submittal date

2004 Colo. PUC LEXIS 75

Colorado Public Utilities Commission January 7, 2004, Adopted Decision No. C04-0093; DOCKET NO. 03A-192E

CO Public Utilities Commission

Decisions

Reporter 2004 Colo. PUC LEXIS 75 *

IN THE MATTER OF THE APPLICATION OF TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC., P.O. BOX 33695, DENVER, COLORADO FOR A DETERMINATION UNDER 29-20-108(5), C.R.S., THAT THE CONDITIONS IMPOSED BY THE BOARD OF COUNTY COMMISSIONERS OF SAN MIGUEL COUNTY, COLORADO, ON TRI-STATE'S PROPOSED NUCLA-TELLURIDE 115 KV TRANSMISSION LINE PROJECT WILL UNREASONABLY IMPAIR TRI-STATE'S ABILITY TO PROVIDE SAFE, RELIABLE, AND ECONOMICAL SERVICE TO THE PUBLIC

Core Terms

transmission line, underground, cost, install, overhead, pole, mesa, estimate, staff, homeowner, reliable, transmission, across, has, compact, master plan, additional cost, total cost, sunshine, customer, feasible, outage, local government, visual impact, height, impair, engineering, safe, was, rights-of-way

Panel: GREGORY E. SOPKIN; POLLY PAGE; JIM DYER, Commissioners

Opinion

COMMISSION DECISION GRANTING APPLICATION WITH CONDITIONS

I. BY THE COMMISSION

A. Statement

1. This matter comes before the Commission for consideration of the Application filed by Tri-State Generation and Transmission Association, Inc. (Tri-State), on May 9, 2003 for a determination, under § 29-20-108(5), C.R.S., that the conditions imposed by the Board of County Commissioners of San Miguel County Colorado (San Miguel County Commissioners or County), on the Nucla-Telluride 115 kV transmission line project (Nucla-Telluride project or project) will unreasonably impair Tri-State's ability

to provide safe, reliable, and economical service to the public. Specifically, Tri-State requests that we review Resolution # 2002-12 in which the San Miguel County Commissioners conditionally approved a Public Utilities Structures Special Use Permit (Special Use Permit) for the Nucla-Telluride project. That Resolution imposed certain conditions on the project, most notably the condition that certain portions of the transmission line be placed under ground.

2. <u>Section 29-20-108(5)</u>, <u>C.R.S.</u> [*2], in part, provides:

If a local government denies a permit or application of a public utility or power authority that relates to the location, construction, or improvement of major electrical or natural gas facilities, or if the local government imposes requirements or conditions upon such permit or application that will unreasonably impair the ability of the public utility or power authority to provide safe, reliable, and economical service to the public, the public utility or power authority may appeal the local government action to the public utilities commission ...

Tri-State's Application requests that we overturn the conditions imposed on the Nucla-Telluride project in Resolution # 2002-12.

3. In accordance with Rule 5.3, 4 *Code of Colorado Regulations* 723-32 (Rules Concerning Appeals of Local Government Land Use Decisions), San Miguel County was joined as an indispensable party to this proceeding. Additionally, after notice of the Application, the Coalition of Concerned San Miguel County Homeowners (Homeowners), the Board of County Commissioners of Montrose County (Montrose County Commissioners), and Trial Staff of the Commission (Staff) intervened in this matter. **[*3]**

4. Pursuant to <u>§ 29-20-108(5)(b)</u>, *C.R.S.*, we conducted a hearing in Telluride, Colorado on September 18, 2003, and received extensive comment from the public concerning Tri-State's appeal of Resolution # 2002-12.

5. The parties prefiled direct, answer, and rebuttal testimony in accordance with the procedural orders issued in this case. We conducted the evidentiary hearings in this matter on October 20 through 27, 2003.

6. On December 10, 2003, statements of position were filed by Tri-State, the Homeowners, the San Miguel County Commissioners, and the Montrose County Commissioners. Staff filed its statement of position on December 11, 2003.

7. Now being duly advised in the premises, we grant the Application by Tri-State subject to the conditions discussed below. In general, we agree with Tri-State that, to the extent the total costs for underground construction of the transmission line are greater than the total costs for overhead construction and if interested parties (*e.g.*, San Miguel County and the Homeowners) are unwilling to pay the additional costs for underground construction, Tri-State should be permitted to construct the transmission [*4] line above ground. Tri-State, with input from interested parties, is directed to obtain total cost information for construction of the transmission line, both for overhead and underground construction, and provide that information to the Commission and the parties.

II. FINDINGS OF FACT AND DISCUSSION

8. In this case, Tri-State proposes to replace an existing overhead 69 kV transmission line from its Nucla Substation in Montrose County to its Sunshine Substation in San Miguel County. The existing line, approximately 48 miles in length, is currently owned by the San Miguel Power Association Inc. (SMPA), one of Tri-State's 44 electric distribution cooperative members, and is used to serve electric loads within

SMPA's service territory. Tri-State intends to replace the existing 69 kV line with an overhead 115 kV line. All parties appear to agree that the proposed 115 kV line will improve reliability of service in southwestern Colorado, including in the Telluride area. Presently, the Town of Telluride is served primarily by Tri-State's Hesperus 115 kV transmission line. The proposed Nucla-Telluride transmission line would provide looped service to Telluride, which, according [*5] to Tri-State, is critical in the event of an outage on the Hesperus transmission line.

9. In this case, the Commission is required by § 29-20-108(5)(d), C.R.S., to balance the local government interest with the statewide interest in the location, construction, or improvement of major electrical facilities. The Commission must render a decision that is consistent with § 24-65.1-105, C.R.S., while considering nine specific factors. Each factor is identified and discussed below.

A. <u>§ 29-20-108(5)(d)(I)</u>, C.R.S., The demonstrated need for the major electrical facility.

10. There is no dispute that there is a compelling need for the Nucla--Telluride 115 kV transmission line project. The Commission has previously addressed the need for this project and granted a Certificate of Public Convenience and Necessity. *See* Decision No. C01-1059.

B. $\frac{\$ 29-20-108(5)(d)(II)}{C.R.S.}$, The extent to which the proposed facility is inconsistent with existing applicable local or regional land use ordinances, resolutions, or master [*6] or comprehensive plans.

11. Tri-State is proposing to install an overhead 115 kV transmission line using a compact pole design within the existing 69 kV transmission line corridor from Tri-State's Nucla substation to Tri-State's Sunshine substation. San Miguel County has both a Land Use Code (LUC) and a Comprehensive Development Plan (master plan).

12. Tri-State contends that, by approving the project such that some portions of the transmission line are allowed to be installed overhead and other portions are required to be installed underground, the San Miguel County Commissioners concluded that the proposed facility was not inconsistent with its master plan or LUC. Tri-State asserts that the LUC's requirement that underground construction be "feasible" encompasses not only technical feasibility, but also economic feasibility. Tri-State argues that it has demonstrated that, due to the increased costs, the underground construction required by the Special Use Permit is economically unfeasible.

13. The San Miguel County Commissioners point out that the LUC has a provision that power lines are to be placed underground where feasible. The Final Environmental Impact Statement (FEIS) [*7] concluded that undergrounding of the transmission line was technically feasible. According to the San Miguel County Commissioners, SMPA (the local electric service provider) and other businesses routinely comply with the LUC provisions to bury power lines.

14. According to the San Miguel County Commissioners, the master plan applicable to Specie, Wilson, and Sunshine Mesas provides that utilities and utility lines are to be sited in a manner that results in the least possible adverse impact. The County's policy is to try to locate utility lines and utilities on Class 5 priority lands--lands that consist primarily of public lands. It is also the County's policy that any proposal to utilize other priority lands must demonstrate a clear need to do so. Contrary to the County's policies, Tri-State's proposed route for the transmission line project is almost entirely on private lands in San Miguel County.

15. The San Miguel County Commissioners also argue that Tri-State's Application seeking approval for overhead installation of the project was and remains inconsistent with the LUC and the master plan. They further argue that other alternatives before the Commission for consideration, **[*8]** specifically their proposed compromise (discussion *infra*), are more consistent with the LUC and the master plan.

16. Staff asserts that any conclusion by the County that overhead installation is not consistent with the LUC and the master plan is not supported by the evidence in this proceeding. According to Staff, the master plan is nothing more than the official policy statement of the County's Planning Commission for the development of unincorporated territory. Staff contends that the master plan states the County's preference that utility transmission lines be placed on public lands absent a clear need to utilize higher priority lands. Staff concludes that nothing in the master plan references the undergrounding of transmission lines.

17. Staff contends that the project does conform with the master plan because it will use an existing corridor that is also environmentally preferred in the FEIS. Staff points out that the FEIS concludes that the Norwood-Sunshine alternative would not directly conflict with any of the County's scenic goals or objectives. Furthermore, Staff argues that the Commission is not bound to enforce the master plan. Staff contends that the Commission has **[*9]** authority to order the overhead installation of the transmission line across private lands after a public hearing, so long as such construction is found to be reasonable even if it conflicts with an adopted master plan.

18. According to Staff, the LUC does not mandate that every transmission line be constructed as an underground line. Instead, the LUC requires that construction of an above-ground transmission line not unreasonably impact the physical, economic, or social environment of San Miguel County or this region, including agricultural land and water, and mitigate adverse impacts to San Miguel County. Staff contends that the LUC provides that the benefits of the project must outweigh the unavoidable and immitigable impacts upon the physical, social, and economic environment of San Miguel County. Staff argues that by use of the compact pole design for an overhead transmission line, and by implementation of the federally imposed mitigation plan, the project is in compliance with the provisions of the LUC.

1. Analysis

19. The County's interpretation of its own LUC and master plan is entitled to some weight. We find, however, that an interpretation that considers only technical [*10] feasibility of a project and not economic feasibility is not reasonable. The most reasonable application of the County's LUC and master plan would consider both elements when deciding whether underground construction for a transmission line should be required. As such, we conclude that San Miguel County's LUC and master plan could reasonably be interpreted to prefer but not preclude transmission lines from being installed overhead. In any event, we note that $\frac{§ 29-20-108(5)(d), C.R.S.}{$ land use code and master plan as one factor in balancing local government interests against the statewide interest in construction of major electrical facilities. The Commission is not bound by the provisions of the County's LUC and master plan.$

C. § 29-20-108(5)(d)(III), C.R.S., Whether the proposed facility would exacerbate a natural hazard.

20. The record contains no evidence regarding this factor. The San Miguel County Commissioners contend that improper construction practices might exacerbate a natural hazard [*11] and thus, this Commission must uphold the Special Use Permit condition requiring that Tri-State submit a construction

plan to the County for review and approval. The record does not contain any evidence that Tri-State uses or will use improper construction practices. Furthermore, the record does not establish that the existing 69 kV transmission line exacerbates a natural hazard. Therefore, we conclude that the 115 kV transmission line would not exacerbate a natural hazard inasmuch as the 115 kV transmission line will be located on the same corridor in San Miguel County as the existing 69 kV transmission line.

D. <u>§ 29-20-108(5)(d)(IV)</u>, C.R.S., Applicable utility engineering standards, including supply adequacy, system reliability, and public safety standards.

21. Tri-State contends that construction of the project is necessary for SMPA to provide reliable service to its customers and to ensure adequate capacity for the future growth of the region. According to Tri-State, an outage of the Hesperus transmission line, the primary service to Telluride, could threaten the health and safety of Telluride residents. For example, the peak demand [*12] for the Telluride area reached 22 MWs in the winter of 1999/2000 and is projected to grow to a level of 35 MWs by 2020. The Hesperus transmission line can deliver up to 32 MW of power. However, the existing 69 kV Nucla-Sunshine transmission line can deliver only 13 MWs of power. Thus, in the event of an outage on the Hesperus transmission line, SMPA could not provide necessary power to the Telluride area at many times of the year, especially at peak load times.

22. San Miguel County Commissioners and the Homeowners both assert that whether constructed overhead or underground there is no significant difference in terms of utility engineering standards, supply adequacy, system reliability, or public safety standards. Both parties contend that an underground transmission line would have less exposure to natural hazards such as wildfires, avalanches, and lightning. The Homeowners argue that cost concerns and Tri-State's policy regarding underground construction of transmission lines (*i.e.*, that Tri-State will not construct transmission lines underground unless interested persons bear the additional costs) do not constitute engineering standards.

23. Staff contends that the applicable **[*13]** engineering standards to be applied here are the least cost planning and the N-1 single outage contingency standards. Staff further contends that least cost planning does not mean lowest cost; instead, a higher cost alternative can be selected so long as it is just and reasonable. For example, a cost increase of 5 percent for a compact pole design is acceptable; a cost increase of ten times for an underground design is not acceptable. Construction, either overhead or underground, will alleviate the risks of an extended power outage on the Hesperus transmission line and meet the N-1 (single contingency criteria), according to Staff.

24. Staff argues that public safety is better served in the event of an outage on an overhead transmission line because repair times for overhead transmission lines are significantly shorter than for underground transmission lines.

1. Analysis

25. We agree that a 115 kV transmission line whether installed overhead or underground meets the same engineering and reliability standards. We conclude that construction of this line will eliminate the existing public safety hazard posed when an outage occurs on the Hesperus transmission line. The testimony [*14] establishes that the existing 69 kV line is inadequate to provide reliable backup power to the Telluride area in the event of an outage on the Hesperus transmission line. Moreover, the testimony establishes that the existing 69 kV line experiences outages from lightning primarily because it does not have a static wire. We conclude that if the transmission line is constructed overhead as proposed

with a static wire, our concern regarding outages caused by lightning is significantly reduced. Any concern we might have for outages caused by other natural hazards to an overhead line is offset by the length of time required to repair an underground line--both occurrences, we believe, have a low probability of happening.

E. <u>§ 29-20-108(5)(d)(V)</u>, C.R.S., The relative merit of any reasonably available, economically feasible alternatives proposed by the public utility, the power authority, or the local government.

26. The San Miguel County Commissioners proposed an alternative (the proposed compromise) memorialized in Resolution # 2003-40. This alternative reduces the number of miles to be undergrounded from the 23 miles required by Resolution [*15] # 2002-12 to 10 miles, by eliminating the requirement to underground across Beaver and Wrights Mesas. This alternative also involves sharing any additional costs associated with undergrounding across Specie, Wilson, and Sunshine Mesas: If the full avoided costs for an overhead line (costs of construction, rights-of-way acquisition, and diminution of property values) are less than the undergrounding costs, the remainder cost would be shared by these parties: 1) affected individual property owners; 2) Tri-State; and 3) SMPA's members who own property in the Telluride R-1 School District. Each party's share would be based on the value of the benefits received by the party. According to the San Miguel County Commissioners, its proposed methodology for allocating the remainder underground costs will require an economic analysis of the monetary benefits to be received by those participating in this cost sharing.

27. The San Miguel County Commissioners contend that the alternative proposed by Resolution # 2003-40 is an economically feasible and reasonably available alternative that does not unreasonably impair Tri-State's ability to provide safe, reliable, and economical power to the public. **[*16]**

28. The Homeowners assert that the Commission has the authority under this factor to adopt alternatives such as the one proposed by the County in Resolution # 2003-40. The Homeowners contend that this alternative satisfies the three criteria of this factor: reasonably available, economically feasible, and proposed by San Miguel County, the governmental authority most affected by the transmission line.

29. Tri-State argues that any collateral benefits (*e.g.*, reduction in transmission system losses, increasing power transfer capability in the Four Corners area) that Tri-State would receive from the project does not make underground construction feasible. According to Tri-State: As a public utility, Tri-State uses least-cost planning in its resource development to meet desired reliability and load-serving objectives. Any benefits beyond load-serving and reliability are incidental to the project and not the primary justification for the project. Under the concepts of mutuality and least-cost planning, all Tri-State members share in all costs and benefits of activities undertaken by Tri-State on their behalf. So, for example, even Tri-State members that do not directly or indirectly [*17] benefit from the new transmission line will pay for the project under these concepts. There is no basis for requiring Tri-State's members to pay additional amounts for collateral benefits of a new undergrounded line.

30. According to Staff, the all overhead compact pole design proposed by Tri-State and the Resolution # 2002-12 alternative that requires portions to be installed underground are reasonably available from a technical perspective. Staff contends that it is impossible based on the record before the Commission to precisely determine the actual cost difference between these two alternatives. Staff further contends that without more accurate cost information, it is premature to conclude that the underground alternative is economically feasible.

1. Analysis

31. There are three alternatives offered to the Commission for consideration: 1) the Tri-State alternative, which proposes that the entire line be installed overhead using a compact pole design; 2) the Resolution # 2002-12 alternative, which requires that the line be installed underground across portions of Beaver, Specie, Sunshine, Wilson, and Wrights Mesas, and requires the overhead portions of the line to be installed [*18] using a compact pole design; and 3) the Resolution # 2003-40 alternative, which proposes that the line be installed underground across portions of Specie, Sunshine, and Wilson Mesas, and requires the portions of the line to be installed overhead to use a compact pole design. The Commission finds that all three of these alternatives are available (*i.e.*, can be constructed) and proposed by an appropriate entity.

32. Regarding economic feasibility, the Commission agrees with Staff that this record does not contain adequate information to determine the cost difference between the alternatives. Costs for rights-of-way acquisition and diminution of the remainder are not adequately estimated in this record, and testimony suggests that these costs may be significant. Parties also raised concerns over Tri-State's estimates for material and installation. Tri-State, as should have been expected, has refined these estimates as decisions have been made that refine the location of the proposed transmission line. We expect Tri-State will further refine the material and installation estimates for the project.

33. The Commission concludes that it is reasonable for Tri-State to pay any cost associated [*19] with material, installation, rights-of-way acquisition, and diminution of the remainder for the lowest cost alternative. We do not agree with the San Miguel County Commissioners that Tri-State should pay all costs for the transmission line project as required by Resolution # 2002-12, unless this alternative is the lowest cost alternative. In addition, we also disagree that Tri-State should pay additional costs associated with the collateral benefits of a new undergrounded line as proposed by Resolution # 2003-40. Notably, the collateral benefits are the same for all three alternatives. Tri-State's customers would not receive additional benefits if portions of the line are installed underground instead of overhead. We understand, based on Tri-State's testimony regarding cost sharing, that all of the cost for the lowest cost alternative will be allocated to all of its members. Therefore, it is fair and reasonable that if costs are shared, then benefits should be shared. We conclude that any cost savings that may result from collateral benefits of this project should be shared by all of Tri-State's members. In short, there is no reasonable basis for requiring Tri-State to pay additional [*20] costs for undergrounding based on collateral benefits of a new transmission line.

F. <u>§ 29-20-108(5)(d)(VI)</u>, C.R.S., The impact that the local government action would have on the customers of the public utility or power authority who reside within and without the boundaries of the jurisdiction of the local government.

34. Tri-State states that if the conditions contained in Resolution # 2002-12 are not overturned, the project will not be built. Both Staff and Tri-State contend that the impact on the residents of San Miguel County and Montrose County of not building the project is less reliable service, including the possibility of rotating blackouts during an outage of the Hesperus transmission line.

35. In the event the 115 kV transmission line project is not built, Staff asserts that SMPA's customers will suffer adverse impacts--especially the cost of rebuilding the 69 kV transmission line. Staff estimates that this cost would be between \$ 92 and \$ 115 per customer on an annual basis for 20 years.

36. The Montrose County Commissioners raise concerns regarding the reliability of electric service to the citizens of Montrose County if [*21] the project is not built. The rate impacts from any additional costs associated with the conditions placed by San Miguel County on its Special Use Permit also concern the Montrose County Commissioners.

37. The San Miguel County Commissioners contend that the visual impact of an all overhead transmission line is unacceptable to the residents of the County. The San Miguel County Commissioners further contend that even if the impact of installing portions of the line underground is an electric rate increase, the local community has clearly indicated it is willing to pay a share of the additional costs, if any, of undergrounding.

38. According to the Homeowners, the Resolution # 2003-40 alternative would have little or no impact on rates paid by Tri-State's customers. The Homeowners assert that the County's original undergrounding requirement (Resolution # 2002-12) would have increased residential rates for Tri-State's customers by only \$ 3.80 per year. They further contend that the proposed compromise to reduce the length of line to be buried from 23 to 10 miles would diminish this rate impact to approximately \$ 1.65 per year.

1. Analysis

39. We conclude that the local government [*22] action (Resolution # 2002-12) likely has a rate impact on Tri-State's customers and may adversely affect system reliability. If Tri-State decides that construction of a 115 kV transmission line is not feasible due to excessive costs, the record indicates that the existing 69 kV line is not capable of providing adequate backup service in the event of an outage of the Hesperus transmission line. The record also suggests that the existing 69 kV line will require rebuild in the near future because it is more than 50 years old and near the end of its expected life. The costs to replace the existing 69 kV transmission line would be paid entirely by SMPA ratepayers. The record does not indicate if a rebuilt 69 kV transmission line would have adequate capacity to provide backup service for an outage of the Hesperus transmission line or to serve additional load growth in the area. Regarding the Resolution # 2002-12 requirement that portions of the proposed line be installed underground, the record is not clear if there would be more of a rate impact on Tri-State's customers than the impact of installing the line entirely overhead using the compact pole design, when costs for rights-of-way [*23] acquisition and diminution of values are included. No party suggested that the other conditions placed by the San Miguel County Commissioners on the Special Use Permit would have direct impact on Tri-State's customers.

G. <u>§ 29-20-108(5)(d)(VII)</u>, <u>C.R.S.</u>, The basis for the local government's decision to deny the application or impose additional conditions to the application.

40. According to the San Miguel County Commissioners, one of the bases for Resolution # 2002-12 conditioning the Special Use Permit to require that portions of the line be installed underground at Tri-State's expense was to achieve compliance with the LUC and the master plan. Another basis for this Resolution # 2002-12 condition was the recommendation in the FEIS--the project went through an extensive federal National Environmental Policy Act of 1969 process--that the Environmentally Preferred Alternative was to underground the line across the mesas. The San Miguel County Commissioners contend that the basis for proposing, in Resolution # 2003-40, to reduce the number of miles required to be installed underground and share any additional costs with Tri-State and private [*24] property

owners is the owners' willingness to contribute a portion of the additional costs associated with undergrounding.

41. Regarding the requirement that the maximum pole height not exceed 60 feet and that Tri-State submit information for review and approval if alternative pole designs must be used, the County contends that this requirement reflects an expectation that Tri-State would adhere to a height limitation that Tri-State itself suggested is reasonable, and to require Tri-State to explain to the County why it should be relieved from complying with that height limitation. The County contends that this requirement will not unreasonably impair Tri-State's ability to provide safe, reliable, and economical service.

42. The San Miguel County Commissioners suggest that the requirement for Tri-State to submit a construction plan for review and approval mirrors the federal requirements for public lands. According to the County, this requirement will not unreasonably impair Tri-State's ability to provide safe, reliable, and economical service.

43. Regarding the requirement that all of Tri-State's representations made at public hearings be conditions of approval of the Special Use [*25] Permit, the County argues that there are official records of these public hearings that can be referenced if necessary to confirm these representations. Therefore, this requirement does not rise to the level that would unreasonably impair Tri-State's ability to provide safe, reliable, and economical service to the public.

1. Analysis

44. The Commission understands that the San Miguel County Commissioners balanced the local interests of their constituents in deciding to impose these conditions on the Special Use Permit. We note that there are three San Miguel County Commissioners and that one commissioner did not vote in favor of Resolution # 2002-12. ¹ Additionally, we note that, pursuant to <u>§ 29-20-108(5)</u>, *C.R.S.*, we are charged with balancing both local and statewide interests in this case.

H. § 29-20-108(5)(d)(VIII), C.R.S., The impact the proposed facility would have on [*26] residents within the local government's jurisdiction including, in the case of a right of way in which facilities have been placed underground, whether those residents have already paid to place such facilities underground, and if so, shall give strong consideration to that fact.

45. The San Miguel County Commissioners and the Homeowners assert that the proposed facility would have an adverse and unacceptable impact on the scenic quality of the Telluride region. According to the parties: The County's visual resources are critical to its tourist economy. The proposed transmission line would cross the mesas at points offering some of the most spectacular scenery in the state (*e.g.*, panoramic views of Wilson Peak, El Diente, Dolores Peak, Lone Cone, and the Lone Cone Sheep Mountains). In the environmental review process, the involved federal agencies recognized that the quality of the scenery in San Miguel County attracts many tourists and is a prime asset for the Telluride tourism economy. The views on the mesas are enjoyed not only by the landowners there, but by the general public as well. For example, the mesas are the gateway to various recreational attractions such as wilderness [*27] areas, mountains, campgrounds, and hiking trails. Both visitors and residents of the County place a high value on protecting the area's scenery. At the public hearing, numerous residents emphasized the importance of protecting the scenic quality of the mesas. Additionally, local officials

¹The same San Miguel County Commissioner refused to vote in favor of Resolution # 2003-40.

pointed out that the County has devoted significant resources to preserving its scenic resources. Tri-State's proposed line, even with a compact pole design, would be significantly more conspicuous than the existing line. The line would comprise substantially more and larger and taller poles, and larger conductors. As such, the proposed line poses a significant threat to the County's visual resources.

46. Tri-State contends that the proposed facility would improve reliability of service and increase capacity for load growth. Tri-State further contends that the visual impact of the proposed line is moderate and affects only a limited number of private landowners on the mesas. According to Tri-State: Visual impacts of its proposed compact pole design will be limited geographically and are only incremental as compared to the present impacts of the existing 69 kV transmission line. Tri-State's witness [*28] on visual impacts of the proposed line, Christine Keller, is more credible than witnesses for the County or the Homeowners, given her long experience in such issues and given her involvement in this specific project. Notably, Ms. Keller's assessment of visual impacts was based, in part, upon the multi-year EIS process. Ms. Keller's testimony indicates that the project will not result in widespread, material visual impact. As such, Tri-State disputes the County's and the Homeowners' contention that the visual impact of the project will be harmful to the region and its tourist economy.

47. Staff argues that the proposed facility is not likely to impact tourism in the region (*e.g.*, ski, recreation) and not likely to significantly impact recreational opportunities on the mesas themselves any more than the existing 69 kV transmission line.

1. Analysis

48. We do not consider the criteria regarding payment made to place facilities underground relevant since the residents have not paid to place any portion of the existing 69 kV transmission line underground. We agree with the County and the Homeowners that the areas in which the proposed transmission line will be installed are [*29] exceptionally scenic. We also agree that the transmission line will have a greater visual impact than the existing 69 kV transmission line. In fact, the proposed facility will have larger, taller structures and larger conductors than the existing 69 kV line. We acknowledge that the mesas offer limited opportunities to locate structures and conductors to eliminate or reduce the visual impact of an overhead line. Additionally, we acknowledge that the local community is greatly concerned with the potential visual impacts of a new overhead line. The public hearing in Telluride, and the County's and Homeowners' testimony have impressed upon us the importance of this issue to the local community. However, we must also consider the ramifications on the local community itself of mandating a substantially higher cost facility and the real possibility that Tri-State would not undertake the project. As noted above, the public health, safety, and welfare of the Telluride region require new transmission facilities. We also point out that the County's position, that Tri-State pay the additional costs of undergrounding, would require ratepayers outside the region --indeed outside the state--to pay [*30] added costs for facilities that do not directly (or even indirectly) benefit them. Moreover, the benefits associated with any additional costs of undergrounding itself (e.g., eliminating visual impacts of an overhead line) accrue mainly (if not entirely) to the local region, and not to Tri-State customers outside For the mesas identified in Resolution # 2003-40, this decision provides the local that region. community, including the County and the Homeowners, an opportunity to have the line undergrounded if they are willing to pay the additional costs, if its cost is less than the cost of the overhead line, we believe this best balances the conflicting interests and mandates undergrounding.

I. <u>§ 29-20-108(5)(d)(IX), C.R.S.</u>, The safety of residents within and without the boundaries of the jurisdiction of the local government.

49. Tri-State contends that if the project is built, current health and safety concerns will be alleviated. Staff asserts that, absent this transmission line upgrade, the reliability of electric supply for those served off the existing 69 kV transmission line will only get worse. Staff further asserts that public [*31] safety will be placed unnecessarily at risk if the existing transmission line is not upgraded.

50. The record indicates that many safety concerns exist if the line is not upgraded. The Commission notes that safety concerns as related to reliability would be addressed by all three alternatives.

J. Tri-State's Application

51. Tri-State requests that the Commission reverse the following conditions in Resolution # 2002-12:

that the transmission line be installed and placed underground across those portions of Beaver, Specie, Wilson, and Sunshine Mesas as identified in the November 2001 FEIS Environmentally Preferred Alternative; and

that the transmission line be placed underground within Norwood Gardens, the Fitts Hillside Subdivision and those areas on Wrights Mesa identified in Section 3.10 Visual Resources in the FEIS where the proposed transmission line is assessed as having moderate to potential high visual impacts.

52. The record establishes that the cost for material and installation of the transmission line as conditioned by Resolution # 2002-12 would be significantly greater than the cost for material and installation of an all overhead transmission line using a [*32] compact pole design.

53. We conclude that it would not be fair or reasonable for Tri-State to pay those increased costs for undergrounding. Tri-State testified that all of its costs are recovered through rates paid, not only by SMPA customers, but also by rates paid by all of its customers in Colorado and three other states. Treatment of the costs for this project should be consistent with the treatment of costs for other Tri-State transmission line projects.

54. The Commission also finds that it would not be fair or reasonable for Tri-State to pay a portion, as suggested by Resolution # 2003-40, of increased costs for undergrounding. Because Tri-State's costs for a project are shared by all of its customers, it is only fair that any cost savings realized from that project also be shared by all of its customers. Further, we note that the collateral benefits of a new transmission line would be the same for all three alternatives proposed by the parties.

55. For these reasons, we reverse the Resolution # 2002-12 requirement that portions of the transmission line be installed underground and that Tri-State pay all costs.

56. Testimony from San Miguel County Commissioners, the Homeowners, **[*33]** and the public (during the public hearing held in Telluride) indicates a strong preference that the transmission line be installed underground across the mesas.

57. We agree with Staff that the Commission cannot determine from the present record what the actual cost difference is for installing this line underground versus installing it overhead across the mesas. Tri-State acknowledges that the total cost for the project includes not only material and installation costs, but

also the costs for rights-of-way acquisition and for diminution of the remainder. The record suggests that the costs for rights-of-way and diminution of property values on the mesas may be significant. Accurate estimates for these costs may establish that undergrounding the line across a particular mesa is economical. The record indicates that the San Miguel County Commissioners no longer advocate that the line be installed underground across Wrights and Beaver Mesas as required by Resolution # 2002-12. According to its statement of position, the Homeowners agree.

58. Therefore, the Commission directs Tri-State to obtain accurate total cost estimates including amounts for all necessary rights-of-way and any diminution **[*34]** of the remainder for: 1) installation of the transmission line underground; and 2) installation of the transmission line overhead across each portion of Specie, Wilson, and Sunshine Mesas as identified in the November 2001 FEIS Environmentally Preferred Alternative.

59. Doubts have been raised over the accuracy of cost estimates previously provided by Tri-State. Tri-State has refined these estimates as better information on the location of the transmission line developed. We would expect further refinements of these estimates including, as now appropriate, estimates for rights-of-way acquisition and diminution of property values. Testimony by the Homeowners establishes that experts may derive different assessments for the values of rights-of-way easements and diminution of the remainder. Affected landowners, the County, and the Homeowners may provide input to Tri-State regarding estimated costs for both overhead and underground installation of the transmission line across the specified mesas. Understanding that some costs may be in dispute, the Commission encourages the parties to mediate or arbitrate disputes, if necessary, to establish which cost estimates are most reasonable. [*35] Tri-State shall provide individual estimates of total cost for installation of the transmission line both underground and overhead across those portions of Specie, Wilson, and Sunshine Mesas as identified in the November 2001 FEIS Environmentally Preferred Alternative to the Commission and all parties to this case by September 1, 2004. These estimates shall be filed in this docket and the filing shall inform the Commission whether the County and the Homeowners agree with these estimates. Any party may request that the Commission resolve any remaining disputes regarding these cost estimates by filing an appropriate pleading with the Commission on or before September 10, 2004.

60. To ensure that the most economically feasible alternative is constructed, we require Tri-State to install the transmission line underground across Specie, Wilson, or Sunshine Mesas as identified in the November 2001 FEIS Environmentally Preferred Alternative where the total cost estimate for underground installation across a mesa is the same or lower than the total cost estimate for overhead installation.

61. Finally, to alleviate concerns raised by the Homeowners that Tri-State's undergrounding policy would [*36] allow Tri-State to decline underground installation even if the landowner agrees to pay the additional cost, the Commission directs Tri-State to install portions of the line underground provided that interested parties pay the additional cost to underground (assuming the total cost estimate for underground installation is higher than the total cost estimate for overhead installation across Specie, Wilson, or Sunshine Mesas as identified in the November 2001 FEIS Environmentally Preferred Alternative). Tri-State shall not be required to contribute any more towards installation costs than the amount estimated to be incurred had the transmission line been installed overhead. The Commission expects interested parties to enter into a payment agreement with Tri-State for the additional cost. If such

a payment agreement cannot be reached by December 31, 2004, we direct Tri-State to proceed with overhead installation of that portion of the transmission line.

62. Tri-State requests relief from the following condition in Resolution # 2002-12:

that Tri-State's proposed compact pole design, with a maximum pole height not to exceed 60 feet, shall be used for those sections of the transmission **[*37]** line that are not placed underground, except in those specific locations where it is demonstrated to the reasonable satisfaction of the county planning director that the installation of such compact poles is unfeasible, in such locations alternative pole designs, such as H-frame pole structures may be employed, subject to county planning director review and approval.

63. Tri-State testified that it has not encountered similar requirements for ongoing review and approval of engineering design in other counties in which it conducts business. Tri-State also objects to the 60-foot pole height limitation.

64. The San Miguel County Commissioners explain that Tri-State is required to obtain a development permit authorizing specific construction activities for the project. The County asserts that this requirement is merely an expectation that Tri-State adhere to a height limitation that Tri-State itself suggested is reasonable, and to explain to the County why Tri-State should be relieved of that height limitation. The County contends that Tri-State has not demonstrated that this requirement is onerous or that it unreasonably impairs Tri-State's ability to provide safe, reliable, and economical **[*38]** service to the public.

65. We conclude that this requirement may impair Tri-State's ability to provide safe service to the public. Tri-State must construct the facility according to acceptable engineering standards to ensure the safety of the public. The 60-foot maximum height requirement and, in particular, the requirement that the County planning director approve any alternative pole designs where required for specific locations may compromise the ability for the design of this line to meet accepted engineering standards. We agree with the San Miguel County Commissioners that it is reasonable for Tri-State to provide information that identifies the location and the reasons why the compact pole design will not be used (*e.g.*, where poles will exceed the 60-foot height limitation). We reverse the portion of Resolution # 2002-12 that the County planning director should review and approve any alternative pole designs, since Tri-State will diverge from the compact pole design only where accepted engineering standards require such divergence.

66. Therefore, we modify this Resolution # 2002-12 condition as follows:

that Tri-State's proposed compact pole design, with a maximum **[*39]** pole height not to exceed 60 feet, shall be used for those sections of the transmission line that are placed overhead except in locations where the installation of such compact poles is unfeasible, according to accepted engineering standards. In such locations alternative pole designs, such as H-frame pole structures may be employed. Tri-State shall provide San Miguel County and the Colorado Public Utilities Commission with a list identifying where the compact pole design will not be used and an explanation as to the reasons why.

67. Tri-State also requests relief from the following condition in Resolution # 2002-12:

that the applicant prepare and submit a Construction Plan identifying the specific construction and activities required to implement the mitigation, environmental protection measures and best management practices for review and approval by the county planning director prior to the County's authorizing any transmission line system construction activities or issuing any Development Permits for this project (the review and approval of this Construction Plan should be coordinated with the Forest Service and BLM).

68. The San Miguel County Commissioners represent **[*40]** that this condition would extend to private lands the same requirement that Tri-State has to meet for public lands. The San Miguel County Commissioners contend that Tri-State has not demonstrated that this requirement unreasonably impairs Tri-State's ability to provide safe, reliable, and economical service to the public.

69. The record substantiates that Tri-State has to submit a construction, operation, and maintenance plan for approval to the Bureau of Land Management (BLM) and the United States Forest Service (Forest Service). We agree with the County that Tri-State has not demonstrated that this requirement would result in unreasonable impairment for Tri-State. We clarify that the Commission expects the County requirement, as represented by the San Miguel County Commissioners in their statement of position, to impose no more requirements on Tri-State than imposed by the BLM and the Forest Service with respect to those portions of the line located on public lands. We require that Tri-State submit a Construction Plan to San Miguel County at the same time as it submits construction, operation, and maintenance plans to the BLM and the Forest Service. If the County fails to approve [*41] the Construction Plan within five business days of when the BLM and the Forest Service issue approval of their construction, operation, and maintenance plans, then Tri-State's Construction Plan for San Miguel County shall be deemed approved.

70. Finally, Tri-State requests relief from the following condition in Resolution # 2002-12:

that all representations made by the applicants presented at public meetings or included in the application shall be conditions of approval except to the extent that any such representations are inconsistent or in conflict with the terms and conditions of approval set forth in this resolution.

71. Tri-State testified and we agree that this requirement is impermissibly vague. If the County expected Tri-State to comply with specific directives in constructing the project, it was obligated to specify those directives. Tri-State should not be expected to speculate about what actions are required by the County. We believe this condition unreasonably impairs Tri-State's ability to provide safe, reliable, and economical service to the public because the unknown requirements may unreasonably affect the safety, reliability, or economics of the project. **[*42]** The Commission eliminates this condition.

K. Administrative Notice of Resolution # 2003-40

72. In its statement of position, the County requested that we take administrative notice of San Miguel County Resolution # 2003-40 (Attachment A to statement of position). Tri-State filed its objection to this request on December 17, 2003. The County and the Homeowners filed their responses to Tri-State's objection on December 19, 2003. Tri-State argues that it is improper to take notice of the new Resolution because the Resolution constitutes new evidence offered after the close of the evidentiary hearing in this case. Tri-State suggests that it has not had sufficient opportunity to examine this new evidence, and, therefore, taking notice of the Resolution would violate its rights to due process.

73. We grant the County's request. Notably, Resolution # 2003-40 merely formalizes the positions taken by the County in its prefiled testimony in this proceeding. The Resolution simply restates the proposed

compromise offered in testimony by County Commissioners Goodtimes and Fischer. As such, the Resolution states no new positions by the County, and Tri-State has had adequate opportunity to [*43] examine and respond to the positions stated in the Resolution.

L. Other Motions

74. We previously ruled upon a number of motions by the parties at the Commissioners' Deliberations Meeting on October 17, 2003, and the parties were notified of those rulings at the hearing on this matter. We now memorialize those rulings here:

a) **Motion for Leave to File Supplemental Testimony--** Tri-State's Motion for leave to File Supplemental Testimony of Stephen A. Fausett filed on October 10, 2003 is granted with oral rebuttal of that testimony allowed at the hearing.

b) **Motion to Strike Cross-Answer Testimony of Thomas E. Feiler--**Tri-State's Motion to Strike Cross-Answer Testimony of Thomas E. Feiler on Behalf of the Coalition of Concerned San Miguel County Homeowners filed on October 10, 2003 is denied with oral rebuttal of that testimony allowed at the hearing.

c) Motion to Remand--On October 10, 2003, the County and the Homeowners filed their Motion to Remand this Matter to the County. Tri-State and Staff filed responses opposing the motion. In essence, the motion argues that Tri-State, in this Commission proceeding to review the County's action on Tri-State's proposed project, [*44] has submitted substantial information and evidence which was not provided to the County as part of its review process. The parties argue that Tri-State's failure to provide this information during the County proceedings subverts the orderly and appropriate review process before the County. According to the motion, <u>§ 29-20-108, C.R.S.</u>, which authorizes this proceeding before the Commission, establishes that the Commission's review is an "appeal" of the County in its review. The motion requests that we remand this matter to the County to allow it to make a new determination based upon all the analyses and information that Tri-State has presented to the Commission. We deny the motion.

d) As Tri-State and Staff point out in their responses, although § 29-20-108(5), C.R.S., refers to these kind of proceedings as "appeals" of local government actions, the statute clearly indicates that the Commission is not limited to reviewing the record before the local government body. The statute (§ 29-20-108(5)(b), C.R.S. [*45]) provides that, in these appeals, the Commission is to conduct a "formal evidentiary hearing" "in accordance with the procedural requirements of § 40-6-109" Section 40-6-109, C.R.S., provides for full evidentiary hearings before the Commission. In addition, we observe that the new information presented by Tri-State here is largely a refinement of information presented to the County in its review. Therefore, the County was presented with a full and fair opportunity to consider Tri-State's proposals before the filing of this action with the Commission. To the extent Tri-State has presented new information in this proceeding, the County, as a party to this case, has had a full opportunity to respond to that information.

III. <u>ORDER</u>

A. The Commission Orders That:

1. The Application by Tri-State Generation and Transmission Association, Inc., for a determination under $\underline{\$ 29-20-108(5), C.R.S.}$, that the conditions imposed by the Board of County Commissioners of San Miguel County, Colorado on Tri-State Generation and Transmission Association, Inc.'s proposed Nucla-Telluride 115 kV transmission [*46] line project will unreasonably impair Tri-State Generation and Transmission Association, Inc.'s ability to provide safe, reliable, and economical service to the public is granted consistent with the above discussion.

2. The conditions in San Miguel County Resolution # 2002-12 that require the transmission line be installed underground across those portions of Beaver, Specie, Wilson, and Sunshine Mesas as identified in the November 2001 Final Environmental Impact Statement Environmentally Preferred Alternative and within Norwood Gardens, the Fitts Hillside Subdivision and those areas on Wrights Mesa identified in Section 3.10 Visual Resources in the Final Environmental Impact Statement and that Tri-State Generation and Transmission Association, Inc., pay all costs are reversed.

3. Tri-State Generation and Transmission Association, Inc., shall obtain accurate total cost estimates including amounts for all necessary rights-of-way acquisition and any diminution of property values for: 1) installation of the transmission line underground; and 2) installation of the transmission line overhead across each portion of Specie, Wilson, and Sunshine Mesas as identified in the November 2001 Final [*47] Environmental Impact Statement Environmentally Preferred Alternative.

4. Tri-State Generation and Transmission Association, Inc., shall provide individual estimates of total cost for installation of the transmission line both underground and overhead across those portions of Specie, Wilson, and Sunshine Mesas² to the Commission and all parties to this case by September 1, 2004. These estimates shall be filed in this docket and the filing shall inform the Commission of whether San Miguel County and the affected landowners agree with the estimates. Any party may request that the Commission resolve any remaining disputes regarding these cost estimates by filing an appropriate pleading with the Commission on or before September 10, 2004.

5. Tri-State Generation and Transmission Association, Inc., shall install the transmission line underground across Specie, Wilson, or Sunshine Mesas as identified in the November 2001 Final Environmental [*48] Impact Statement Environmentally Preferred Alternative where the total cost estimate for underground installation across a mesa is the same or lower than the total cost estimate for overhead installation.

6. Tri-State Generation and Transmission Association, Inc., shall install any portion of the transmission line underground provided that interested parties pay the additional cost to underground that portion, if the total cost estimate for underground installation is higher than the total cost estimate for overhead installation across Specie, Wilson, or Sunshine Mesas as identified in the November 2001 Final Environmental Impact Statement Environmentally Preferred Alternative. Tri-State Generation and Transmission Association, Inc., shall not be required to contribute any more towards the installation cost than the amount that would be incurred had the transmission line been installed overhead. Interested parties shall enter into a payment agreement with Tri-State Generation and Transmission Association, Inc., for the additional cost required to be paid under this Order. If such a payment agreement cannot be reached by December 31, 2004, Tri-State Generation and Transmission Association, [*49] Inc., shall proceed with overhead installation of that portion of the transmission line.

² The cost estimates shall be performed separately for each of the three mesas.

7. The condition in San Miguel County Resolution # 2002-12 that limits pole heights to 60 feet and requires Tri-State Generation and Transmission Association, Inc., to obtain specific approval to use alternative pole design from the San Miguel County planning director is modified as follows:

that Tri-State's proposed compact pole design, with a maximum pole height not to exceed 60 feet, shall be used for those sections of the transmission line that are placed overhead except in locations where the installation of such compact poles is unfeasible, according to accepted engineering standards. In such locations alternative pole designs, such as H-frame pole structures may be employed. Tri-State shall provide San Miguel County and the Colorado Public Utilities Commission with a list identifying where the compact pole design will not be used and an explanation as to the reasons why.

8. The condition in San Miguel County Resolution # 2002-12 that requires Tri-State Generation and Transmission Association, Inc., to submit a Construction Plan for review and approval is clarified. Tri-State Generation [*50] and Transmission Association, Inc., shall submit a Construction Plan to San Miguel County at the same time as it submits construction, operation, and maintenance plans to the Bureau of Land Management and the United States Forest Service. If San Miguel County fails to approve the Construction Plan within five business days of when the Bureau of Land Management and the United States Forest Service issue approval of their construction, operation, and maintenance plans, whichever is later, then Tri-State Generation and Transmission Association, Inc.'s Construction Plan for San Miguel County is deemed approved.

9. The following condition in San Miguel County Resolution # 2002-12 is eliminated:

that all representations made by the applicants presented at public meetings or included in the application shall be conditions of approval except to the extent that any such representations are inconsistent or in conflict with the terms and conditions of approval set forth in this resolution.

10. The Board of County Commissioners of San Miguel County's request that we take administrative notice of San Miguel County Resolution # 2003-40 (Attachment A to the statement of position) is granted. [*51]

11. Tri-State Generation and Transmission Association, Inc.'s Motion for Leave to File Supplemental Testimony of Stephen A. Fausett filed on October 10, 2003 is granted with oral rebuttal of that testimony allowed at the hearing.

12. Tri-State Generation and Transmission Association, Inc.'s Motion to Strike Cross-Answer Testimony of Thomas E. Feiler on Behalf of the Coalition of Concerned San Miguel County Homeowners filed on October 10, 2003 is denied with oral rebuttal of that testimony allowed at the hearing.

13. The Motion to Remand this Matter to the County filed on October 10, 2003, by the Board of County Commissioners of San Miguel County and the Coalition of Concerned San Miguel County Homeowners is denied.

14. 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 Mailed Date of this Decision.

15. This Order is effective on its Mailed Date.

B. ADOPTED IN COMMISSIONERS' DELIBERATIONS MEETING January 7, 2004.

THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

GREGORY E. SOPKIN

POLLY PAGE

JIM DYER

Commissioners [*52]

ATTEST: A TRUE COPY

Bruce N. Smith

Director

CO Public Utilities Commission Decisions

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69kv Complete Rebuild **Overview**



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