



Town of New Castle
450 W. Main Street
PO Box 90
New Castle, CO 81647

**Building & Planning
Department**
Phone: (970) 984-2311
Fax: (970) 984-2716
www.newcastlecolorado.org

Planning Commission – Public Hearing
Wednesday, March 25, 2026
Resolution PZ 2026-3
Staff Report

Name of Applicant	Public Service Company of Colorado, a Colorado corporation conducting business as Xcel Energy; Contact: Jennifer Chester
Mailing Address	1800 Larimer Street, Suite 400, Denver, CO 80202
Property Address	6385 CR 335
Name of Property Owner	Public Service Company of Colorado
Existing Zoning	Industrial
Surrounding Zoning	Industrial; Open Space
Surrounding Land Uses	Construction yard; Town open space; Warehouse/Distribution;
Existing use of property	Xcel staging yard; Firewood distribution
Proposed use of property	New substation including transmission and feeder lines;
Property size	2.478 acres

I. Background:

The Applicant proposes a new electrical substation at 6385 CR 335 to replace the existing one approximately 0.4 miles west on CR 335. The existing substation has reached the end of its service life and therefore warrants replacement. However, due to the size limitations of the current lot and complications with its topography, relocating the facility was deemed necessary. Whether the current substation will be demolished and the land reclaimed is still unclear. However, that property exists entirely within Garfield County and is not part of this application.

The project is comprised of equipment enclosures, transformers, various transmission towers/lines, and fencing. The grade within the property will be raised from 2ft to 4ft in order to mitigate flood risk. Two new driveways will be installed to improve access. A 10' screened security fence on top of a retaining wall will surround the property.

The proposed substation is eligible for conditional use review because it is not listed as a permitted or prohibited use under Section 17.52.050. As a conditional use application, the Planning Commission (P&Z) is required to hold a public hearing in accordance with the procedures set forth in Municipal Code *Chapter 16.08.040*. Within 30 days of the public hearing, P&Z must make one of these three recommendations to Town Council:

- 1) Approve the CUP unconditionally;
- 2) Approve the CUP with conditions;
- 3) Deny the CUP.

II. Application Materials:

The purpose of this conditional use review is to determine if the nature of the proposed use is appropriate to the location and character of the New Castle Industrial Zone.

1) Site Plan:

- a. Adjacent land uses and location of adjacent structures;

Adjacent land uses include mini-storage (Royal construction yard, Gabossi Storage, C'Mon-Back Storage), low hazard industrial (National Propane, NAP distributing, Bramco Bld.), factory uses (VR Cabinetry Chop, Granite Shop), business (All Dogs and Cats), and Town open space adjacent to the Colorado River.

- b. Boundary and size of lot;

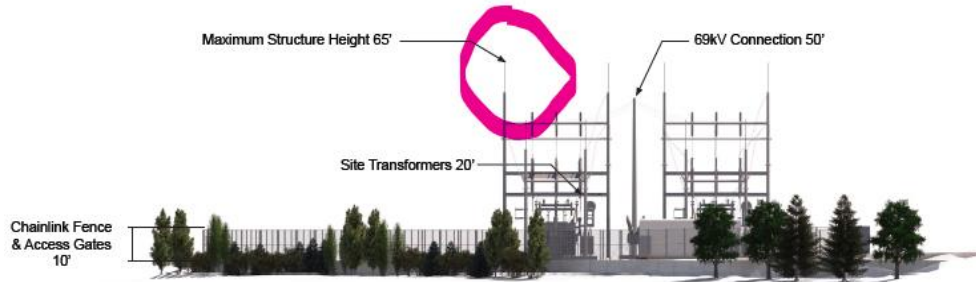
The project spans 2.478 acres. The Industrial zone does not regulate for lot coverage or required open space.

- c. Building location, height and setbacks;

Permitted setbacks are as follows:

- a) Front – 25ft
- b) Rear – 10ft
- c) Side – 5ft

Per the site plan, all utility infrastructure demonstrate conformance with the allowed setbacks. Section 17.52.090 limits a structure's wall height to no more than 30'. However, section 17.04.050 of the code exempts "poles, lines, cables, or other transmission or other distribution facilities of public utilities" from this provision. The application indicates a maximum structure height of 65'.

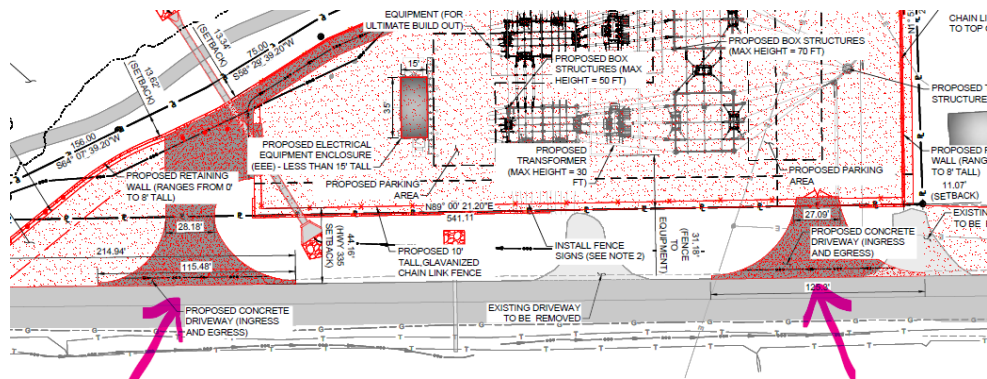


d. Off-street parking and loading areas;

Two access driveways connecting County Road 335 will allow for pass-thru ingress and egress. The site plan projects 12-15 parking spaces available for maintenance workers. The traffic impact analysis concludes that future operations will function at acceptable levels with the current alignment of CR 335 and proposed driveways, so no additional turn lanes or accel/decel lanes should be necessary. During construction, traffic control will be provided as necessary for staging and road tie-ins. A construction management plan will be submitted prior to permitting.

e. Points of ingress and egress;

The project proposes two driveways, one at either end of the property.



f. Service and refuse areas;

Need for regular trash service is not anticipated.

g. Signs and exterior lighting;

Signage renderings were not provided in the packet. However, all signage shall comply with the sign code. Temporary traffic control signs along CR 335 can be expected during the replacement process. Traffic control plans are subject to a ROW permit as regulated by the Public Works Department.

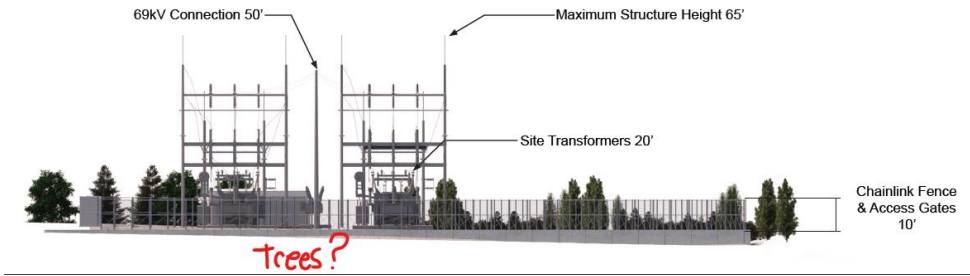
Exterior lighting is currently proposed as flood lighting. As a condition of approval, all exterior lighting shall conform to dark-sky standards and shall always be shut off other than for emergencies or maintenance. Otherwise, exterior lighting shall comply with section C405.2.7 of the energy code. C405.2.7 includes provisions for sensors, timers, and lighting reduction as necessary.

h. Fencing, landscaping and screening;

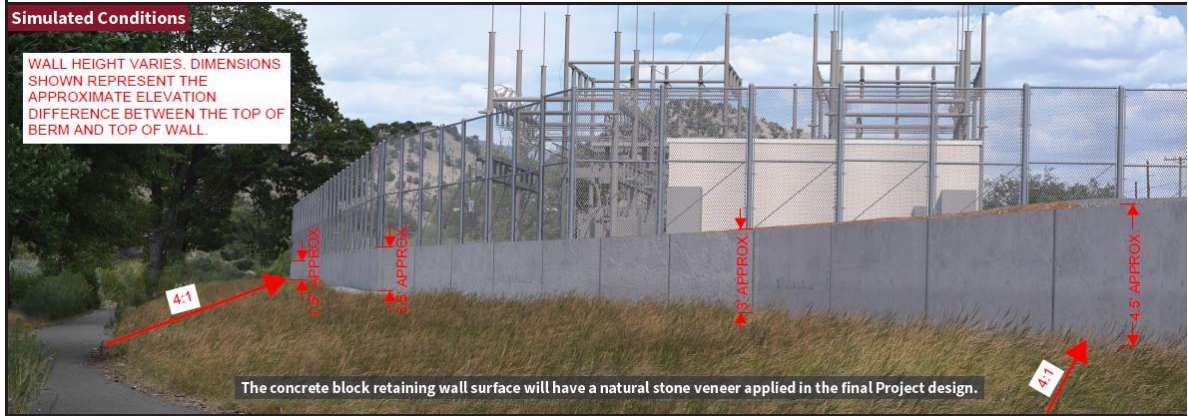
The Applicant proposes mesh wire fencing in the immediate vicinity of the facility. Moreover, the proposal will be subject to section 17.52.060 for the industrial zone. The perimeter shall be screened with:

“trees and shrubs on at least twenty-five (25) percent of their private property lines in compliance with Chapter 12.20, and with the approval of the New Castle parks and recreation committee. Review of screening by the parks and recreation committee shall be completed prior to the issuance of a building permit.”

Because of the structure’s considerable height and visual impacts to properties both adjacent and further towards the north, Staff has worked with the Applicant to expand the screening to the greatest extent possible. Additional trees have been added to the southern property line to attenuate visual impacts to users of the bike path and onlookers from New Castle’s downtown area. Additional screening may be necessary on the west aspect to comply with “25%” code requirement.



The placement of modest landscape berms along the bike path has been discussed to obscure the up to 8’ retaining wall along the bike path. Even with all recommendations implemented, the screening methods above will obscure the facility only partially.



- i. Compliance with performance standards;

Performance Standards are a commitment from the Applicant to minimize potential nuisances. The Applicant has signed the commitment letter. The proposal does not expect to exceed the Town’s noise statutes at 80dB, but will consider dark-sky compliant lighting.

- j. Anticipated utility requirements;

Town services (i.e. water and sewer) are not provided to the property. However, the proposal creates no additional demands for water and sewer than already exist.

- k. The Applicant provided an anticipated schedule of development:

Table 2: Anticipated Project Schedule

Activity	Timeline
Permanent Improvements	Summer 2026
Construction Material Delivery	Summer 2026
Vegetation Management	Summer 2026
Construction of Substation	Summer 2026
Construction of Transmission Interconnect	Spring 2027
In Service	Summer 2027
Restoration	Summer 2027
Decommissioning of New Castle Substation	Summer 2027 (after in service)

III. Approval Criteria:

A decision on a conditional use application shall be made based on the following criteria:

- 1) Is eligible for conditional review under § 17.72.040;

Staff Comment – The application is eligible for conditional review subject to sections 17.84.070 & 17.84.080 as discussed above.

- 2) Is generally compatible with adjacent land uses;

Staff Comment – While a substation may agree with perceptions about industrial uses, the Town also considers the level of impact of a proposed use on *current* surrounding uses. In this case, uses such as warehousing, construction storage, propane storage, and the Town’s wastewater treatment plant are ostensibly consistent with a utility facility. Though the Town’s open space parcel along the Colorado River is arguably less consistent, the open space has bordered the industrial district since its origin. Nevertheless, Town code enlists substantial screening efforts to attenuate the visual impacts of industrial operations. As discussed elsewhere, the Applicant intends to provide ample screening to this end.

- 3) Meets all requirements of § 17.84.020, is in compliance with Title 17 of the Code, and minimizes potential adverse impact of the conditional use on adjacent properties and traffic flow;

Staff Comment – The application demonstrates compliance with Section 17.84.020 as overviewed in Section II above. Adverse impacts are also discussed above. The provided traffic analysis suggests little impact to traffic flow as a result of the new substation.

- 4) Is consistent with the comprehensive plan and

Staff Comment – The Comprehensive Plan (see Goal POST & Goal EN policies pages 59ff & 65ff) places a premium on the preservation of the natural environment not only for the protection of surrounding ecosystems, but also for its aesthetic value to residents. The applicant has prepared floodplain, grading, and watershed analyses as part of their building permit application. The site will be raised to mitigate the 100 year flood plain, otherwise no adverse effects are projected.

Viewsheds towards the south are expected to be influenced by the overall height and design of the facility. Therefore, Staff and the Applicant have worked jointly to offer intentional screening solutions such as berms, trees/shrubs, decorative retaining features, and mesh wire fencing to preserve these viewsheds to

the greatest extent possible. Staff would like to see additional foliage along the west property line as required by code.

- 5) The Town has the capacity to serve the proposed use with water, sewer, and fire and police protection.

Staff Comment – The replacement project is not expected to have any new impacts on water, sewer, fire or police protection.

IV. Staff Recommendations:

Staff recommends approval of Resolution 2026-2 with the following conditions:

1. No construction shall begin until a conditional use certificate has been issued by the Town Planner subject to Section 17.84.040.
2. Prior to issuance of the conditional use certificate, the Applicant shall demonstrate conformance with any recommendations provided by the town engineer, town attorney, and/or fire district.
3. Prior to the issuance of a conditional use certificate, a construction management plan shall be provided for review and approval by town staff. A construction management plan shall include, but is not limited to, identification of best management practices (BMPs), the identification of off-site storage & delivery locations, refuse management, and bathroom locations.
4. The Applicant shall conduct a pre-construction meeting with Town staff and relevant agencies at least 14 days prior to the beginning of construction.
5. The Applicant shall apply for any right-of-way permits through the Town's Public Works Department.
6. Applicant shall add vegetative screening along the west property line pursuant to section 17.52.060. The approved constructions drawings shall demonstrate conformance with the landscaping, screening, retaining wall, and berm designs provided in the application.
7. Applicant shall comply with all applicable building and municipal code requirements, including the sign code and all county licensing requirements. Specifically, the approved construction drawings shall demonstrate that any ambient lighting complies with the 2021 International Energy Conservation Code for exterior lighting, section C405.2.7. Exterior safety or emergency lighting that will only be illuminated during emergencies does not need to comply with said requirement.
8. All exterior lighting shall be dark-sky compliant per the New Castle Comprehensive Plan.
9. No approved conditional use may be altered, structurally enlarged, expanded in parking area or expanded in ground area unless the site plan is amended and approved in accordance with the procedures applicable to approval of a conditional use as set out in § 17.84.070 of the Code.

10. In the event the Town receives any complaints about the use of the site or observes or becomes aware of any violations of the conditional use approval, the Applicant and/or owner may be summoned before the Town Council in a public meeting to show cause why the permit should not be revoked, suspended, or additional conditions imposed. Such show-cause hearing shall be open to the public and the Applicant or owner may present testimony or offer other evidence on its behalf.
11. All representations of the Applicant in written and verbal presentations submitted to the Town or made at public hearings before the Planning Commission or Town Council shall be considered part of the application and binding on the Applicant.
12. The Applicant shall reimburse the Town for any and all expenses incurred by the Town regarding this approval, including without limitation all costs incurred by the Town's outside consultants such as legal and engineering costs.

V. Application Exhibits:

- A. Land Development Application
- B. Town Engineer Referral – Jeff Simonson
- C. Public Notice
- D. Notarized Affidavit of Notice
- E. Signed Performance Standards