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

DIRECT TESTIMONY AND EXHIBITS OF

RICK L. THOMPSON

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF COLORADO FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE PAWNEE – SMOKY HILL 345KV TRANSMISSION PROJECT	))))))	**DOCKET NO.**

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Q. WHAT IS YOUR NAME AND BUSINESS ADDRESS?

A. My name is Rick L. Thompson. My business address is 550 15th Street, Suite 700, Denver, Colorado 80202.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by Public Service Company of Colorado. My title is Supervisor, Siting and Land Rights. My primary responsibility is to supervise and coordinate the siting, permitting and land rights acquisition for new electric transmission and substation projects.

Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS DOCKET?

A. I am testifying on behalf of Public Service Company of Colorado ("Public Service" or the "Company").

Q. HAVE YOU PREPARED A STATEMENT OF YOUR EXPERIENCE AND QUALIFICATIONS?

A. Yes. The statement is included with my testimony as Attachment A.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to characterize siting, permitting and land rights acquisition issues associated with the project known as the Pawnee - Smoky Hill 345kV Transmission Project ("Pawnee-Smoky Hill Project" or the "Project").

Q. PLEASE DESCRIBE THE ROUTING CHARACTERISTICS OF THE PROJECT.

A. The Project involves the siting, permitting and acquisition of new right-of-way, and the utilization of an existing transmission line right-of-way corridor, to accommodate approximately 95 miles of new 345kV capable double-circuit transmission line between the Pawnee Substation, located in Morgan County, and the Smoky Hill Substation, located in the City of Aurora. Please see Exhibit No. RLT-1; a vicinity map depicting the Project area.

The Project can be described in three sections. Section 1 consists of siting, permitting and acquiring a new 200' wide right-of-way to accommodate a double-circuit capable 345kV transmission line from the Pawnee Substation, located at Public Service's Pawnee Station in Morgan County, bearing southwest through Morgan and Adams Counties and west into Arapahoe County for a total distance of approximately 79 miles.

Although a full siting study has not yet been conducted, it is anticipated this new 200' wide right-of-way in Section 1 will generally parallel the existing 225' wide transmission line corridor containing two existing single-circuit 230kV transmission lines leaving the Pawnee Station towards the Smoky Hill Substation. The character of Section 1 is generally rural open prairie

rangeland allowing acquisition of a new right-of-way near the existing Pawnee - Smoky Hill transmission corridor.

At a location in eastern Arapahoe County, to be finalized during the siting process, Public Service proposes the Project transition from Section 1 to Section 2 into the existing 225' wide transmission line right-of-way corridor near the jointly owned Brick Center Substation (Public Service and Intermountain Rural Electric Association owned facility), located east of Brick Center Road. This western portion of the Project involves the use of existing right-of-way and is referenced as Sections 2 and 3. Section 2 will involve the reconstruction of one single-circuit 230kV line within the existing 225' right-of-way to a double-circuit 345kV capable line. The existing 230kV line will be relocated to new monopole structures along with the new 345kV circuit for approximately 15 miles. The last mile of the Project into Smoky Hill Substation is referred to as Section 3 and will also utilize existing right-of-way with monopole type construction. The engineering design and configuration of Sections 1-3 in the overall Project are described in Witness Pearson's testimony.

Q. WILL THE PROJECT BE CONSTRUCTED TO AVOID RESIDENTIAL AREAS?

A. Public Service's goal is to route the Project to avoid residential areas where practical. We propose to identify and procure a new right-of-way for Section 1 and utilize the existing and recognized 225' wide and 210' wide transmission line corridor for Sections 2 and 3 respectively for this Project.

Residential development densities generally increase in closer proximity to the metro area. However, rural Arapahoe County and other counties east of the Denver metro area have seen a substantial amount of recent residential development with the approval and construction of multiple rural residential subdivisions. Many of these developments are located around transmission corridors, including Public Service's existing Pawnee-Smoky Hill corridor. Public Service believes a new transmission line right-of-way for this Project can be identified away from residential development in rural Morgan and Adams Counties and a portion of Arapahoe County. However, a few pockets of low-density rural residential development near the existing 225' wide transmission line corridor will require careful review and analysis as we site a new right-of-way through eastern Arapahoe County.

Also, the Smoky Hill Substation was once an isolated facility, but is now within the City of Aurora and is surrounded by development or other restrictive land uses. Using an existing transmission line corridor into this facility is the most practical means of minimizing impacts to land uses around Smoky Hill and the new development that has occurred within Aurora and in a portion of Arapahoe County. See Exhibit No. RLT-2; a map of the area with an overlay generally depicting the Project.

Q. CAN A ROUTING ALTERNATIVE BE IDENTIFIED THAT TOTALLY AVOIDS RESIDENTIAL DEVELOPMENT FOR THE PROJECT?

A. Not totally. Public Service will site Section 1 away from residential development in Morgan, Adams and a portion of Arapahoe Counties.

Our investigations have indicated that there is no practical way to acquire a new right-of-way corridor into Smoky Hill without impacting existing or proposed development. By routing Sections 2 and 3 within the existing right-of-way through Arapahoe County and the City of Aurora, Public Service can utilize an existing and recognized transmission line corridor to construct the western portion of the Project into the metro area.

Q. WHY NOT COMPLETELY UTILIZE EXISTING RIGHT-OF-WAY BETWEEN PAWNEE AND SMOKY HILL TO ELIMINATE THE NEED FOR SITING AND ACQUIRING NEW RIGHT-OF-WAY FOR THE PROJECT?

A. Public Service believes it prudent to maximize the utilization of existing transmission line rights-of-way corridors whenever practical, to minimize right-of way acquisition costs and land use impacts. However, the Company must also consider system reliability, construction timing and operational issues. Outages would be required to reconstruct and relocate the 230kV line onto new structures within the existing right-of-way. The greater the length of reconstruction, the more outage time will be required. We estimate that rebuilding the total length of the existing Pawnee-Smoky Hill 230kV transmission line within existing right-of-way would require outages of approximately 18 months. This is not acceptable utility practice due to the need for this line to deliver energy to customers from the Pawnee Generation Station.

By acquiring new right-of-way in less-populated areas and leaving the current Pawnee-Smoky Hill line operational in the eastern section of the

Project, we anticipate reducing the outage time to approximately 9 months. This approach allows Public Service to balance operational and construction issues, while minimizing potential land use impacts created by new transmission line right-of-way acquisition and construction.

Q. WILL NEW LAND RIGHTS BE REQUIRED AT THE PAWNEE OR SMOKY HILL SUBSTATIONS FOR THE PROJECT?

A. No. Acquisition of land rights to accommodate required equipment additions is not anticipated at either substation facility. Public Service owns enough land around its Pawnee Substation to accommodate this project. The Company also owns approximately 22 acres at Smoky Hill Substation and equipment additions at this facility can be accommodated within the existing site.

Q. WILL LOCAL GOVERNMENTS REVIEW THE PROJECT?

A. Yes. Local government land use approvals for the Project will be required from Morgan County, Adams County, Arapahoe County and the City of Aurora.

Q. WILL THE COMPANY CONDUCT PUBLIC INVOLVEMENT AND NOTIFICATION ACTIVITIES FOR THIS PROJECT?

A. Yes. The Company will work closely with the involved jurisdictions and the public. As a part of the siting and permitting process for this Project, Public Service is developing a comprehensive plan to involve and notify the public. We plan to develop routing alternatives for Section 1 and seek public input prior to determining the preferred alternative for that portion of the Project.

We will work with landowners near the existing transmission line corridor being utilized for Sections 2 and 3, and also those near the Smoky Hill Substation to notify them about the Project. The public will also have opportunities to review and comment on the Project during the local jurisdictions' land use review processes.

Q. CAN YOU DESCRIBE THE TIMING NECESSARY TO CONDUCT LOCAL LAND USE PERMITTING ACTIVITIES?

A. Yes. Public Service anticipates approximately 18 months will be required to conduct siting studies, prepare and submit land use permit applications, and obtain approvals from involved local jurisdictions. We anticipate that local land use permit applications will be submitted to the jurisdictions in late 2008 or early 2009.

Q. DO YOU ANTICIPATE OTHER PROCESSES REQUIRED TO SITE, PERMIT OR ACQUIRE LAND RIGHTS FOR THE PROJECT?

A. Yes. Public Service must acquire new right-of-way through Morgan County, Adams County and a portion of the Project within Arapahoe County for Section 1. Numerous other permits will be required prior to construction, such as: grading permits, storm water management permits, highway crossing permits, and railroad crossing permits.

Additionally, Public Service must obtain approval from the Colorado State Board of Land Commissioners to modify Right-of-Way No. 2359, Book 23, dated August 23, 1979, to allow 345kV capable transmission lines within the existing 225' wide right-of-way. Right-of-Way No. 2359 is located within

Section 2 of the Project and involves approximately 4.0 miles of state land east of Aurora within Arapahoe County. The current Right-of-Way agreement only allows "2-230kV electric transmission lines" across these state lands.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

Attachment A

Statement of Qualifications

Rick Thompson

Rick Thompson has over 15 years experience siting, permitting, and acquiring land rights for major utility facilities within Xcel Energy and its predecessor companies. He currently acts as supervisor for the group of Xcel Energy employees primarily responsible for siting, permitting and acquiring the land rights for Public Service Company of Colorado transmission lines, substations and other major utility facilities. Mr. Thompson and his team conduct siting studies, prepare permit applications, and present project recommendations to federal, state, and local regulatory land management agencies and commissions for approvals. He has specialized knowledge of federal, state, and local permitting and land rights acquisition processes; property valuation; property management; siting and environmental analysis; public involvement processes; and electric and gas utility systems (including mapping, surveying, and drafting). He has been extensively involved in the application of utility engineering and construction practices for major utility projects.

Positions Held at Xcel Energy/New Century Energies/Public Service Company of Colorado:

2007-Present	Supervisor: Siting and Land Rights - Denver
2006-2007	Manager: Renewable Energy Purchases
2005-2006	Manager: Siting and Land Rights
1998-2005	Team Lead: Siting and Land Rights - Denver
1991-1998	Agent: Siting & Environmental Planning/Siting and Land Rights

Education:

B.S. - Colorado State University-Landscape Architecture: 1979.

Coursework focused on land planning, visual analysis, public facility design and regional master planning. Mr. Thompson has also completed coursework in environmental policy, electric transmission line siting, business law, project management, public involvement processes, collaborative decision making, creative problem solving, and various real estate transaction related coursework. Rick has successfully passed the Colorado Real Estate Sales licensing exam and is a member of the American Society of Landscape Architects and the International Right-of-Way Association.