

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

IN THE MATTER OF THE APPLICATION OF)
CHEYENNE LIGHT, FUEL AND POWER) DOCKET NO. 20003-193-EN-20
COMPANY d/b/a BLACK HILLS ENERGY) (RECORD NO. 15497)
FOR A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY TO)
REBUILD AN EXISTING 115KV)
TRANSMISSION LINE FROM SKYLINE)
SUBSTATION TO EAST BUSINESS PARK)
SUBSTATION IN LARAMIE COUNTY,)
WYOMING)

**ORDER GRANTING A CERTIFICATE OF PUBLIC CONVENIENCE AND
NECESSITY**

(Issued July 13, 2020)

This matter is before the Wyoming Public Service Commission (Commission) upon the Application of Cheyenne Light, Fuel and Power d/b/a Black Hills Energy (Cheyenne Light or the Company) for a Certificate of Public Convenience and Necessity (CPCN) to rebuild an existing 115kV transmission line from Skyline Substation to East Business Park Substation in Laramie County. In addition, the Company requests approval of its *Petition for Confidential Treatment of Exhibit 2 (Petition)*.

The Commission, having reviewed the Application, its files regarding Cheyenne Light, applicable Wyoming public utility law, and otherwise being fully advised in the premises, FINDS and CONCLUDES:

1. Cheyenne Light is a public utility, as defined in Wyo. Stat. §37-1-101(a)(vi)(C), subject to the Commission’s jurisdiction pursuant to Wyo. Stat. §37-2-112.

2. On April 13, 2020, the Company submitted an Application together with exhibits requesting the Commission grant a CPCN to rebuild an existing 115kV transmission line from Skyline Substation to East Business Park Substation (the Project) in Laramie County. The Application included a *Petition* requesting confidential treatment of Exhibit 2, pursuant to Commission Rule Chapter 2, Section 30.

3. Specifically, the project will use single pole steel structures with polymer brace post insulators and self-supporting steel dead-end structures. The Skyline rebuild will utilize 795 kcmil ACSR “Drake” conductors and will operate at the same voltage (115 kV) as the existing line. Cheyenne Light will rebuild the line within the Company’s right of way for the existing transmission line.

4. The estimated cost of the Project is \$3.3 million. The Company intends to finance the Project internally, with an estimated average annual revenue requirement of approximately \$375 thousand for the first six years of operation. Cheyenne Light is not proposing a rate specific to this project and it will not be included in rates until approved by the Commission in Cheyenne Light’s next rate review.

5. According to Cheyenne Light, the Project will replace the aging existing line and will increase reliability, structural integrity, and capacity of the transmission line.

6. The Commission issued its *Notice of Application* on April 17, 2020, with the period expiring on May 15, 2020, without protests or requests to intervene.

7. Cheyenne Light's Application came before the Commission for consideration pursuant to due notice at its Open Meeting on June 30, 2020. Kyra Coyle, Senior Manager of Regulatory and Finance, Jana Smoot White, Associate General Counsel, Dustin McKen, Director of Operations, and Patrick Sullivan, Senior engineer, appeared on behalf of the Company. Ms. White provided a summary of the Application generally describing the information set forth in paragraphs 2 through 6 of this *Order*. Commission Staff recommended approval of the Application, conditioned on the Company receiving necessary permits and compliance with the requirements of the National Electric Safety Code.

8. Wyo. Stat. § 37-2-205(a) states, in part:

No public utility shall begin construction of a line, plant or system, or of any extension of a line, plant or system without having first obtained from the commission a certificate that the present or future public convenience and necessity require or will require such construction.

9. Wyo. Stat. § 37-2-205(c) states:

Before any certificate may issue, under this section, a certified copy of its articles of incorporation or charter, if the applicant be a corporation, shall be filed in the office of the commission. The commission shall have power, after hearing involving the financial ability and good faith of the applicant and the necessity of additional service in the community, to issue said certificate, as prayed for, or to refuse to issue the same, or to issue to it for the construction of a portion only of the contemplated line, plant, or system, or of a portion only, of the contemplated line, plant, system or extension thereof, or for the partial exercise only of said right or privilege, and may attach to the exercise of the rights granted by said certificate such terms and conditions as in its judgment the public convenience and necessity may require.

10. The Commission has interpreted Wyo. Stat. § 37-2-205 in Commission Rule Chapter 3, Section 21(c), which includes the requirements for a CPCN application. If the application proposes the operation or construction of a major utility facility, Commission Rule Chapter 3, Section 21(c)(ii) provides the application shall include the following information in addition to the requirements listed for a standard CPCN:

(c) When a utility is required to file an application for a certificate of public convenience and necessity:

(ii) To operate or construct a major utility facility, the application shall include the following information in addition to the requirements of section (21)(c):

(A) A description of the proposed site, including the county or counties in which the facility will be located, with a metes and bounds description, and a description of the terrain where the facility will be constructed;

(B) A geological report of the proposed site, including foundation conditions, groundwater conditions, operating mineral deposits within a one-mile radius and a topographical map showing the area within a five-mile radius;

(C) A description of and plans for protecting the surrounding scenic, historical, archeological and recreational locations; natural resources; plant and animal life; and land reclamation, including:

(I) A general description of the devices to be installed at the major utility facility to protect air, water, chemical, biological and thermal qualities;

(II) The designed and tested effectiveness of such devices; and

(III) The operational conditions for which the devices were designed and tested.

(D) A description of any potential safety hazards;

(E) A description of the real property, fuel and water requirements, including any source of water along which the major utility facility will be constructed or from which it will obtain or return water;

(F) The acquisition status, source and location of real property, right-of-way, fuel and water requirements;

(G) The proposed means of transporting fuel and water requirements;

(H) A description of all mineral rights associated with the facility and plans for addressing any split-estate issues;

(J) A statement setting forth the need for the facility in meeting present and future demands for service in Wyoming or other states;

(K) A description of the commodity or service the facility will make available;

(L) A statement of the facility's effect on the applicant's and other systems' stability and reliability;

(M) The status of satisfying local, state, Tribal or federal governmental agency requirements. The applicant shall immediately file all agencies' final orders.

11. Based on the Application, the facts and representations presented by the Company the analysis of Commission Staff, the Commission finds that the Application conforms to the requirements of statute and the Commission's Rules as highlighted above. The Commission further finds that the Project is necessary because it will increase reliability, structural integrity and capacity of the existing transmission line. Therefore, it is in the public interest. The evidence before the Commission supports issuance of the. The Commission also concludes that Cheyenne Light's *Petition* complies with Commission Rule Chapter 2, Section 30, and should be granted.

IT IS THEREFORE ORDERED:

1. Pursuant to Open Meeting action taken on June 30, 2020, Cheyenne Light, Fuel and Power Company d/b/a Black Hills Energy's Application for a Certificate of Public Convenience and Necessity to rebuild an existing 115 kV transmission line from Skyline Substation to East Business Park Substation is approved, conditioned on the acquisition of necessary permits and compliance with the National Electric Safety Code.

2. Cheyenne Light, Fuel and Power d/b/a Black Hills Energy *Petition for Confidential Treatment of Exhibit 2* is granted.

3. This *Order* is effective immediately.

MADE and ENTERED at Cheyenne, Wyoming, on July 13, 2020.

PUBLIC SERVICE COMMISSION OF WYOMING

Kara B. Fornstrom

KARA B. FORNSTROM, Chairman

Mary A. Throne

MARY A. THRONE, Deputy Chair

Michael M. Robinson

MICHAEL M. ROBINSON, Commissioner



Attest:

Dylan C. Freeman
for DYLAN C. FREEMAN Assistant Secretary