

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF SOUTHWESTERN)
PUBLIC SERVICE COMPANY'S)
APPLICATION FOR: (1) ISSUANCE OF A)
CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY AUTHORIZING)
CONSTRUCTION AND OPERATION OF)
TWO 230 KV TRANSMISSION LINES AND)
ASSOCIATED SUBSTATION FACILITIES IN)
CURRY AND ROOSEVELT COUNTIES, NEW)
MEXICO; (2) APPROVAL OF THE)
LOCATION OF THE 230 KV TRANSMISSION)
LINES AND ASSOCIATED FACILITIES; AND)
(3) AUTHORIZING ACCRUAL OF AN)
ALLOWANCE FOR FUNDS USED DURING)
CONSTRUCTION FOR THE TRANSMISSION)
LINES AND ASSOCIATED FACILITIES,)
SOUTHWESTERN PUBLIC SERVICE)
COMPANY,)
APPLICANT.)**

CASE NO. 12-_____-UT

APPLICATION

Pursuant to Sections 62-9-1 and 62-9-3 NMSA 1978 and the New Mexico Public Regulation Commission (“NMPRC” or the “Commission”) Rules 17.1.2.9 NMAC and 17.9.592 NMAC, Southwestern Public Service Company (“SPS”) respectfully applies to the Commission for issuance of a certificate of public convenience and necessity (“CCN”) authorizing SPS to construct and operate the proposed 230 kilovolt (“kV”) transmission lines and associated

substation facilities in Curry and Roosevelt Counties, New Mexico, and for approval of the location of the 230 kV transmission lines. These approvals and authorizations are described in this Application and SPS's supporting pre-filed direct testimony concurrently filed with the Application.

In support of this Application, SPS states the following:

I. INTRODUCTION

1. SPS is a New Mexico corporation, that owns, operates and controls electric generation, transmission, and distribution plant, property, and facilities that provide retail and wholesale electric capacity and energy to portions of New Mexico and Texas. With respect to its provision of retail electric service in New Mexico, SPS is a public utility in New Mexico as defined in Section 62-3-3, NMSA 1978, and is subject to the jurisdiction and authority of this Commission.

2. A certified copy of SPS's articles of incorporation is on file with the Commission.

3. SPS's principal office in New Mexico is located at 111 East Fifth Street, Roswell, New Mexico 88201, and its principal corporate office is located at 600 S. Tyler Street, Amarillo, Texas 79101.

4. SPS's corporate representatives and attorneys who should receive all notices, pleadings, discovery requests and responses, and other documents related to this case are:

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II. STATEMENT OF FACTS

5. SPS proposes to construct and operate two 230 kV transmission lines and associated substation facilities in Curry and Roosevelt Counties, New Mexico (the “Proposed Project”). The Roosevelt County Substation to the proposed Pleasant Hill Substation to Oasis Connection Point 230kV transmission lines are needed to be in service by December 2014. The Proposed Project will provide increased reliability for eastern New Mexico and will reduce overloads and low voltage conditions.

6. The first 230 kV line will connect SPS’s proposed Pleasant Hill Substation, located five miles northeast of Clovis, New Mexico, to a connection point north of Oasis

Substation, located southwest of Clovis, New Mexico. The second 230 kV line will connect SPS's proposed Pleasant Hill Substation to the existing Roosevelt County Substation located south of Clovis, New Mexico.

7. The Proposed Project is necessary to serve SPS's New Mexico customers based on a current analysis of loads and resources and it will mitigate overloads that could occur from several contingencies in eastern New Mexico.

8. The location of the proposed transmission lines will not unduly impair any important environmental values in the project area and the proposed transmission lines will comport with and satisfy all applicable land use requirements.

9. The proposed transmission lines will require and use a right-of-way width of 90 feet or 45 feet on either side of the centerline.

10. Based on SPS's current loads and resources, SPS's proposed construction of transmission lines and associated substation facilities will be needed on or before December 2014.

11. The estimated cost of the proposed transmission project is approximately \$60,000,000, which includes an Allowance for Funds Used During Construction ("AFUDC").

12. In accordance with 17.9.592.10(J) NMAC, SPS will serve a copy of this Application and supporting direct testimony on the Office of the New Mexico Attorney General, the Commission's Utility Division Staff, the New Mexico Environment Department, the New Mexico State Engineer and local authorities in the townships in which the transmission lines will

be located. Additionally, SPS will publish notice of the filing of the Application in accordance with 17.1.2.9(D) NMAC. SPS's proposed Certificate of Service is attached to the Application as Exhibit A, and its proposed form of Notice is attached to the Application as Exhibit B.

13. In support of its Application, SPS is concurrently filing the direct testimony of the following witnesses:

(a) John S. Fulton, whose testimony: (i) provides an overview of SPS's transmission system and operations; (ii) explains the need for the project; and (iii) describes the proposed transmission project and how it satisfies the requirements for Commission approval of a CCN and for approval of the location of the two 230 kV transmission lines;

(b) Jeffrey B. Stebbins, whose testimony discusses: (i) the required right-of-way width for the proposed transmission lines; (ii) the circuit design, and (iii) the construction of the proposed transmission lines;

(c) Kelli D Boren, whose testimony discusses: (i) the proposed transmission lines route selection process; and (ii) SPS's standard right-of-way agreement; and

(d) Howard C. Higgins, whose testimony discusses: (i) the potential environmental impacts of the Proposed Project; and (ii) supports the Environmental Analysis Report, which concludes that the Proposed Project does not impair any important environmental values in the project area.

WHEREFORE, SPS respectfully requests that the Commission enter a final order granting the following relief:

A. Declaring that the public convenience and necessity requires or will require SPS to construct and operate the two proposed 230 kV transmission lines and associated substation facilities on or before December 2014, and, therefore, issue an order granting SPS's request for a CCN for the proposed transmission lines and associated facilities;

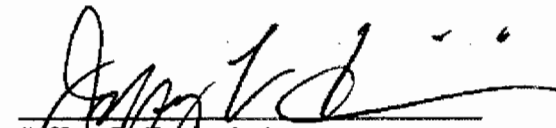
B. Granting SPS's request for the locations of the two 230 kV transmission lines as proposed by SPS;

C. Authorizing SPS to accrue AFUDC for the proposed transmission lines and substation facilities; and

D. Granting to SPS such other approvals, authorizations and relief as the Commission deems necessary and proper.

Respectfully submitted,

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