

June 4, 2024

Kari Parsons, Senior Planner
El Paso County Planning & Community Development
2880 International Circle, Suite 110
Colorado Springs, CO 80910

RE: 1041 Areas and Activities of State Interest Application for Colorado's Power Pathway

Dear Kari Parsons,

Public Service Company of Colorado (PSCo), a Colorado corporation conducting business as Xcel Energy, is seeking approval of a permit to locate and construct major facilities of a public utility (1041 permit) from El Paso County to construct and operate a portion of Colorado's Power Pathway (Pathway) located in El Paso County. Pathway is a \$1.7 billion investment to improve the state's electric grid and enable future renewable energy development around the state. Pathway will increase electric reliability, boost the regional economy, and create jobs during construction.

Pathway includes:

- Installation of approximately 550 miles of new 345-kilovolt (kV) double-circuit transmission line in 12 counties;
- Construction of four new electric substations (Canal Crossing, Goose Creek, May Valley, and Sandstone); and
- Expansion, equipment additions, or equipment upgrades at four existing electric substations (Fort St. Vrain, Pawnee, Harvest Mile, and Tundra).

Pathway will be constructed in five segments. Each new or expanded electric substation will serve as an endpoint for the transmission line segments:

- Fort St. Vrain – Canal Crossing (Segment 1)
- Canal Crossing – Goose Creek (Segment 2)
- Goose Creek – May Valley (Segment 3)
- May Valley – Sandstone – Tundra (Segment 4)
- Sandstone– Harvest Mile (Segment 5)

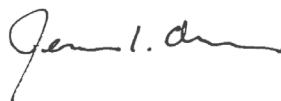
Pathway facilities proposed in El Paso County include 45 miles of 345-kV transmission line within Segment 5. The proposed route in El Paso County is generally oriented in a north to south direction in the area south of Simla, near the El Paso/Lincoln county line.

In March 2021, Xcel Energy filed a Certificate of Public Convenience and Necessity (CPCN) application with the Colorado Public Utilities Commission (CPUC) describing the purpose, need, and public benefits of constructing Pathway. In February 2022, the CPUC provided verbal approval, and in June 2022, it provided written approval of the CPCN for Segments 1–5, and conditional approval for the Extension, based on a determination that Pathway is in the public interest. The CPUC did not approve construction of the Extension in the January 2024 Phase II Decision regarding Xcel Energy’s Electric Resource Plan and Clean Energy Plan. Xcel Energy may bring a proposal to construct the Extension and Longhorn Substation forward again in the future but has paused its further development as part of Pathway. While the CPUC determines the need for Pathway, it does not determine the location of the components; the location and land use permissions will be granted through easement negotiations with landowners and land use permits in the applicable jurisdictions where Pathway components will be located. Preferred transmission line routes and substation sites have been selected after completion of routing and siting studies, coordination with permitting entities, and conducting public outreach.

Project representatives met with County staff on August 24, 2023, for the Early Assistance Meeting during which Xcel Energy provided information about Pathway and responded to questions from County representatives. This 1041 permit application has been prepared per Appendix B - Guidelines and Regulations for Areas and Activities of State Interest of the El Paso County Colorado Land Development Code and based on the direction provided by El Paso County representatives during the Early Assistance Meeting. Xcel Energy understands that a Development Agreement is required with El Paso County and will negotiate that separately.

We look forward to working 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 Tiffany Hennig at (806) 378-2146 or our environmental consultant Stephanie Phippen with Tetra Tech Inc. at (303) 980-3515 or stephanie.phippen@tetrattech.com.

Sincerely,



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