DOCKET NO. 48945 OTOTIVED

APPLICATION OF ELECTRIC TRANSMISSION TEXAS, LLC TO AMEND ITS CERTIFICATE OF CONVENIENCE AND NECESSITY FOR THE COULOMB TO VERA WIND 345-kV TRANSMISSION LINE IN KNOX COUNTY PUBLIC UTILITY COMMISSION

NOTICE OF APPROVAL

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This Notice of Approval addresses the application of Electric Transmission Texas, LLC to amend its certificates of convenience and necessity (CCN) for the construction of a 345-kilovolt (kV) transmission line in Knox County. The Commission approves the application to amend ETT's CCN numbers 30193 and 30194 to construct and operate the Coulomb to Vera Wind 345-kV transmission line along the consensus route identified in the application.

I. Findings of Fact

The Commission makes the following findings of fact.

<u>Applicant</u>

- ETT is a limited liability corporation owned in equal 50% shares by a subsidiary of American Electric Power Company, Inc. and by MidAmerican Energy Holdings Company, a subsidiary of Berkshire Hathaway Energy Company.
- 2. ETT owns and operates facilities to transmit electricity in the Electric Reliability Council of Texas (ERCOT) region.
- 3. ETT provides electric service under CCN numbers 30193 and 30194.

Application

4. On January 7, 2019, ETT filed an application to amend its CCNs for authority to construct, own, and operate the proposed transmission line located in Knox County.

- 5. ETT retained Burns & McDonnell Engineering Company, Inc. to prepare an environmental assessment and routing analysis for the proposed transmission line that was included as part of the application.
- 6. In Order No. 3 issued on February 8, 2019, the administrative law judge (ALJ) found the application sufficient and materially complete.

Description of the Proposed Transmission Line

- 7. The proposed transmission line is a single-circuit line, except for an approximate 0.7 mile section west out of the Coulomb switch station, which will be constructed as a doublecircuit capable 345-kV transmission line connecting the proposed ETT Coulomb switch station to the El Campo, LLC Vera Wind substation.
- 8. ETT has proposed a single route (consensus route) for this project. Written consent has been obtained from each of the landowners crossed by the consensus route.
- 9. The right-of-way width for the proposed transmission line will be 150-feet. Construction of the proposed transmission line will consist of steel monopoles using 954.0 aluminum-conductor steel-reinforced Cardinal conductors with optical ground wire.
- 10. The proposed consensus route is roughly 3.8 miles in length.
- 11. ETT proposes to use a combination of debt and equity to fund the project.

Public Input

12. On December 3, 2018, ETT provided notice to the Department of Defense Siting Clearinghouse of its intent to file an application to amend its CCNs and that there would not be a public meeting for this project.

Notice of Application

- 13. The transmission line route only directly affects five landowners; therefore, no public meeting was required because there are fewer than 25 affected landowners.
- 14. On January 28, 2019, ETT filed the affidavit of Roy Bermea, on behalf of ETT, attesting to the provision of notice to directly affected property owners, county and municipal officials, neighboring utilities, the Department of Defense Siting Clearinghouse, the Office of Public Utility Counsel, and the Texas Parks & Wildlife Department (TPWD) on January 7, 2019. The affidavit of Mr. Bermea also attested to the publication of notice of

the application on January 17, 2019, in the *Knox-County Courier-News*, the newspaper of general circulation in Knox County.

Evidentiary Record

- 15. On March 14, 2019, ETT and Commission Staff filed a joint motion to admit evidence.
- In Order No. 4 issued on March 25, 2019, the ALJ admitted the following evidence into the record:(a) ETT's application and accompanying attachments filed on January 7, 2019;
 (b) ETT's affidavit of mailed and published notice filed on January 28, 2019; and
 (c) Commission Staff's recommendation on final disposition filed on March 1, 2019; and
 (d) Texas Parks and Wildlife Department letter to Karen Hubbard, Legal Division, dated March 8, 2019.

Adequacy of Existing Service and Need for Additional Service

- 17. The proposed transmission line project will permanently interconnect the Vera Wind generation project to the ERCOT electrical grid through ETT's transmission system facilities. The wind generation facility will have an output capacity of 242.8 MW net at the point of interconnection.
- El Campo, LLC executed the ERCOT Standard Generation Interconnection Agreement with ETT for the interconnection of its wind generation facility.
- 19. Because transmission line is a Tier 4 "neutral" project under the ERCOT Regional Planning Group Charter and the associated Tier classifications in ERCOT Protocol Section 3.11.4, the transmission line did not require review by the ERCOT Regional Planning Group.
- 20. Construction of the project will allow the interconnection of the wind farm generation facility to the ERCOT grid through ETT's transmission system and provide for full output of the wind farm generation of 242.8 MW during normal operating conditions.
- 21. Alternative 345 kV termination points and 138 kV alternative projects to interconnect the wind farm generation could only be achieved at considerably greater cost than the proposed project. Distribution alternatives would not fulfill the terms of the interconnection agreement.

Effect of Granting the CCN on Other Utilities

22. The proposed transmission line will not adversely affect service by other utilities in the area and is necessary to connect generation to the ETT transmission system.

Estimated Costs

23. The project cost estimate for the transmission line is \$10,700,000. An additional \$14,000,000 will be spent for the construction of ETT's Coulomb switch station and for the line termination cost at the proposed Vera Wind substation.

Prudent Avoidance

- 24. There are no known habitable structures within 500 feet of the centerline of the proposed consensus route.
- 25. ETT has routed the proposed consensus route in accordance with the Commission's policy of prudent avoidance.

Community Values

- 26. ETT and Burns & McDonnell considered information received from local, state, and federal agencies in the routing analysis.
- 27. All of the five directly affected landowners agreed to the proposed consensus route.
- 28. The proposed transmission line will have minimal impacts on community values.

Using or Paralleling Compatible Rights-of-Way and Paralleling of Property Boundaries

29. The proposed consensus route parallels approximately 24.6% existing transmission line right-of-way, railroads, public roads or highways, or apparent property boundaries.

Engineering Constraints

30. ETT did not identify any engineering constraints that would prevent construction of the transmission line along the proposed consensus route.

Other Land Uses and Land Types

a. Radio Towers and Other Electronic Installations

- 31. There are no commercial AM radio transmitters located within 10,000 feet of the centerline of the proposed consensus route.
- 32. There are no FM radio transmitters, microwave towers or any other electronic installation devices located within 2,000 feet of the centerline of the proposed consensus route.

b. Airstrips and Airports

- 33. There are no airports registered with the Federal Aviation Administration (FAA) with at least one runway longer than 3,200 feet located within 20,000 feet of the centerline of the proposed consensus route.
- 34. There are no airports registered with the FAA with a runway no longer than 3,200 feet in length located within 10,000 feet of the centerline of the proposed consensus route.
- 35. There are no heliports located within 5,000 feet of the centerline of the proposed consensus route.
- 36. There are no private airstrips located within 10,000 feet of the centerline of the proposed consensus route.
- 37. There are no significant impacts to any airports, airstrips, or heliports anticipated from construction of the proposed consensus route.

c. Irrigation Systems

38. There are no mobile irrigation systems that are crossed by the proposed consensus route.

d. Other Route Attributes

- 39. The length of the proposed consensus route that crosses brushland or shrubland is approximately 1,158 feet.
- 40. The length of the proposed consensus route potential wetland area, as mapped by the U.S.Fish and Wildlife Service National Wetland Inventory, is approximately 92 feet.

Recreational and Park Areas

- 41. There are no parks or recreation areas within 1,000 feet of the centerline of the proposed consensus route.
- 42. The proposed transmission line will have no adverse impact on parks and recreational areas.

Historical and Archeological Areas

43. There are no known historical or archeological sites crossed by or within 1,000 feet of the centerline of the proposed consensus route.

44. The proposed transmission line will have no adverse impact on historical or archeological areas.

Aesthetic Values

- 45. The proposed consensus route is located within the foreground visual zone of farm-tomarket or ranch-to-market roads for 12,079 feet.
- 46. The proposed consensus route is not located within the foreground visual zone of a park or recreation area.
- 47. The proposed consensus route is not located within the foreground visual zone of U.S. or state highways.
- 48. The proposed transmission line will have minimal impact on aesthetic values.

Environmental Integrity

- 49. The area traversed by the transmission line is located in the North-Central Plains Physiographic Province of Texas, which geographically is on the boundary of the Southwestern Tablelands and Central Great Plains just east of the base of the Panhandle. The region is characterized by gently rolling hills and broad flats. The proposed consensus route is located within rural portions of Knox County dominated by agricultural fields, rangeland, and shrubland.
- 50. Burns & McDonnell obtained information from the United States Fish and Wildlife Service (USFWS) and TPWD regarding the possibility of encountering any endangered or threatened species in the area affected by the proposed transmission line.
- 51. ETT and Burns & McDonnell evaluated the potential impacts of the proposed transmission line on endangered and threatened species.
- 52. Burns & McDonnell evaluated potential impacts to soil and water resources, the ecosystem (including endangered and threatened vegetation and fish and wildlife), and land use within the study area.
- 53. ETT does not anticipate significant impacts to wetland resources, ecological resources, endangered and threatened species, or land use as a result of construction of the proposed transmission line.

- 54. The proposed consensus route does not cross known or occupied habitat of federally listed endangered or threatened species.
- 55. ETT will protect raptors and migratory birds by following the procedures outlined in the following publications: *Reducing Avian Collisions with Power Lines: The State of the Art in 2012*, Edison Electric Institute and Avian Power Line Interaction Committee, Washington, D.C. 2012; *Suggested Practices for Avian Protection on Power Lines: The State of the Art in 2006*, Edison Electric Institute, Avian Power Line Interaction Committee, and the California Energy Commission, Washington, D.C. and Sacramento, CA 2006; and *Avian Protection Plan Guidelines*, Avian Power Line Interaction Committee and United States Fish and Wildlife Service, April 2005.
- 56. ETT will minimize the amount of flora and fauna disturbed during construction of the proposed transmission line.
- 57. ETT will revegetate cleared and disturbed areas using native species and consider landowner preferences and wildlife needs in doing so.
- 58. ETT will avoid causing, to the maximum extent possible, adverse environmental impacts to sensitive plant and animal species and their habitats as identified by TPWD and the USFWS.
- 59. ETT will implement erosion control measures and return each affected landowner's property to its original contours unless otherwise agreed to by the landowners. It is appropriate that ETT not be required to restore original contours and grades where different contours or grades are necessary to ensure the safety or stability of the proposed transmission line's structures or the safe operation and maintenance of the transmission line.
- 60. ETT will exercise extreme care to avoid affecting non-targeted vegetation or animal life when using chemical herbicides to control vegetation within rights-of-way. The use of chemical herbicides to control vegetation within rights-of-way must comply with the rules and guidelines established in the Federal Insecticide, Fungicide, and Rodenticide Act and with the Texas Department of Agriculture regulations.

61. ETT will use best management practices to minimize the potential impact to migratory birds and threatened or endangered species.

TPWD Comments and Recommendations

- 62. TPWD was provided a copy of the application, including the environmental assessment for the project.
- 63. In a letter dated March 8, 2019 and filed on March 14, 2019, TPWD provided comments and recommendations concerning the transmission line and referenced the recommendations the agency provided to Burns & McDonnell dated September 11, 2018, prior to the application filing date.
- 64. Before beginning construction, ETT will undertake appropriate measures to identify whether a potential habitat for endangered or threatened species exist and respond as required.
- 65. The standard mitigation requirements included in the ordering paragraphs in this Notice of Approval, coupled with the ETT construction and mitigation practices, are reasonable measures for utility to undertake when constructing a transmission line and are sufficient to address the TPWD's comments and recommendations.
- 66. This Notice of Approval addresses only those TPWD recommendations and comments for which there is record evidence.
- 67. No modifications to the consensus route are required as the result of the recommendations and comments made by TPWD.

<u>Permits</u>

- 68. ETT will obtain road-crossing permits from the county in which the approved route is located depending on the location of the transmission-line structures.
- 69. ETT will obtain permits for crossing roads, highways, and other properties owned or maintained by the Texas Department of Transportation as necessary.
- 70. ETT will obtain permits from the Texas Historical Commission for the proposed transmission line right-of-way as necessary.

Informal Disposition

- 81. At least 15 days have passed since the completion of all notice requirements in this docket.
- 82. ETT and Commission Staff are the only parties to this proceeding.
- 83. No affected persons or entities intervened.
- 84. No hearing was requested and no hearing is necessary.
- 85. The decision is not adverse to any party.
- 86. Commission Staff recommended approval of the application.

II. Conclusions of Law

The Commission makes the following conclusions of law:

- 1. The Commission has jurisdiction over this application under PURA² §§ 14.001, 32.001, 37.051, 37.053, 37.054 and 37.056.
- 2. ETT is a public utility as defined in PURA § 11.004(1) and an electric utility as defined in PURA § 31.002(6).
- 3. ETT must obtain the approval of the Commission to construct the proposed transmission line and provide service to the public using that line.
- 4. The application is sufficient under 16 TAC § 22.75(d).
- 5. ETT's application complies with the requirements of 16 TAC § 25.101.
- ETT provided notice of the application in compliance with PURA § 37.054 and 16 TAC § 22.52(a).
- 7. The Commission processed this docket in accordance with the requirements of PURA, the Administrative Procedure Act,³ and Commission rules.

² Public Utility Regulatory Act, Tex. Util. Code §§ 11.001–66.016.

³ Tex. Gov't Code ch. 2001.

- 71. If a storm-water pollution-prevention plan is required by the Texas Commission on Environmental Quality (TCEQ), ETT will submit a notice of intent to the TCEQ at least 48 hours before construction begins and will have a storm-water pollution-prevention plan on site when clearing and construction activities begin.
- 72. ETT will any obtain easements required from the Texas General Land Office as necessary for any right-of-way that crosses a state-owned riverbed or navigable stream.
- 73. ETT will comply with any FAA requirements to alter the design of the structures or potential requirements to mark or illuminate the line.
- 74. ETT will obtain permits or comply with other requirements due to possible impacts to endangered or threatened species from the USFWS as necessary.
- 75. No part of the consensus route will cross property that is owned by the United States Army Corps of Engineers (USACE), and no easements on USACE's property will be necessary.

Coastal Management Program

76. No part of the proposed consensus route is located in the boundary of the Coastal Management Program as defined in 31 TAC § 501.3(b).

Effect on the State's Renewable Energy Goal

- 77. The Texas Legislature established a goal in PURA¹ § 39.904(a) for 10,000 megawatts of renewable capacity to be installed in Texas by January 1, 2025. This goal has already been met.
- 78. The project cannot adversely affect the goal for renewable energy development established in PURA § 39.904(a).

Conditional Approval

- 79. It is reasonable and appropriate for a CCN order not to be valid indefinitely because it is issued based on the facts known at the time of issuance.
- 80. Seven years is a reasonable and appropriate limit to place on the authority granted in this order to construct the proposed transmission line.

¹ Public Utility Regulatory Act, Tex. Util. Code §§ 11.001–66.016.

- The proposed transmission line using the consensus route is necessary for the service, accommodation, convenience, or safety of the public within the meaning of PURA § 37.056(a).
- 9. The approved route complies with PURA § 37.056(c)(4) and 16 TAC § 25.101(b)(3)(B), including the Commission policy of prudent avoidance, to the extent reasonable to moderate the impact on the affected community and landowners.
- 10. The Texas Coastal Management Program does not apply to the proposed transmission line and the requirements of 16 TAC § 25.102 do not apply to the application.
- 11. The requirements for informal disposition in 16 TAC § 22.35 have been met in this proceeding.
- 12. The requirements for administrative approval in 16 TAC § 25.101(b)(3)(C) have been met in this proceeding.

III. Ordering Paragraphs

In accordance with the preceding findings of fact and conclusions of law, the Commission issues the following orders:

- The Commission approves ETT's application to amend CCN numbers 30193 and 30194 to construct and operate the Coulomb to Vera Wind 345-kV transmission line along the consensus route identified in the application.
- 2. ETT must conduct surveys, if not already completed, to identify pipelines that could be affected by the transmission line and cooperate with pipeline owners in modeling and analyzing potential hazards because of alternating-current interference affecting pipelines being paralleled.
- 3. ETT must obtain all permits, licenses, plans, and permission required by state and federal law that are necessary to construct the proposed transmission line. If ETT fails to obtain any such permit, license, plan, or permission, ETT must notify the Commission immediately.
- 4. In the event ETT encounters any archeological artifacts or other cultural resources during project construction, work must cease immediately in the vicinity of the artifact or

resource and the discovery must be reported to the Texas Historical Commission. In that situation, ETT must take action as directed by the Texas Historical Commission.

- 5. ETT must follow the procedures to protect raptors and migratory birds as outlined in the publications: *Reducing Avian Collisions with Power Lines: The State of the Art in 2012*, Edison Electric Institute and Avian Power Line Interaction Commission (APLIC), Washington, D.C. 2012; *Suggested Practices for Avian Protection on Power Lines: The State of the Art in 2006*, Edison Electric Institute, APLIC, and the California Energy Commission, Washington, D.C. and Sacramento, CA 2006; and *Avian Protection Plan Guidelines*, APLIC and USFWS, April 2005. ETT must take precautions to avoid disturbing occupied nests and take steps to minimize the impact of construction on migratory birds during the nesting season of the migratory bird species identified in the area of construction.
- 6. ETT must exercise extreme care to avoid affecting non-targeted vegetation or animal life when using chemical herbicides to control vegetation within the right-of-way, and must ensure that such herbicide use complies with the rules and guidelines established in the Federal Insecticide, Fungicide and Rodenticide Act and with Texas Department of Agriculture regulations.
- 7. ETT must minimize the amount of flora and fauna disturbed during construction of the transmission line, except to the extent necessary to establish appropriate right-of-way clearance for the transmission line. In addition, ETT must revegetate using native species and must consider landowner preferences and wildlife needs in doing so. Furthermore, to the maximum extent practicable, ETT must avoid adverse environmental impacts to sensitive plant and animal species and their habitats as identified by TPWD and USFWS.
- 8. Before beginning construction, ETT must undertake appropriate measures to identify whether a potential habitat for endangered or threatened species exists and must respond as required.
- 9. ETT must implement erosion control measures as appropriate. Erosion control measures may include inspection of the right-of-way before and during construction to identify erosion areas and implement special precautions as determined reasonable to minimize the impact of vehicular traffic over the areas. ETT must return each affected landowner's

property to its original contours and grades unless otherwise agreed to by the landowner or landowners' representatives. ETT need not restore original contours and grades where a different contour or grade is necessary to ensure the safety or stability of the project's structures or the safe operation and maintenance of the line.

- 10. ETT must use best management practices to minimize the potential impact to migratory birds and threatened or endangered species.
- 11. ETT must cooperate with directly affected landowners to implement minor deviations in the approved route to minimize the impact of the transmission line. Any minor deviation to the approved route must only directly affect landowners who were sent notice of the transmission line in accordance with 16 TAC § 22.52(a)(3) and landowners that have agreed to the minor deviation.
- 12. ETT is not authorized to deviate from the approved route in any instance in which the deviation would be more than a minor deviation, without further amending its CCNs.
- 13. If possible, and subject to the other provisions of this Notice of Approval, ETT must prudently implement appropriate final design for this transmission line so as to avoid being subject to the FAA's notification requirements. If required by federal law, ETT must notify and work with the FAA to ensure compliance with applicable federal laws and regulations. ETT is not authorized to deviate materially from this Notice of Approval to meet the FAA's recommendation or requirements. If a material change would be necessary to comply with the FAA's recommendations or requirements, then ETT must file an application to amend its CCNs as necessary.
- 14. ETT must report the transmission line approved by this Notice of Approval on its monthly construction progress reports before the start of construction to reflect the final estimated cost and schedule in accordance with 16 TAC § 25.83(b). In addition, ETT must provide final construction costs, with any necessary explanation for cost variance, after completion of construction and when all charges have been identified.
- 15. The Commission limits the authority granted by this Notice of Approval to a period of seven years from the date this Notice of Approval is signed unless the transmission line is commercially energized before that time.

16. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

Signed at Austin, Texas the 27 day of March 2019.

PUBLIC UTILITY COMMISSION OF TEXAS

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ADMINISTRATIVE LAW JUDGE

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