

Frequently Asked Questions about the Uvalde to Castroville Transmission Line Improvement Project

1. Who is Electric Transmission Texas (ETT)?

ETT is a transmission-only Texas-based utility company. The new transmission lines built by ETT will support continued reliable electric service, enhance the efficiency of the wholesale electric market and encourage the development of renewable generation in the state. ETT is co-owned by two U.S. owned and operated energy companies, American Electric Power (AEP) and MidAmerican Energy Holdings Company (MidAmerican). AEP will design, construct and operate the new transmission line owned by ETT.

2. Why is the transmission line improvement project necessary?

The current transmission system in the region is not capable of reliably handling the anticipated increased demand for electricity. Studies show that the demand for energy has reached the operating limits of the existing electrical transmission system in this area to continue to provide reliable transmission service. That demand is projected to grow. Studies also show that in the next several years this increase will result in the loss of electric service if any one of several possible transmission equipment outages occurs.

3. Will this new 138-kilovolt (kV) line replace existing transmission lines?

- No. The new 138-kV transmission line is necessary because the existing transmission network in the area is no longer sufficient to provide reliable service to the consumers located in the region.

4. Why is one option for routing of the new 138-kV transmission line preferred over other alternatives?

ETT is proposing one preferred route and eight different alternative routes for the transmission line improvement project being proposed by ETT. The preferred route, called Route 17, is being recommended by ETT because:

- the majority of the route uses compatible rights-of-way and existing transmission rights-of-way areas
- it follows the shortest and most environmentally-friendly route
- it is the least expensive to build

5. What will the proposed Uvalde to Castroville transmission line poles look like?

It is anticipated that the typical structure will be a single pole made of concrete or steel. The structure heights will range from 90 to 110 feet above the ground (typically 100 feet) with the distance between structures normally ranging between 700 to 900 feet. The single pole towers are required to be this tall because of the National Electrical Safety Code (NESC) requirements that specify minimum clearances to the ground, roadways, structures and other utility structures. These clearance requirements are for the safety of the general public and for the reliable

operation of the transmission line. The single pole structure was chosen because it requires the smallest use of land of any of the designs, which is important due to the significant amount of irrigated farm land in the area of the transmission line. It was also the preferred structure of the landowners who attended the public meetings and who could potentially be affected by the approved transmission route.

6. Who pays for the Uvalde to Castroville Transmission Line Improvement Project?

Funding for the approximately \$83 million transmission line improvement project comes from a surcharge paid by all transmission utility consumers in the ERCOT region. Much like a postage stamp, in which it costs the same to mail a first-class letter to an address one mile away as it costs to mail a letter to an address 1,000 miles away, the costs of transmission charges, along with the costs of investments in new facilities, are paid equally by all transmission utility consumers in the ERCOT region. ERCOT has a pre-established method of determining the surcharge billed to transmission utility consumers each year.

7. When were the public meetings held for this project? What kind of input did citizens provide at the meetings, and how has ETT responded to the public input?

As part of the route selection process ETT and its routing consultant hosted public meetings to obtain input from the public on the project and proposed routes. The first three public meetings were held in May 2008 in Uvalde, Hondo and Castroville. In response to public input and conversations with landowners ETT and its routing consultant hosted an additional public meeting in Castroville in Aug. 2008.

ETT and its routing and environmental consultant identified 18 routes for the 138-kV transmission line improvement project that extended from Uvalde to the Castroville area. ETT and CPS Energy both independently evaluated the 18 alternative routes, both considering the evaluation by the routing and environmental consultant. ETT and CPS Energy independently selected Route 17 as their preferred route. CPS Energy presented its portion of Route 17 to the CPS Energy Board of Trustees, which the CPS Energy Board of Trustees approved. Once that approval was made, ETT identified nine routes remaining that used links common to the original 18 alternative routes that would connect to the route segment approved by the CPS Energy Board of Trustees.

An Environmental Assessment (EA) and a supplement to the EA were conducted by ETT's routing consultant that accessed environmental and land use information for the 22 original alternative routes and the remaining nine alternative routes. ETT's routing consultant used this information to select its preferred and alternative routes and then that information was used by ETT to select its preferred route and alternate routes. This routing process included consideration of concerns over potential impacts to crops, irrigation operations, existing water wells, residential structures, and known historical sites.

In this proceeding ETT is presenting to the Public Utility Commission of Texas with the remaining nine alternative routes identified after the CPS Energy Board of Trustees routing approval. Route 17 is still the preferred route of these nine alternatives. All of the routes developed and evaluated through this process have considered input from the public and various environmental and regulatory agencies.

8. What will this project do to existing irrigation systems and water wells?

ETT's transmission line should not interfere with the use of current irrigation systems and water wells. The line routing and structure placement will provide necessary clearances. ETT will work with landowners on easement access and construction activities.

9. When will the project be finished?

The anticipated schedule for the transmission line improvement project is:

- Application for project filed with the PUCT Summer 2009
- Project approval by the PUCT Summer 2010
- Acquisition of easements Summer 2010
- Construction of transmission line 24 months to completion
- Transmission Line Goes into Service Summer 2012

*PUCT = Public Utility Commission of Texas

10. What is a transmission line and what does it do?

A transmission line is part of a transmission system that carries large amounts of power from one place to another. A transmission line is made up of poles and wires necessary to transfer electrical energy along a path from one point to another. A transmission system is made up of numerous transmission lines that deliver power produced at generation power plants to the multiple electrical substations. From that point, the local electric utility will distribute the power to the electric consumers in both rural and urban areas.

11. What is a kilovolt?

A kilovolt (kV) is 1000 volts. A "volt" is a measurement of a unit of electricity. Voltage can be thought of as electrical pressure between two points, similar to the pressure in a water line. The higher the voltage, the more pressure in a power line, and the greater the amount of electricity will travel through the line. The proposed 138-kV transmission line between Uvalde and Castroville is necessary to move a significant amount of power in a more efficient manner than power transferred at lower voltages.

12. What is an easement?

An easement is a legal document that gives a utility the right to use privately owned land for a specific purpose. The landowner retains ownership of the property. The 138-kV transmission line improvement project will require easements to be obtained from landowners on the route approved by the PUCT. Easement rights would be purchased along the path of the transmission line as needed to allow for installation, operation and maintenance of the transmission line.

13. What is the width of a right-of way (ROW)?

Typically the width of a ROW is 100 feet.

14. Are the ETT transmission line structures constructed for safe operation?

Yes. Materials used in constructing a transmission line comply with the requirements of all applicable codes, including the *National Electrical Safety Code (NESC)* and the *American Standard Testing Materials Specifications*. ETT's design and construction practices meet or

exceed all of these codes and specifications. These codes and specifications were developed in part to protect the general public from electrical shock during normal operation of the transmission line. For example if a severe event occurs, such as violent wind conditions from a thunderstorm which causes an overhead conductor to break and fall to the ground or upon a structure, there are protective devices in place to stop electrical current from flowing through the line to further protect the general public.

15. Who is CPS Energy?

CPS Energy is the nation's largest municipally owned energy company providing both natural gas and electric service. Acquired by the City of San Antonio in 1942, CPS Energy is a public utility that serves approximately 690,000 electric customers and almost 320,000 natural gas customers in and around the seventh-largest city in the nation. The CPS Energy service area is 1,566 square miles and includes Bexar County and portions of Atascosa, Bandera, Comal, Guadalupe, Medina, Wilson and Kendall Counties.

16. Who is ERCOT?

ERCOT is the *Electric Reliability Council of Texas*. A membership-based nonprofit corporation, ERCOT is governed by a board of directors and subject to oversight by the Public Utility Commission of Texas and the Texas Legislature. ERCOT manages about 85% percent of the state's electric power in about 75% of the Texas land area. As the independent system operator for the region, ERCOT schedules power on an electric grid that connects 40,000 miles of transmission lines and more than 550 generation units.

17. Who is the PUCT?

The Texas Legislature established the Public Utility Commission of Texas (PUCT) in 1975. The PUCT has regulatory oversight over electric and telecommunications utilities in the state of Texas. Commissioners are appointed by the Governor.

18. How can I find more information from ETT on the Castroville to Uvalde transmission line improvement project?

You may write to ETT at:

Uvalde to Castroville Transmission Line Improvement Project
Electric Transmission Texas
400 W. 15th St., Suite 1500
Austin, TX 78701

You may check the ETT website at and submit email request for information:

Website www.ettexas.com
E-mail info@ettexas.com

You may call either:

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Regulatory Consultant
512-391-2979

or

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