



Control Number: 34611



Item Number: 184

Addendum StartPage: 0

**PUC DOCKET NO. 34611**

**APPLICATION OF KELSON  
TRANSMISSION COMPANY, LLC  
FOR A CERTIFICATE OF  
CONVENIENCE AND NECESSITY  
FOR THE AMENDED PROPOSED  
CANAL TO DEWEYVILLE 345 KV  
TRANSMISSION LINE WITHIN  
CHAMBERS, HARDIN, JASPER,  
JEFFERSON, LIBERTY, NEWTON,  
AND ORANGE COUNTIES**

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**BEFORE THE**

**PUBLIC UTILITY COMMISSION**

**OF TEXAS**

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**KELSON TRANSMISSION COMPANY, LLC'S RESPONSE TO TEXAS INDUSTRIAL  
ENERGY CONSUMERS' MOTION FOR ISSUANCE OF A CASE-SPECIFIC  
PRELIMINARY ORDER IN LIEU OF A STANDARD PRELIMINARY ORDER**

Kelson Transmission Company, LLC (Kelson Transmission or Company) does not object in principle to the proposal by Texas Industrial Energy Consumers (TIEC) that the administrative law judge issue an order of referral to the State Office of Administrative Hearings (SOAH) directing parties to file lists of issues to be considered and threshold legal or policy issues relevant to this proceeding for the purpose of a preliminary order.<sup>1</sup> Because this case seeks approval of a CCN for the Company to be a transmission service provider in addition to a CCN for a specific transmission line, the standard order of referral to SOAH in CCN cases does not address all of the issues the parties already know will be raised in this case. It would therefore likely help streamline this case to determine up-front what issues other than the standard CCN issues should be addressed and whether the Commission needs to decide any threshold legal or policy questions in a preliminary order.

Kelson Transmission does not agree with TIEC, however, that all the issues raised in its motion should be issues litigated in this docket. For example, it is not an open issue

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<sup>1</sup> Counsel for Kelson Transmission understands from discussions with counsel for TIEC that the joint movants are simply proposing that the administrative law judge issue an order similar to the February 12, 2008 Order on Referral issued in Docket No. 32902 rather than the traditional order on referral in other CCN cases.

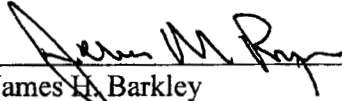
whether the application in this case should reach the same fate as the applications in Docket Nos. 34362 and 34446. (Motion at 2.) The Commission decided in Docket No. 34446 that “an entity that intends to become an electric utility is permitted to seek a CCN first, and then acquire or construct the proposed facilities, so long as the proposed facilities are discrete, sufficient, and identified with reasonable specificity.”<sup>2</sup> No party can seriously question that the Company’s application complies with that requirement and the issue should not be relitigated here.

The Company will not specifically address here the other issues raised by TIEC in its motion but will instead address them at the appropriate time if the administrative law judge issues the type of order requested by TIEC.

Respectfully submitted,

BAKER BOTTS L.L.P.

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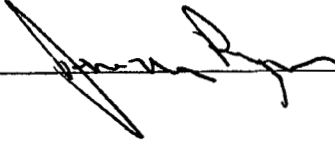
COUNSEL FOR KELSON TRANSMISSION  
COMPANY, LLC

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<sup>2</sup> *Application of ITC Panhandle Transmission, LLC for a Certificate of Convenience and Necessity Regarding Transmission Service in the Texas Panhandle Portion of the Reliability Region of the Southwest Power Pool*, Docket No. 34446, Preliminary Order at 4 (Nov. 26, 2007).

### **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing document was served on all parties of record by email, facsimile transmission, or United States First Class Mail on this 21<sup>st</sup> day of May, 2008.



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