

Control Number: 38230



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Addendum StartPage: 0

## SOAH DOCKET NO. 473-10-4398 PUC DOCKET NO. 38230

APPLICATION OF LONE STAR	§	BEFORE THE STATE OFFICE
TRANSMISSION, LLC FOR A	§	
CERTIFICATE OF CONVENIENCE	§	e Angelen Angelen
AND NECESSITY FOR THE CENTRAL	§	OF
A TO CENTRAL C TO SAM SWITCH/	§	magnetic and the second
NAVARRO PROPOSED CREZ	§	
TRANSMISSION LINE	8	ADMINISTRATIVE HEARINGS

## INITIAL POST HEARING BRIEF OF VAN ZANT RANCH AND GREEN RANCHES LIMITED PARTNERSHIP

## TO THE HONORABLE ADMINISTRATIVE LAW JUDGES:

Van Zant Ranch and Green Ranches Limited Partnership ("Intervenors" herein) file this Initial Post Hearing Brief, organized with the following **Table of Contents**:

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#### I. Introduction and Summary

Intervenors are located on alternative Segments DD1 and DD2 in the Central C to Sam Switch portion of the proposed transmission line. Those segments run across Intervenors' lands for approximately 4 miles.

Proposed Segment CC also impacts Intervenors as it runs east from its interconnection point with Segments DD1 and DD2. Intervenors oppose alternative routes CSS 183 and CSS 200 and any other route that might include Segment CC for the same reasons set out in the Initial Post Hearing Brief of South Green Ranch, Elliott Ranch and Lazy L Ranch, which is incorporated and relied upon here.

Intervenors oppose the use of Segments DD1 and DD2 in any route that may be recommended or adopted in this case. Instead, Intervenors strongly urge that the *unopposed* Segment DD3 be used instead of Segments DD1 and DD2 in any route heading south from the Central C substation including the use of Segments EE or FF. That opposition to Segments DD1 and DD2, and support for Segment DD3 are the subject of this Brief.

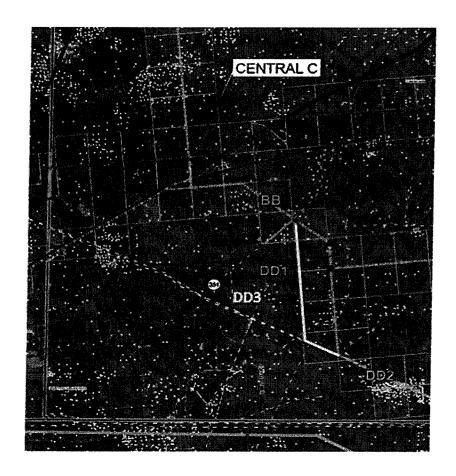
#### II. Issues Addressed in this Initial Brief

This Initial Brief addresses the issues related to Route Selection pursuant to the Briefing Outline attached to SOAH Order No. 12 in this Docket. Specifically, Parts III through VI address alternative Segment DD3 and the compelling reasons to include it rather than Segments DD1 and DD2 in any Southern Route that may be recommended for the Central C to Sam Switch portion of the transmission line in this case. The procedural

prerequisites for the inclusion of Segment DD3 in this case for any of the Southern Routes are addressed in Part VII below. <sup>1</sup>

## III. Alternative Segment DD3 for the Southern Routes in this Case

As discussed in Part VII below, Segment DD3 was properly noticed and formally included as an available routing alternative in this case. It is accurately shown in yellow on the Van Zant Ranch Exhibit 7 map reproduced below. Tr. 1617-1619 (Mayers).<sup>2</sup>



<sup>&</sup>lt;sup>1</sup> Intervenors previously raised and briefed issues related to route adequacy but will not repeat or revisit those issues here.

<sup>&</sup>lt;sup>2</sup> See also Lone Star's precise mapping of segment DD3 in Van Zant Ranch Exhibit 4. Tr. 485, 615-616 (Mayers).

Segments DD1 and DD2, also shown on the above map, are part of the electrical connection between the Central C substation and the alternative Southern Route in this case. The **Southern Routes** are any of the listed CSS routes that use Segment EE or Segment FF, including CSS 228, 229, 230, 246, 249, and 264. Segment DD3 is an alternative to that connection provided by Segments DD1 and DD2.

As shown by the above map, Segment DD3 proceeds south from segment BB (approximately one mile west of the north/south run of Segments DD1 and DD2) through two wind farm properties.<sup>3</sup> Segments DD1 and DD2 are located on the Van Zant Ranch and the Green Ranches, both of which have rejected wind farm development. Segment DD3 continues south until it intersects the existing pipeline right of way. At that point it turns southeast to parallel that existing right of way (still on wind farm land) until it merges into the previously drawn portion of Segment DD2 along that right of way. While essentially the same length as the replaced Segments DD1 and DD2, Segment DD3 would add just over a mile of additional existing pipeline right of way to that paralleled by any of the Southern Routes.

## IV. Segment DD3 is a Compelling Alternative to Use in any Southern Route

The uncontradicted evidence in this case establishes that Segments DD1 and DD2 could be replaced with Segment DD3; and that of those alternatives, Segment DD3 is indisputably the best under the applicable routing criteria. As summarized by Mr. David Turner, Lone Star determined that route modifications with Segment DD3 "are

<sup>&</sup>lt;sup>3</sup> See footnote 21 below.

technically feasible and presents no environmental concerns." Tr. 1542-1543 (Turner); Van Zant Ranch Exhibit 4.

Mr. Dan Mayers from Lone Star addressed the feasibility and cost of Segment DD3 in his testimony:

"This [Segment DD3] proposed modification is technically feasible and results in negligible change to length and no change in the number of corner poles. Minor modifications to this route may be necessary to maintain an acceptable distance from existing wind turbines, but these modifications should not significantly impact the cost of the project." Lone Star Exhibit 24, Mayers Rebuttal Testimony, p. 25, 11. 5-10.

Mr. Mark Van Dyne, from Burns and McDonnell, Lone Star's environmental and routing consultants, testified that he evaluated Segment DD3 and "did not identify any significant concerns from a routing or environmental perspective." Lone Star Exhibit 20, Van Dyne Rebuttal Testimony, p. 55, ll. 14-15.

Mr. Brian Almon, the Staff expert evaluated Segment DD3 as follows:

Q (BY MR. HART) Mr. Almon, have you had a chance to review what we have called here in this hearing as Segment DD3?

A Yes.

Q Is DD3 an acceptable routing alternative under the applicable routing criteria?

A Yes, I believe it is. Tr. 1374-1375 (Almon).

Dr. Mark Turnbouh, the routing expert for Ioni Creek Conservation Group testified that routing through the wind farms south of the Central C substation is the better alternative to a route "through unspoiled land . . . whose owners are not receiving

any direct benefits from the infrastructure necessary to transfer energy from the wind farms to other destinations in Texas." Ioni Creek Conservation Group Exhibit 1B, Cross-Rebuttal Testimony of Mark Turnbough, pp. 25. This testimony is especially applicable to Segment DD3. Tr. 920-921 (Turnbough).

It should be emphasized that Lone Star (and its affiliates under NextEra Energy, Inc.) and its routing and environmental consulting firm Burns and McDonnell, have considerable experience with wind farm construction and operation and the compatible routing of 345 kV transmission lines among wind turbines.<sup>4</sup> Consequently, the presence of wind turbines here is not a routing constraint to be avoided in any way. As testified by Mr. Mayers and Mr. Van Dyne (quoted above), this line can be routed through these wind farms with no problems.

Because Segment DD3 (a) is essentially the same length as the portions of Segments DD1 and DD2 it would replace, (b) has no routing or constructability problems, and (c) would not require any additional corner poles, there would be no diminished electric efficiency or reliability.<sup>5</sup>

#### A. Environmental Integrity

Not only are there no environmental problems with Segment DD3, it would be a superior routing alternative for environmental integrity. The wind farm properties already have "a significant amount of clearing of vegetation and trees" for the

<sup>&</sup>lt;sup>4</sup> Lone Star Exhibit 6, Michael G. Grable Direct Testimony, pp. 7-8 and exhibit MG-2; Tr. 486 (Mayers); Lone Star Exhibit 22, Allen Wynn Rebuttal Testimony, p. 2; Lone Star Exhibit 8, Mark Van Dyne Direct Testimony, exhibit MAV-1, p.10; Lone Star Exhibit 20, Mark Van Dyne Rebuttal Testimony, p. 24; Tr. 337, 349-350 (Van Dyne). <sup>5</sup> See Order of Referral Issue No. 8(b).

construction of the wind turbines, the associated electrical distribution facilities, and the extensive network of connecting roads needed for construction of the wind farm facilities and the continued operation and maintenance activities. Lone Star Exhibit 20, Mark Van Dyne Rebuttal Testimony, p.24; Tr. 343 (Van Dyne); Tr. 1114-1118 (Wynn). Such wind farm clearing results in fragmentation of wildlife habitat, which is a major concern in Texas. Chalk Mountain Exhibit 21, Wilkins Direct Testimony, p. 3; Tr. 714 (Wilkins).<sup>6</sup> Placing transmission lines across such lands with habitat already cleared and fragmented is environmentally preferable to the additional clearing and fragmentation that would result from placing the line on ranches which have not been cleared for wind farms. Chimney Creek Exhibit 26, Deposition Testimony of Julie Wicker, pp. 77-78.

#### **B.** Aesthetic Values

Considering aesthetic values, wind turbines are much more prominent visual structures than the proposed transmission line. Lone Star Exhibit 20, Mark Van Dyne Rebuttal Testimony, p.24; Tr. 1705-1706 (Van Dyne). The total height of the wind turbines on the land crossed by Segment DD3 is up to 400 feet from the ground to the rotor tip. Tr. 1706 (Van Dyne). The large tubular tower structures supporting the wind turbine blades alone are approximately 255 feet tall, more than twice the height of the monopoles to be used for the line in this case. Tr. 1706-1707 (Van Dyne). Running Segment DD3 through wind farms with turbines of that size will be much less noticeable or visually intrusive than using Segments DD1 and DD2 over the Van Zant Ranch and

<sup>&</sup>lt;sup>6</sup> The wind turbines also establish an existing adverse environmental impact to bird life. Tr. 343 (Van Dyne); Tr. 1114 (Wynn).

the Green Ranches which have remained in their natural ranching state. Under the statutory criterion of aesthetics, clearly Segment DD3 is the better routing alternative.

#### C. Community and Historical Values

Van Zant Ranch and the Green Ranches have not allowed wind farm development on their ranches. Instead they have affirmatively undertaken to preserve their land in its natural ranching condition and character. Other landowners to the east of them made the same decisions to avoid the radical change that wind farm development would have on the condition, use and character of their ranches.<sup>8</sup> As shown by Lone Star's constraint and intervenor maps, the wind farms end west of the Van Zant Ranch and the Green Ranches. Unlike the wind farms, these ranches are clearly part of a community dedicated to the preservation of the use and character of their land as an important part of Texas and its history. The values exhibited and preserved by these ranch owners in this part of Shackelford County are recognized as important and deserving of protection in this case. See letter of Texas Parks and Wildlife Commissioner Ralph H. Duggins urging that ranches in this area which have no wind turbines be avoided by using north/south routing to the west of them.9 Routing this line with Segment DD3 protects those recognized ranching community values. It should be used instead of Segments DD1 and DD2 if a Southern Route is selected for the line in this case.

<sup>&</sup>lt;sup>7</sup> Unlike the wind farm properties, the Van Zant and Green Ranches rejected offers to have wind turbines and associated facilities constructed on their land. Van Zant Ranch Exhibit 1, Direct testimony of James H. Van Zant III, pp. 4-5; Green Ranches Exhibit 1, Direct testimony of James Robert Green, Jr., p. 4.

<sup>&</sup>lt;sup>8</sup> See South Green Ranch Exhibt 1, Direct Testimony of William Henry Green III, p. 3 and exhibit 4 thereto; Elliott Ranch Exhibit 1, Direct Testimony of Robert Montgomery, p. 4.

<sup>&</sup>lt;sup>9</sup> Lone Star Exhibit 1, Environmental Assessment, pp. A-135 – A-138.

#### D. Cost

As stated above using Segment DD3 instead of Segments DD1 and DD2 would not add any significant construction costs. Other associated costs, however, would probably be lower with Segment DD3. Wind farm properties already in place an extensive network of roads built to support heavy equipment that could be used to avoid the cost of new road construction. Tr. 1619 (Mayers).

The wind farm properties already have their character and surface use encumbered and diminished or substantially changed with wind turbines and associated facilities. *See* Lone Star Exhibit 20, Mark Van Dyne Rebuttal Testimony, p.24. Routing segment DD3 on those lands would be less damaging and probably be much less costly than routing over the presently unencumbered Van Zant and Green Ranches. Moreover, the wind farm properties will benefit from the transmission capability provided by the construction of this line. Ioni Creek Conservation Group Exhibit 11; and see Tr. 343 (Van Dyne). Indeed, providing that transmission capability to benefit these wind farms in the Central CREZ zone, is a primary purpose of this particular line. Tr. 1371-1373 (Almon); Tr. 1540 (Turner); Van Zant Ranch Exhibit 6. That benefit to the wind farm properties, in the form of increased opportunity for generation and sale of

Damage to the remainder of the property over which a transmission line easement is acquired, is a necessary element of compensation. Tex. Prop. Code § 21.042(c); Because the wind farm properties are already materially burdened with wind turbines and related electrical and support facilities, damages to the remainder would therefore be much less than what would be awarded for such damages to the heretofore unencumbered Van Zant Ranch and Green Ranches.

wind power, could reduce the costs of Segment DD3 even further. Based on costs, Segment DD3 is the superior alternative. 12

## E. Existing and Compatible Rights of way

Available spaces in and among wind turbines should be preferred "corridors" for this CREZ line within the contemplation of, if not the expressed terms of, the Commission's routing Rule. That Rule requires the following factors to be considered in routing:

(i) whether the routes utilize existing compatible rights-of-way, including the use of vacant positions on existing multiple-circuit transmission lines;

(ii) whether the routes parallel existing compatible rights-of-way; . . .

P.U.C. Subst. R. 25.101(b)(3)(B).

The form and extent of existing and/or compatible land uses included as "rights-of-way," however, are not defined.

As part of the typical wind farm lease, landowners grant easements for the construction of wind turbines and related facilities, including the necessary connecting electric lines and supporting roads and other infrastructure. Continuing easements are also granted for operations and maintenance over the life of the wind farm.<sup>13</sup> Such

<sup>&</sup>lt;sup>11</sup> Tex. Prop. Code § 21.042(c) and (d) which provide that benefits to the landowner from the condemnor's project to be offset against the value or damage from the taking.

While determining the specific amount of compensation due to landowners is not at issue in this proceeding (Order of Referral, pp. 6-7), comparative right-of-way and land acquisition costs, especially for certain routing alternatives, are proper to consider. Order of Referral Issue No. 8(a).

<sup>&</sup>lt;sup>13</sup> The typical length of a wind farm lease is 25 years with a 15-year extension at the option of the lessee/wind operator.

easements can be "rights of way" within the commonly understood usage of that term.<sup>14</sup> Moreover, such easements relate to and support the very activity that this CREZ line is intended to serve – renewable wind power. Whether wind farm properties are precisely labeled "rights-of-way," they are lands burdened with electric facilities and an existing use clearly "compatible" with transmission lines within the contemplation of the routing Rule.<sup>15</sup>

By voluntarily leasing their land for the construction of wind turbines and associated facilities to generate electricity for distribution and sale, wind farm landowners have dedicated their land (for not insubstantial profit) for integration into the State's public electrical utility system. <sup>16</sup> In return, wind farms should have a higher duty than other landowners to support related transmission lines such as the CREZ line in this case.

Segment DD3 also is the better alternative under the above-quoted routing Rule by adding just over a mile of pipeline right of way to be paralleled by any of the Southern Routes. *See* the southeasterly running portion of Segment DD3 on the map at page 3 above. All of that additional pipeline right of way is all located within the wind farm property.

<sup>&</sup>lt;sup>14</sup> The meaning and scope of such terms depends on the context of their use. *Lakeside Launches, Inc. v. Austin Yacht Club*, 750 S.W.2d 868, 870-871 (Tex. App.—Austin 1988, pet. denied).

<sup>&</sup>lt;sup>15</sup> See discussion at Tr. 345-348 (Van Dyne).

<sup>&</sup>lt;sup>16</sup> It is observed that the public aspect and obligation of wind farms is reinforced by taxpayer support in federal tax credits but for which viable wind energy would not presently exist. See Section 45 of the Internal Revenue Code, 26 U.S.C. § 45.

#### V. Segment DD3 is the Substantially Less Harmful Alternative

To summarize, Segment DD3 is the superior routing alternative under the following routing factors discussed in Part IV above:

- A. Cost,
- B. Environmental Integrity,
- C. Aesthetic Values,
- D. Community and Historical Values, and
- E. Use of Existing Rights of Way

Segment DD3 is also the best alternative to satisfy the routing issue of having the "less negative impact on landowners."<sup>17</sup>

Unlike the wind farm landowners, the owners of the Van Zant Ranch and the Green Ranches rejected offers to have wind turbines and associated facilities constructed on their land. Van Zant Ranch Exhibit 1, Direct testimony of James H. Van Zant III, pp. 2, 4; Green Ranches Exhibit 1, p. 4. As described by both Mr. Van Zant and Mr. Green, placing Segments DD1 and DD2 on their ranches that they have worked to preserve free from the impact of wind farm development, would cause substantial harm. Van Zant Direct Testimony, *supra*, pp. 3-4; Green Direct Testimony, *supra*, pp. 6-7.

As shown by Van Zant Ranch Exhibit 4 map, Segment BB precedes segment DD1 onto the Van Zant Ranch. That segment BB is located on and through wind farms most of its way down from the Central C substation. The wind farms (identified by

<sup>&</sup>lt;sup>17</sup> Order of Referral Issue No. 7. P.U.C. Subst. R. 25.101(b) states this requirement in terms of routing "to the extent reasonable to moderate the impact on the affected community and landowners."

<sup>&</sup>lt;sup>18</sup> See Lone Star Constraint Map Figure 3-2B to the Environmental Assessment included in Lone Star Exhibit 1.

dark green solid lines on Lone Star maps and Van Zant Ranch Exhibit 7 reproduced above) extend south from Segment BB contiguously all the way to the pipeline right of way paralleled by the Southern Routes in this case. Segment BB, however, unnecessarily exits the wind farm properties and enters onto the Van Zant Ranch and only then turns south with Segment DD1. See Lone Star's map of Segment DD3, Van Zant Ranch Exhibit 4. Segment DD1 connects into Segment DD2 and continues south on the Green Ranches. From the Green Ranches Segment DD2 re-enters the same wind farm property exited by Segment BB up to the north. Id. From the point Segment DD2 exits the Green Ranches, it continues south approximately one mile on the wind farm property to the existing pipeline where it turns southeast to parallel that right of way.

The diversion of Segments DD1 and DD2 off of and around the wind farms<sup>19</sup> results in 4 miles of unnecessary adverse impact and harm to the Van Zant and Green Ranches. Segment DD3 would eliminate the unnecessary crossing of those ranches, which have been maintained in their natural ranching state; and would provide a route on wind farm properties all the way from the Central C substation to the pipeline right of way then paralleled by the Southern Routes. Segment DD3 would clearly have a less negative impact on landowners than use of Segments DD1 and DD2 for any of the Southern Routes. *See also*, Ioni Creek Conservation Group Exhibit 1B, Cross-Rebuttal Testimony of Mark Turnbough, pp. 24-25; Tr. 920-921 (Turnbough).

<sup>&</sup>lt;sup>19</sup> As is apparent from the maps, the extension of Segment BB onto the Van Zant Ranch and Segments DD1 and DD2 were drawn to go around the wind farm properties. Such is confirmed in South Green Ranch Exhibit 2.

#### VI. Wind Farm Lands Should be Preferred Locations for CREZ Lines

Wind farms and the landowners welcoming their development on their properties, have created true need for CREZ lines such as the one in this case. Those landowners will directly benefit from the lines' construction through expanded marketing opportunities and therefore less curtailment and more royalty payments. landowners should therefore be the first to shoulder the burden (as minimal as it would be for them as compared to unencumbered lands) for the transmission lines that directly benefit them. Fair and proper routing under the applicable criteria, with due regard to existing landowner decisions whether to voluntarily dedicate and encumber their land for continuing profit as part of the wind energy industry, 20 compel the good public policy conclusion that CREZ line routing should be across properties with ongoing wind generation facilities instead on lands whose owners have rejected that development "to the extent possible." Van Zant Ranch Exhibit 3. Such policy considerations are especially relevant in routing decisions for CREZ lines. Tr. 484-485. Under this compelling policy, Segment DD3 is by far the better routing alternative to Segments DD1 and DD2.

<sup>&</sup>lt;sup>20</sup> Unlike the wind farm properties, the Van Zant and Green Ranches rejected offers to have wind turbines and associated facilities constructed on their land. Van Zant Ranch Exhibit 1, Direct testimony of James H. Van Zant III, pp. 4-5; Green Ranches Exhibit 1, Direct testimony of James Robert Green, Jr., p. 4.

#### VII. All Procedural Prerequites for Using Segment DD3 in any

#### Southern Route Were Satisfied Without Objection

Segment DD3 is located completely on properties dedicated to existing wind farms. Tr. 1540-1541 (Turner). <sup>21</sup> All owners of those lands have been properly noticed in this case and have portions of segments BB and DD2 already located on them. *Id.* None of those owners has intervened in this case to question or object to the location of this transmission line through their wind farms. Tr. 1541-1542 (Turner).

The location of Segment DD3 was timely identified pursuant to the filing schedule in this case<sup>22</sup> with Van Zant Ranch's formal pleading challenging the failure to include that superior routing options in this case.<sup>23</sup> Upon reconsideration, the Administrative Law Judges granted the Motion of Van Zant Ranch and the Green Ranches to include Segment DD3 as a routing option in this case. Tr. 33. That Motion was unopposed by any party.<sup>24</sup>

Davis/Haynes is the wind farm landowner crossed by segment BB before it enters the Commerce 2000, Ltd. wind farm property. As discussed above, Segment BB then enters the Van Zant Ranch and heads south with Segments DD1 and DD2 across that ranch and the Green Ranches. Segment DD2 reenters the Commerce 2000 Ltd. wind farm after the Green Ranches to the south. Segment DD3 remains on those wind farm properties. See Van Zant Ranch Exhibit 4.

<sup>&</sup>lt;sup>22</sup> SOAH Order No. 5 (Docket Interchange Item No. 694) established the date by which challenges to route adequacy were to be filed.

<sup>&</sup>lt;sup>23</sup> Van Zant Ranch's formal challenge regarding Segment DD3 was filed timely. Docket Interchange Item No. 1043.

<sup>&</sup>lt;sup>24</sup> That unopposed Limited Motion to Reconsider and Include Segment DD3 (Docket Interchange Item No. 1466) prayed:

<sup>&</sup>quot;that because segment DD3 as timely, properly and specifically identified in accordance with the Order of Referral and the scheduling Orders in this case, it be incuded as a viable alternative routing option for consideration by all parties, by the Administrative Law Judges, and by the Commission in this case." Docket Interchange Item No. 1466 at p. 8.

No party opposed the inclusion of Segment DD3 as an available route segment, and no party introduced any evidence opposing the use of that Segment in lieu of Segments DD1 and DD2 for any of the Southern Route options.<sup>25</sup> Instead, as discussed in Part 1V above, all experts in this case who addressed Segment DD3 analyzed it favorably.

#### VIII. Conclusion and Prayer

Intervenors respectfully pray that if a Southern Route is recommended or approved for the Central C to Sam Switch portion of this CREZ line, that Segment DD3 be used instead of Segments DD1 and DD2.<sup>26</sup> Intervenors also pray that the proposed findings of fact filed with this Initial Brief be included in any proposed or adopted Final Order in this Docket. Additionally, for the reasons set out in the Initial Post Hearing Brief of South Green Ranch, Elliott Ranch, and Lazy L Ranch, Segment CC should not be included in any route recommended or approved for the line in this case.

Respectfully submitted,

State Bar No. 02145500

CARDWELL, HART & BENNETT, LLP Jeffery L. Hart State Bar No. 09147300 J. Bruce Bennett

<sup>&</sup>lt;sup>25</sup> While Lone Star did not object to Segment DD3, the comment was made during the hearing that it did not connect to Segment CC. Tr. 1618. Segment CC is not used by any of the Southern Routes that Segment DD3 would serve. The lack of a connection to Segment CC is irrelevant.

To be precise the linkage for any Southern Route should be as follows: from Central C, BB (to the intersection point with DD3), DD3, DD2 (from the intersection point with DD3 to either EE or FF), and then on the segments to Sam Switch.

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## **CERTIFICATE OF SERVICE**

I hereby certify that on this <u>27</u> day of September 2010, a true and correct copy of the foregoing document is being served in accordance with the orders of the Administrative Law Judge relating to service.

Jeffer Hart

## **SOAH DOCKET NO. 473-10-4398 PUC DOCKET NO. 38230**

APPLICATION OF LONE STAR
TRANSMISSION, LLC FOR A
S
CERTIFICATE OF CONVENIENCE
AND NECESSITY FOR THE CENTRAL
A TO CENTRAL C TO SAM SWITCH/
NAVARRO PROPOSED CREZ
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ADMINISTRATIVE HEARINGS

# VAN ZANT RANCH AND GREEN RANCHES PROPOSED FINDINGS OF FACT AND ORDERING PARAGRAPH

TO THE HONORABLE ADMINISTRATIVE LAW JUDGES:

Van Zant Ranch and Green Ranches submit these proposed findings of fact and ordering paragraph to be included in the Final Order in this Docket, supporting the inclusion of Segment DD3 in any Southern Route that may be selected for the line in this case. The numbering of these proposed findings of fact follows the organization and numbering sequence of Lone Star's September 21, 2010, Proposed Findings of Fact. The following paragraphs are numbered for insertion into Lone Star's proposal in the indicated numerical sequence.

#### **Proposed Finds of Fact**

36A. On September 7, 2010, the presiding officers granted the Limited Motion to Reconsider of Van Zant Ranch and the Green Ranches to included Segment DD3 as a viable alternative routing option for consideration by all parties, by the Administrative Law Judges, and by the Commission in this case.

36B. No party opposed said Limited Motion to Reconsider for inclusion of Segment DD3 as a routing alternative in this case.

36C. Segment DD3 does not affect any unnoticed landowners.

36D. Both landowners affected by Segment DD3 already have proposed transmission line links on their land for CSS246 [any Southern Route for the Central C to Sam Switch portion of this line].

159A. An important community value for certain ranching areas of Shackelford County is the preservation of historical ranches in their natural ranching condition. As part of the preservation of that community value, ranch owners in certain areas have refused to allow wind farm development on their ranches.

159B. The community values of the ranch owners in Shackelford County to preserve their land in the natural and historical ranching condition would be best protected by rejecting Segments DD1 and DD2, which would be on such preserved ranches, and instead using Segment DD3 on wind farm properties for CSS246 [any Southern Route for the Central C to Sam Switch portion of this line].

169A. Wind farms have a much more prominent visual impact than transmission lines.

169B. The wind turbines on the wind farms to be crossed by Segment DD3 have a total height from the base to the rotor tip of approximately 400 feet. The height of the tower portion of the turbines, not including the rotor blades, is approximately 255 feet above the ground, more than twice the height of the installed monoples proposed for use for the line in this case.

169C. From an aesthetic and land use perspectives, this transmission line is more compatible with and will have less negative impact on wind farm property landowners

than on ranches whose owners have declined wind farm development and protected their land in its natural ranching condition.

172A. Julie Wicker, author of the TPWD analysis for this line, testified that placing the line across wind farm properties will avoid additional habitat fragmentation and thereby better minimize impacts to natural resources when compared to routing alternatives on ranch lands without wind farm development have.

172B. Construction of wind farms and their supporting road network and associated electrical distribution system, involves a significant amount of clearing of vegetation and trees.

172C. Segment DD3 is located exclusively on wind farm properties.

172D. Wind farms necessarily require an extensive network of connecting roads of such size and quality to support the use of heavy equipment, including some of the largest mobile cranes available, to access each turbine location during construction as well as for operations and maintenance activities during the life of the wind farm.

172E. Subject to the terms of the wind farm lease/easement, Lone Star could use the wind farm road network for its construction activities and thereby avoid to some extent the need and cost to clear additional land and construct additional roads. The use of such roads can also avoid damage resulting from moving heavy equipment across landowner property with no improved roads.

172F. Segment DD3 could replace portions of Segments BB and DD2, and all of Segment DD1 in CSS246 [any Southern Route for the Central C to Sam Switch portion of this line].

172G. The portions of Segments BB and DD2 and all of Segment DD1, which would be replaced by Segment DD3, are located on two ranches whose owners have rejected and protected their land from wind farm development, being the Van Zant Ranch owned by the Van Zant Family Partnership and the Green Ranch owned by the Green Ranches Limited Partnership.

172H. Segment DD3 presents no significant routing or environment concerns.

172I. Segment DD3 is substantially less harmful to environmental integrity than the portions of Segments of BB, DD1 and DD2 that it would replace in CSS246 [any Southern Route for the Central C to Sam Switch portion of this line].

194A. DD3 is an acceptable routing alternative under the applicable routing criteria for CSS 246.

194B. The construction of Segment DD3 is technically feasible and can be routed on and through the wind farm properties with perhaps only minor route modifications to maintain an acceptable distance from existing wind turbines.

194C. Segment DD3 is essentially the same length as the segments it would replace, both being approximately 5 miles in length. DD3 would have no change in the number of corner poles needed.

194D. Including Segment DD3 in lieu of the portions of Segments BB, DD1 and DD2 it would replace in any Southern Route that may be selected by the Commission, would have no diminished electric efficiency of the line or reliability.

206A. Lands with existing wind turbines and associated wind farm facilities are more compatible for the location of this CREZ transmission line than lands that have been maintained and protected in their natural ranching condition.

206B. Including Segment DD3 instead of the portions of Segments BB, DD1 and DD3 it would replace in CSS246 [any Southern Route for the Central C to Sam Switch portion of this line], would add approximately 4 miles of this line on wind farm lands and eliminate that same distance on lands that have been maintained and protected in their natural ranching condition.

213A. Including Segment DD3 in lieu of the portions of Segments BB, DD1 and DD2 it would replace in CSS246 [any Southern Route for the Central C to Sam Switch portion of this line], would add no significant additional costs to the project.

#### Alternative Routing Segments with Less Negative Impact on Landowners

213B. Including Segment DD3 instead of the portions of Segments BB, DD1 and DD2 it would replace in CSS246 [any Southern Route for the Central C to Sam Switch portion of this line], would have substantially less negative impact on the landowners.

213C. All lands affected by Segment DD3 are wind farms within the Central CREZ zone to be served by the CREZ transmission line in this case.

213D. The ranches crossed by the portions of Segments BB, DD1 and DD2 that would be replaced by Segment DD3, have declined wind power development and have maintained their lands in their natural ranching condition.

213E. The wind farms lands and landowners affected by Segment DD3 will be benefited by the electrical service to be provided by the CREZ transmission in this case in

distinction with landowners who have not allowed wind power development on their lands.

## **Proposed Ordering Paragraph**

1A. The following links are deleted from CSS 246 [any Southern Route for the Central C to Sam Switch portion of this line]: "BB, DD1, DD2" and replaced with "BB from Central C substation to the intersection point with DD3, DD3, DD2 from the intersection with DD3 to the intersection with FF [EE]."

Respectfully submitted,

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## **CERTIFICATE OF SERVICE**

I hereby certify that on this <u>27</u> day of September 2010, a true and correct copy of the foregoing document is being served in accordance with the orders of the Administrative Law Judge relating to service.