Control Number: 38230

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APPLICATION FOR A

CERTIFICATE OF CONVENIENCE

AND

NECESSITY

FOR A PROPOSED TRANSMISSION LINE

PURSUANT TO P.U.C. SUBST. R. 25.174

DOCKET NO. 38230

Submit seven (7) copies of the Application and all attachments including all direct testimony supporting the Application to:

Public Utility Commission of Texas
Attn: Filing Clerk
1701 N. Congress Ave.
Austin, Texas 78711-3326

Note: As used herein, the term "joint Application" refers to an Application for proposed transmission facilities for which ownership will be divided. All Applications for such facilities should be filed jointly by the proposed owners of the facilities.

1. **Applicant (Utility) Name: For joint Applications, provide all information for each applicant.**

Lone Star Transmission, LLC ("Lone Star")
Certificate Number: N/A
Street Address: 301 Congress Avenue, Suite 1850
Austin, TX 78701
Mailing Address: same
Phone Number: 512-236-3130

2. **Please identify all entities that will hold an ownership interest or an investment interest in the proposed project but which are not subject to the Commission's jurisdiction.**

Lone Star is a Delaware limited liability company and a wholly-owned subsidiary of U.S. Transmission Holdings, LLC ("U.S. Transmission"). U.S. Transmission is a wholly-owned subsidiary of FPL Group Resources, LLC ("FPL Group Resources"), which is a direct, wholly-owned subsidiary of FPL Group Capital Inc ("FPL Group Capital"), which is wholly-owned by FPL Group, Inc. ("FPL Group"). Lone Star expects that on or about May 24, 2010 that the name of FPL Group will change to NextEra Energy, Inc.

3. **Person to Contact:** David Turner
Title/Position: Project Director
Phone Number: 877.278.8097
Mailing Address: 301 Congress Avenue, Suite 1850
Austin, TX 78701
Email Address: David.Turner@lonestar-transmission.com

Alternate Contact: Amy Mullin
Title/Position: Assistant Project Director
Phone Number: 877.278.8097
Mailing Address: 301 Congress Avenue, Suite 1850
Austin, TX 78701
Email Address: Amy.Mullin@lonestar-transmission.com

Legal Counsel: Chris Reeder
Phone Number: 512.479.1154
Fax Number: 512.481.4868
Mailing Address: Brown McCarroll, LLP
111 Congress Ave., Suite 1400
Austin, TX 78701
Email Address: creeder@mailbmc.com

4. Project Description:

Name or Designation of Project: Central A to Central C to Sam Switch/Navarro 345 kV CREZ Transmission Line ("Project").

Provide a general description of the project, including the design voltage rating (kV), the operating voltage (kV), the CREZ Zone(s) (if any) where the project is located (all or in part), any substations and/or substation reactive compensation constructed as part of the project, and any series elements such as sectionalizing switching devices, series line compensation, etc. For HVDC transmission lines, the converter stations should be considered to be project components and should be addressed in the project description.

The Project is designated by the Public Utility Commission of Texas ("PUC" or "Commission") as a CREZ project that consists of constructing an approximately 311 mile double/single circuit transmission line that will serve the Central CREZ at a design and operating voltage of 345 kV. This line extends from: (1) the new Oncor Electric Delivery Company's ("Oncor") Central A Substation located south of Snyder, Texas, in Scurry County, to (2) the new Central C Substation located southwest of Albany in Shackelford County, to (3) the new Sam Switch Substation located southeast of Hillsboro in Hill County, and to (4) the new Navarro Substation located southwest of Corsicana in Navarro County.

Lone Star will construct two 345 kV circuits between Central A and Sam Switch using bundled (two wires per phase) 1590 kcmil ACSS/TW (Aluminum Conductor Steel Supported, Trapezoidal-shaped Wire) conductor (aka "Falcon"). The normal continuous operating current rating this bundled conductor is capable of carrying is approximately 5,000 amperes. One of the two 345 kV circuits will terminate at Sam Switch. A single circuit with the same bundled conductor and current carrying capability will be constructed between Sam Switch and Navarro as described in the Electric Reliability Council of Texas ("ERCOT") CREZ Transmission Optimization ("CTO") Study. However, as discussed below, the spun concrete monopoles for this section will be capable of supporting a second circuit when another circuit becomes necessary (i.e., single circuit with double circuit capability).

The CTO Study provided that the Central C Substation would have 150 MVAR of reactive compensation and 50% series compensation on the Central C to Sam Switch/Navarro segments. ERCOT, Lone Star, and the other CREZ TSPs have since commissioned a study with respect to various issues associated with the reactive compensation identified in the CTO Study. The joint study of reactive power needs currently underway has identified and included a requirement for an additional 50 MVAR of shunt reactors (total of 2 x 100 MVAR) and up to 200 MVAR (2 x 100 MVAR) of shunt capacitors at Central C Substation. The series compensation will be installed on both transmission circuits between Central C to Sam Switch and Central C to Navarro Substations. The series compensation will be inserted in two new substations named Romney and Kopperl. The location of these substations will ultimately be dependent upon the study of reactive power needs results. For this Application the location of the substations were assumed to be at approximately one-third and two-thirds the transmission circuit length. As this study of reactive power needs continues towards completion, the reactive compensation requirements and subsequent estimates provided are subject to change.

If the project will be owned by more than one party, briefly explain the ownership arrangements between the parties and provide a description of the portion(s) that will be owned by each party. Provide a description of the responsibilities of each party for implementing the project (design, Right-Of-Way acquisition, material procurement, construction, etc.).

This Application is not a joint Application. The question is not applicable.

Identify and explain any deviation in transmission project components from the original transmission specifications in ERCOT's CREZ Transmission Optimization (CTO) Study.

The CTO Study contemplated single circuit capable structures from the Sam Switch Substation to the Navarro Substation. Lone Star has requested and received a letter from ERCOT agreeing that constructing that segment as a single circuit with double circuit capability to accommodate a cost-effective upgrade at the appropriate time is a cost-effective modification that is consistent with the intent of the CTO Study. Lone Star also proposed using a 2-1590 ACSS/TW

conductor as opposed to the 2-1433 ACSS/TW conductor specified in the CTO Study. In the CTO Study, Central C Substation was depicted in northern Callahan County. Lone Star proposed the movement of Central C Substation approximately 20 miles northwest into southwestern Shackelford County in order to facilitate interconnections with existing facilities, reduce transmission line crossings, and reduce transmission line lengths for other CREZ-related projects. As noted by ERCOT, the depicted locations of new substations in the CTO Study were not intended to be definitive. A significant amount of flexibility was intentionally reserved to allow the TSPs, in developing the actual locations of the substations, to account for the siting considerations not addressed in the CTO Study, including land-use issues, site accessibility, and generation interconnection requests. ERCOT reviewed the locations of the substations submitted by Lone Star and determined the proposed location of the Central C Substation (West Shackelford) was a reasonable and cost-effective change to the location as shown in the CTO Study. ERCOT's January 26, 2010, correspondence with Lone Star on this matter is attached to Dan Mayer's testimony as Exhibit DM-3.

5. **Conductor and Structures:**

Conductor Size and Type: 1590 kcmil 42/19 strand ACSS/TW "Falcon"

Number of conductors per phase: 2

Continuous Summer Static Current Rating (A): 5000 A

Continuous Summer Static Line Capacity at Operating Voltage (MVA): 2987 MVA/circuit

Continuous Summer Static Line Capacity at Design Voltage (MVA): 2987 MVA/circuit

Type and composition of Structures: Double-circuit spun concrete monopole, tubular steel or hybrid (concrete base with steel top) structures

Height of Typical Structures: 110 feet*

*This number represents the approximate height above natural grade, from the ground to the top of pole.

Explain why these structures were selected; include such factors as landowner preference, engineering considerations, and costs comparisons to alternate structures that were considered. Provide dimensional drawings of the typical structures to be used in the project.

Consistent with Lone Star's CREZ Transmission Plan ("CTP") Proposal, upon which the Commission ordered Lone Star in Docket No. 37902 to construct this transmission project, Lone Star intends to install spun concrete monopole structures for the majority of the transmission line.

Below are some of the key factors used to evaluate potential structure types:

- Landowner preference
- Nominal ROW width and span length between structures
- Long term operations and maintenance costs
- Initial material, labor and construction costs
- Materials availability
- Reliability
- Potential land use impacts (e.g. footprint)
- Speed of installation

Both in other CREZ proceedings and in comments received by Lone Star, affected landowners and other members of the public have expressed significant and consistent support for monopole-type structures due to their smaller size and more limited footprint compared to traditional steel or lattice structures. Feedback received from the Lone Star open house meetings also demonstrated a strong community and landowner preference for spun concrete monopole structures. Additionally, the spun concrete structure was compared to other structure types and was determined to have significant cost, technological and other advantages. Lone Star analyzed the installed cost of spun concrete, tubular steel, and lattice structure types for the proposed Project. The installed costs of these spun concrete monopoles were found to be less than those for lattice towers and tubular steel monopoles required for this Project. Lone Star expects a lengthy service life with a spun concrete pole, with less inspection and maintenance

requirements than other types of structures. Lone Star's proposed monopole design requires less ROW than what is required by other TSPs' designs as well as a shorter installation timeframe. Lone Star can build and safely operate a majority of the Project within a nominal 100 ft ROW width because of its compact monopole design. Lone Star is considering the use of steel tubular structures in some limited cases where the terrain dictates the need for lighter weight sectional poles. For corner and heavy angle structures, Lone Star will primarily use guyed concrete structures. Guyed corner and heavy angle structures will require additional ROW at the structure locations.

A dimensional drawing of the typical structure is included as Attachment 2.

For joint Applications, provide and separately identify the above-required information regarding structures for the portion(s) of the project owned by each applicant.

This Application is not a joint Application. The question is not applicable.

6. **Right-of-way:**

PREFERRED ROUTE:

	Central A to Central C	Central C to Sam Switch	Sam Switch to Navarro
Miles of Right-of-Way:	90.5	187.2	33.3
Miles of Circuit:	181	374.4	33.3

Additionally; alternate routes for Central A to Central C range from 87 to 104 miles; alternate routes for Central C to Sam Switch range from 180 to 199 miles and alternate routes from Sam Switch to Navarro range from 33 to 38 miles. Table 1, attached, lists the alternate routes and the length of each.

Width of Right-of-Way: Typically 100 feet, with some additional width in longer than typical spans and at corner and heavy angles as previously discussed in Question 5.

Percent of Right-of-Way Acquired: 0%

For joint Applications, provide and separately identify the above-required information for each proposed alternative route (including the preferred route) for the portion(s) of the project owned by each applicant.

This Application is not a joint Application. The question is not applicable.

Provide a brief description of the area traversed by the proposed transmission line. Include a description of the general land uses in the area and the type of terrain crossed by the proposed line.

The Project extends from Oncor's Central A Substation in southern Scurry County, east to the designated Central C Substation in southwestern Shackelford County, east to the designated Sam Switch Substation in eastern Hill County, and terminating at the designated Navarro Substation in central Navarro County. The Preferred Route begins in west Texas and passes through 13 counties ending in north central Texas.

The proposed routes pass through three ecoregions: the Rolling Plains region consisting of gently sloping terrain with short steep valleys, the Oak Woods and Prairies region consisting of smooth plains with gradual sloping hills, and the Blackland Prairie region consisting of gently rolling dissected plain. The proposed routes will pass through three watersheds: the Colorado River watershed in Scurry and Mitchell Counties, the Brazos River watershed extending from Scurry County east to Hill County and, the Trinity River watershed in Hill and Navarro Counties.

The western portion (Central A to Central C) of the Project is typified as prairie populated with small, scattered residential communities. Agriculture is the predominant source of employment and crop sales account for a majority of that revenue. The central portion of the Project (Central C to Sam Switch) is a transition zone between the more densely populated areas in the east and the sparsely populated areas in the west. This area is also a transition zone between the prairies in the west and the hilly woods in the east. Again, agriculture is the predominant source of employment and livestock sales account for a majority of that revenue. The eastern portion of the Project (Sam Switch to Navarro) is just south of the Dallas-Ft. Worth Metroplex. As in the central area, livestock sales account for a majority of the agriculture revenue in the eastern area.

A more specific discussion of natural, human, and cultural resources within the Project area is provided in the Environmental Assessment and Routing Study, included as Attachment 1 to this Application.

7. Substations or Switching Stations:

List the name of all existing HVDC converter stations, substations or switching stations that will be associated with the proposed new transmission line. Provide documentation showing that the owner(s) of the existing HVDC converter stations, substations and/or switching stations have agreed to the installation of the required project facilities.

No existing HVDC converter stations, substations, or switching stations are associated with the proposed new transmission line.

List the name of all new HVDC converter stations, substations or switching stations that will be associated with the proposed new transmission line. Provide documentation showing that the owner(s) of the new HVDC converter stations, substations and/or switching stations have agreed to the installation of the required project facilities.

The proposed new Central C Substation and the proposed new Sam Switch and Navarro Substations are associated with the proposed new transmission line and will be built by Lone Star. The proposed new Oncor Scurry County South Substation (Central A) is also associated with the proposed new transmission line. A copy of the agreement between Lone Star and Oncor for use of the Scurry County South Switching Station is attached as Attachment 3. No HVDC converter stations are associated with the new transmission line.

8. Estimated Schedule:

Estimated Dates of:	**Start**	**Completion**
Right-of-way and Land Acquisition	December 2010	March 2012
Engineering and Design	July 2010	November 2012
Material and Equipment Procurement	October 2010	March 2013
Construction of Facilities	January 2011	March 2013
Energize Facilities	----------	March 2013

9. Counties:

For each proposed alternative route (including the preferred route) list all counties in which the route is proposed to be constructed.

Counties Crossed by the Preferred and Alternate Routes for Central A to Central C

Routes	Counties
AC 6 (Preferred Route)	Scurry, Mitchell, Fisher, Jones, Shackelford
AC 1, AC 2, AC 3, AC 4, AC 5	Scurry, Fisher, Jones, Shackelford
AC 7, AC 8, AC 9	Scurry, Mitchell, Fisher, Jones, Shackelford

Counties Crossed by the Preferred and Alternate Routes for Central C to Sam Switch

Routes	Counties
CSS 14 (Preferred Route)	Shackelford, Stephens, Palo Pinto, Erath, Somervell, Bosque, Johnson, Hill
CSS 1, CSS 16, CSS 33	Shackelford, Stephens, Palo Pinto, Erath, Somervell, Bosque, Johnson, Hill
CSS 97	Shackelford, Stephens, Palo Pinto, Erath, Bosque, Hill
CSS 101	Shackelford, Stephens, Eastland, Erath, Somervell, Bosque, Johnson, Hill
CSS 183	Shackelford, Stephens, Eastland, Erath, Somervell, Bosque, Hill
CSS 200	Shackelford, Stephens, Eastland, Erath, Bosque, Hill
CSS 228, CSS 229, CSS 264	Shackelford, Callahan, Eastland, Erath, Bosque, Hill
CSS 230	Shackelford, Callahan, Eastland, Comanche, Erath, Bosque, Johnson, Hill
CSS 246, CSS 249	Shackelford, Callahan, Eastland, Comanche, Erath, Bosque, Hill

Counties Crossed by the Preferred and Alternate Routes for Sam Switch to Navarro

Routes	Counties
SSN 4 (Preferred Route)	Hill and Navarro
SSN 1, SSN 2, SSN 3	Hill and Navarro
SSN 5, SSN 6, SSN 7	Hill and Navarro

10. Municipalities:

For each proposed alternative route (including the preferred route) list all municipalities in which the route is proposed to be constructed.

Central A to Central C:

Route AC6, the Preferred Route, would not cross a municipality. Routes AC1, AC2, AC4, and AC8 would also not cross a municipality. Routes AC3, AC5, AC7 and AC9 would cross the City of Abilene.

Central C to Sam Switch:

Route CSS14, the Preferred Route, would not cross a municipality. Routes CSS16, CSS97, CSS183, CSS200, CSS228, CSS246, CSS249, and CSS264 of the Central C to Sam Switch segment would cross a small portion of the City of Abbott. Additionally, CSS101 would cross a small portion of the City of Hillsboro. Routes CSS1, CSS33, CSS229, and CSS230 would cross no municipalities.

Sam Switch to Navarro:

There would be no municipalities crossed by any of the route alternatives for the Sam Switch to Navarro segment.

For each applicant, attach a copy of the franchise, permit or other evidence of the city's consent held by the utility. If franchise, permit, or other evidence of the city's consent has been previously filed, provide only the docket number of the Application in which the consent was filed. Each applicant should provide this information only for the portion(s) of the proposed project which will be owned by the applicant.

Lone Star is a "new entrant" transmission service provider that does not presently have either an existing CCN, a franchise agreement or a permit from any municipality. To the extent franchises, permits or consents are required; Lone Star requests that the Commission allow Lone Star to comply with this requirement by negotiating and executing a franchise agreement with, or obtaining all required permits and other municipal consents from, any

municipality through which the Commission's selected route will run before beginning construction of the proposed transmission line.

11. Affected Utilities:

Identify any other electric utility served by or connected to facilities proposed in this Application.

Describe how any other electric utility will be affected and the extent of the other utilities' involvement in the construction of this project. Include any other utilities whose existing facilities will be utilized for the project (vacant circuit positions, ROW, substation sites and/or equipment, etc.) and provide documentation showing that the owner(s) of the existing facilities have agreed to the installation of the required project facilities.

No other utilities' existing vacant circuit positions, ROW or equipment will be utilized for the Project. The Project will terminate in the Oncor Central A (Scurry County South) Substation. Please see Lone Star's attached letter agreement with Oncor concerning use of the Central A Substation included as Attachment 3. Lone Star obtained the information regarding the identification of affected transmission utilities from publicly available maps obtained from the Commission.

Central A to Central C:

As discussed above, the Central A to Central C 345 kV CREZ transmission circuits will connect the new proposed Oncor Central A (Scurry County South) Substation to the new proposed Lone Star Central C (West Shackleford) Substation as described in item 7 above. Lone Star will construct and own its 345 kV transmission circuits up to and including a deadend structure within the Oncor substation property. Oncor will then pull the conductor from the Lone Star-owned deadend structures to the Oncor-owned substation terminal structures. Two new bay positions have been designed by Oncor to accommodate the Lone Star transmission lines.

Two additional 345 kV CREZ transmission circuits constructed by Electric Transmission Texas ("ETT") will terminate at Lone Star's Central C Substation.

Depending upon the direction these new circuits will enter the property, the two ETT transmission circuits will either terminate on ETT-owned deadend structures within the Lone Star property ROW or will be directly connected to the Lone Star substation terminal structures. If necessary, Lone Star will pull the conductor from the ETT-owned deadend structures to the new Lone Star substation terminal structures. Lone Star has designed two new bay positions in the Central C Substation to accommodate the ETT transmission circuits. All portions of the route will be on new ROW and no existing transmission line or pipeline easements will be affected.

Portions of the alternative routes may cross and/or parallel other existing electric transmission circuits owned by Oncor, American Electric Power ("AEP") Texas North Company, Brazos Electric Power Cooperative, Inc. ("Brazos"), , and Texas New Mexico Power Company ("TNMP").

Lone Star and Oncor have agreed and consent to the installation of the required Project facilities at the Central A (Scurry County South) Substation. (See Attachment 3). Lone Star and ETT have agreed and consent to the installation of the required Project facilities at the Central C (West Shackelford) Substation (See Attachment 4).

Central C to Sam Switch:

At Lone Star's proposed Sam Switch Substation, provisions will be made to terminate the two existing Oncor-owned Venus-Tradinghouse 345 kV transmission lines plus the single 345 kV transmission circuit from Lone Star's Central C Substation. From the north, the two Venus (Oncor) to Sam Switch 345 kV transmission lines will terminate on Oncor owned deadend structures within the Lone Star property ROW. Lone Star will then pull the conductor from the Oncor structures to new substation terminal structures within the Sam Switch Substation. From the south, the two Tradinghouse (Oncor) to Sam Switch 345 kV transmission lines will terminate on Oncor-owned deadend structures within the Lone Star property ROW. Lone Star will then pull the conductor from the Oncor

structures to new substation terminal structures within the Sam Switch Substation. Five new bay positions will be designed by Lone Star to accommodate the Oncor and Lone Star transmission circuits. All portions of the route will be on new ROW and no existing transmission line or pipeline easements will be affected.

Portions of the alternative route may cross and/or parallel other existing electric transmission lines owned by Oncor, Brazos, AEP Texas North Company, and TNMP.

Lone Star and Oncor have agreed and consented to the installation of the required Project facilities at the Sam Switch Substation. (See Attachment 3).

Central C to Navarro:

At Lone Star's proposed Navarro Substation, provisions will be made to terminate four existing Oncor-owned 345 kV transmission circuits plus the single 345 kV transmission circuit from Lone Star's Central C substation. From the north, the two Venus (Oncor) to Navarro and two Big Brown (Oncor) to Navarro 345 kV transmission lines will terminate on Oncor-owned deadend structures within the Lone Star property ROW. Lone Star will then pull the conductor from the Oncor structures to new substation terminal structures within the Navarro Substation. From the south, the two Watermill (Oncor) to Navarro and two Limestone (CenterPoint Energy) to Navarro 345 kV transmission circuits will terminate on Oncor-owned deadend structures within the Lone Star property ROW. Lone Star will then pull the conductor from the Oncor-owned structures to new substation terminal structures within the Navarro Substation. All portions of the route will be on new ROW and no existing transmission line or pipeline easements will be `affected. Nine new bay positions have been designed by Lone Star to accommodate the Oncor and Lone Star transmission lines.

Portions of the alternative route may cross and/or parallel other existing electric transmission circuits owned by Oncor, Brazos, AEP Texas North Company, and TNMP.

Lone Star and Oncor have agreed and consented to the installation of the required project facilities at the Navarro Substation. (See Attachment 3)

12. Financing:

Describe the method of financing this project. For each applicant that is to be reimbursed for all or a portion of this project, identify the source and amount of the reimbursement (actual amount if known, estimated amount otherwise) and the portion(s) of the project for which the reimbursement will be made.

Lone Star will finance the development and construction of its facilities from financial resources provided by its upstream affiliate, FPL Group Capital (an investment-grade company). Lone Star has received a financing commitment from FPL Group Capital to fund the development and construction costs of the Project. Upon the PUC approval of Lone Star's base rate and capital structure and commencement of commercial operation of the Project, Lone Star intends to access the capital markets to raise long-term debt based on its own credit that would be used to refinance a portion of the funds from FPL Group Capital.

13. Estimated Costs:

Provide cost estimates for the proposed project in the following table for the preferred route and for each alternative route presented in this Application. Provide a breakdown of "Other" costs by major cost category and amount.

	Transmission Facilities (Central A to Central C)	Transmission Facilities (Central C to Sam Switch)	Transmission Facilities (Sam Switch to Navarro)	Substation Facilities
Right-of-way and Land Acquisition	$6,200,000	$37,800,000	$5,800,000	$1,200,000
Engineering and Design (Utility)	$3,600,000	$7,800,000	$1,200,000	$0
Engineering and Design (Contract)	$7,300,000	$15,900,000	$2,400,000	$4,400,000

Procurement of Material and Equipment (including stores)	$43,500,000	$92,500,000	$9,800,000	$93,200,000
Construction of Facilities (Utility)	$5,300,000	$11,500,000	$1,700,000	$4,700,000
Construction of Facilities (Contract)	$66,500,000	$147,700,000	$26,600,000	$54,200,000
Other (all costs not included in the above categories) *	$24,000,000	$56,100,000	$8,500,000	$28,400,000
Estimated Total Cost**	$156,400,000	$369,300,000	$56,000,000	$186,100,000

*Includes CCN preparation and support costs, capitalized property taxes, and AFUDC.

**These estimated costs are for the Preferred Routes only. All other cost estimates are attached to the Application as Attachment 5.

For joint Applications, provide and separately identify the above-required information for the portion(s) of the project owned by each applicant.

This Application is not a joint Application. The question is not applicable.

14. Need for the Proposed Project:

Provide a specific reference to the pertinent portion(s) of an appropriate commission CREZ order specifying that the facilities are needed.

The main references to Commission CREZ orders referring to this and other specific projects include:

- *Commission Staff's Petition For Designation Of Competitive Renewable Energy Zones*, Docket No. 33672, Order on Rehearing at 39-47 (FF 117-118) (Oct. 7, 2008);
- *Id.* at 48 (CL 6);
- *Id.* at 49 (Ord. Par. 2); and

- *Remand of Docket No. 35665 (Commission Staff's Petition for Selection of Entities Responsible for Transmission Improvements Necessary to Deliver Renewable Energy from Competitive Renewable Energy Zones)*, Docket No. 37902, Order On Remand at 54 (CL 8) (March 30, 2010).

15. Routing Study:

Provide a brief summary of the routing study that includes a description of the process of selecting the study area, identifying routing constraints, selecting potential line segments, and the selection of the preferred and alternate routes. Provide a copy of the complete routing study conducted by the utility or consultant.

Lone Star retained Burns & McDonnell, Inc., to perform and prepare an environmental assessment and routing study for the Project. The objectives of the Environmental Assessment and Routing Study for Lone Star Transmission LLC's Proposed Central A to Central C to Sam Switch to Navarro 345 kV Transmission Line Project prepared by Burns & McDonnell ("Environmental Assessment and Routing Study") were to identify and evaluate alternative transmission line routes for the Project. The approach taken by Burns & McDonnell consisted of a series of tasks to address the requirements of Section 37.056(c)(4)(A)–(D) of the Texas Utilities Code, P.U.C. Subst. R. 25.101(b)(3)(B), and the Commission's CCN Application requirements. The tasks included scoping and study area delineation, data collection, constraints mapping, preliminary alternative route identification, public open house meetings, modification/addition of alternative route links following the open house meetings, and alternative route evaluation.

In order to identify preliminary alternative routes for the Project, Burns & McDonnell first delineated a study area, gathered data regarding the study area from a variety of sources, and mapped constraints within the study area. Once the study area was identified, the Burns & McDonnell Project Team initiated a variety of data collection activities. One of the first data collection activities was the development of a list of public officials and agencies to be mailed a consultation letter regarding the Project. The purpose of the letters was to inform the various officials and agencies of the Project and to give those officials and

agencies the opportunity to provide any information they had regarding the Project and/or Project area. In response, Burns & McDonnell received written information from a number of public officials and Lone Star had several meetings with public officials. Other data collection activities consisted of file and record reviews conducted with the various state regulatory agencies such as Texas Parks and Wildlife Department ("TPWD") and the Railroad Commission of Texas ("RRC"), review of published literature, and review of a variety of available maps, including color aerial photography (National Agriculture Imagery Program ("NAIP") flown in 2008 and SAM, Inc. aerial photography (flown on May 18 and 19, 2009), U.S. Geological Survey ("USGS") topographic maps, county highway maps, and county appraisal district land parcel boundary maps. During the course of the data collection activities, Burns & McDonnell personnel also conducted numerous ground reconnaissance surveys of the study area.

A number of potential routes could be drawn to connect the termination points. Therefore, a constraint mapping process was used in selecting and refining possible alternative routes. The information collected during the various data collection activities was utilized to develop an environmental and land use constraints map. Figures 3-2 and Figures 3-2A through 3-2F of the Environmental Assessment and Routing Study depict the environmental and land use constraints compiled by Burns & McDonnell.

Upon completion of the initial data collection activities and constraint mapping process, Burns and McDonnell next identified preliminary alternative routes to connect the Central A to Central C to Sam Switch to Navarro Substations. In identifying preliminary alternative routes, Burns & McDonnell considered: input received from the correspondence with local officials and representatives of state and federal agencies; results of the visual reconnaissance surveys of the study area; review of aerial photography; and findings of the other various data collection activities, including information compiled for the environmental and land use constraints map, the location of existing development (municipalities,

etc.), the location of existing compatible corridors, and apparent property boundaries. The preliminary alternative routes identified by Burns & McDonnell are depicted in Figure 4-1 of the Environmental Assessment and Routing Study.

The preliminary alternative routes were then presented to landowners and the public at eight public open house meetings. Information received from the public involvement program was considered and incorporated into Burns & McDonnell's evaluation of the Project. Afterwards, portions of several route links identified prior to the open house meetings were modified, and several new route links were added, in response to information obtained through public comments and landowner requests, and as a result of more detailed information obtained through additional surveys, both on-the-ground and from a helicopter. A total of 50 route link adjustments were made and 11 new route links were added following the open house meetings.

After new links were added and modifications to the existing links were made, a total of nine alternative routes were identified for the Central A to Central C segment of the Project, 265 alternative routes were identified for the Central C to Sam Switch segment of the Project, and seven alternative routes were identified for the Sam Switch to Navarro segment of the Project for further evaluation as discussed in Chapter 7.0 of the Environmental Assessment and Routing Study.

The Burns & McDonnell Project Team evaluated the primary alternative routes based upon thirty-four environmental and land use criteria that were based on routing factors set forth in Section 37.056 (c)(4)(A)-(D) of the Texas Utilities Code, the PUCT CCN Application form and P.U.C. Subst. R. 25.101. Each Burns & McDonnell team member independently analyzed each alternative route relative to their own area of technical expertise. Section 7.0 of the Environmental Assessment and Routing Study describes the evaluation of the alternative routes.

Specific discussion regarding the selection of the study area boundary, constraint mapping process, identification of preliminary alternative routes, and the

evaluation of the primary alternative routes can be found in the Environmental Assessment and Routing Study in sections 2.0 through 7.0.

Specific discussion regarding evaluation and selection of the Preferred Route and alternates to be filed with the Application is contained in the Direct Testimony of Dan Mayers.

The Environmental Assessment and Routing Study is attached as Attachment 1.

16. Public Meeting or Public Open House:

Provide the date and location for each public meeting or public open house that was held in accordance with P.U.C. PROC. R. 22.52.

Lone Star Transmission hosted eight public open house meetings. The open house meetings were held on October 5 through October 8, 2009 and October 12 through October 15, 2009 at the following locations:

Monday, October 5, 2009
5:00-8:00 PM
Roby High School Cafeteria
141 S. College Street
Roby, TX 79543

Tuesday, October 6, 2009
5:00-8:00 PM
Hawley School Cafeteria
800 1st Street
Hawley, TX 79525

Wednesday, October 7, 2009
5:00-8:00 PM
Albany Old Jail/Arts Center
201 South 2nd Street
Albany, TX 76430

Thursday, October 8, 2009
5:00-8:00 PM
Breckenridge Women's Forum
1804 West Walker Street
Breckenridge, TX 76424

Monday, October 12, 2009
5:00-8:00 PM
Ranger High School Cafeteria
1842 Loop 254E
Ranger, TX 76470

Tuesday, October 13, 2009
5:00-8:00 PM
Stephenville High School Cafeteria
2655 West Overhill Drive
Stephenville, TX 76401

Wednesday, October 14, 2009
5:00-8:00 PM
Meridian Civic Center
306 River Street
Meridian, TX 76665

Thursday, October 15, 2009
5:00-8:00 PM
Hillsboro City Hall
127 East Franklin Street
Hillsboro, TX 76645

Provide a summary of each public meeting or public open house including the approximate number of attendants, and a copy of any survey provided to attendants and a summary of the responses received.

The purpose of the meetings was to solicit comments and input from residents, landowners, public officials, and other interested parties concerning the proposed

Project, the preliminary alternative routes, and the overall transmission line routing process and to:

- Promote a better understanding of the proposed Project including the purpose, need, potential benefits and impacts, and certification process;
- Educate and encourage public involvement in the routing and certification process;
- Inform the public with regard to the routing procedure, schedule, and decision-making process; and
- Ensure that the decision-making process adequately identifies and considers the values and concerns of the public and community leaders.

At each open house meeting, Lone Star set up information stations in the meeting space. Each station was devoted to a particular aspect of the Project and was manned by Lone Star (Welcome Table, CCN Certification Process, and Purpose/Need of the Project), Burns & McDonnell (Environmental and Routing), JS Land Services, Inc., Contract Land Staff, LLC (Landowner Identification and Right-of-Way), and Electrical Consultants Inc. (Engineering and Construction)(collectively the "Lone Star Team").

Each station had maps, illustrations, photographs, and/or text explaining each particular topic. Interested citizens and property owners were encouraged to visit each station, so that the entire process could be explained step by step. The information station format is advantageous because it allows attendees to process information in a more relaxed manner and also allows them to focus on their particular area of interest and ask specific questions. Furthermore, the one-to-one discussions with the Lone Star Team encouraged more interaction from those citizens who might be hesitant to participate in a speaker-audience format.

Upon entering, attendees were asked to sign in and were handed an information packet showing the preliminary alternative transmission line routes and a questionnaire, a copy of which is Appendix B to the Environmental Assessment and Routing Study. The questionnaire solicited comments on the proposed

Project, as well as an evaluation of the information presented at the open house meetings. The information packet also included a project fact sheet and answers to typical questions.

In addition, markers and grease pencils were available at each meeting so that attendees could identify areas of interest (e.g., houses, environmentally sensitive areas, property boundary information, etc.) on the various routing maps and exhibits. Finally, Contract Land Staff manned a computer station which afforded landowners yet another opportunity to identify and mark specific areas of interest at even greater resolution.

After the public open house meetings, Burns & McDonnell reviewed and evaluated each questionnaire response that was submitted at the meetings (or mailed at a later date), as well as all areas of interest identified by the attendees on the routing maps. Attendee comments were evaluated, considered, and factored into the overall evaluation of the alternative routes.

A total of 1,116 people signed in as attending the eight public open house meetings throughout the Project area: 143 in Roby, Texas; 187 in Hawley, Texas; 68 in Albany, Texas; 79 in Breckenridge, Texas; 106 in Ranger, Texas; 182 in Stephenville, Texas; 130 in Meridian, Texas; and 221 in Hillsboro, Texas. Of the people attending the open house meetings, 35 submitted questionnaire responses at the Roby open house; 22 submitted questionnaire responses at the Hawley meeting; no one submitted a questionnaire response at the Albany meeting; 18 submitted questionnaire responses at the Breckenridge open house; 8 submitted questionnaire responses at the Ranger meeting; 32 submitted questionnaire responses in Stephenville; 19 submitted questionnaire responses at the Meridian meeting; and 19 submitted questionnaire responses at the Hillsboro meeting. An additional 232 questionnaire responses were mailed in following the open house meetings. In all, 385 questionnaire responses were received by Lone Star. A number of respondents also sent in letters, sometimes in addition to a completed questionnaire response, addressing their concerns with the Project.

Results of the questionnaire responses received from attendees both during and after the open house meetings show the following:

- 57% of the people thought the need for the Project was adequately explained,
- 61% of the respondents thought the explanation of the need was helpful, and
- 75% of the respondents found that the open house meetings were helpful.

The questionnaire asked respondents to review the constraint maps shown at the open house meetings and provide additional information on other constraints that were not shown on the maps. Fifty-three percent of respondents considered the features shown on the maps to be accurately depicted and fifty-four percent of the respondents answered yes when asked if they knew of constraints either not shown or incorrectly located on the maps. When asked to mark these sites on the maps, some respondents marked them on the maps, but many more respondents simply described the sites on their questionnaire response. Most comments were related to the location of homes, stock tanks, wells, irrigation systems, historic sites, communication towers, airstrips, threatened and endangered species habitat, and incorrectly depicted or labeled roads.

The questionnaire asked respondents if they were aware of any leases or encumbrances on their property that might affect the proposed routes. Twenty-eight percent of the respondents indicated they do have a lease or encumbrance on their property. When asked to identify the approximate location, most respondents referred to road, pipeline, and mineral easements and leases, as well as threatened and endangered species habitat or conservation easements, and plans for future development of their property.

Sixty-three percent of the respondents thought that other factors or features besides those shown on the constraint maps should be considered in the evaluation of the proposed routes. The most common suggestions included proximity to homes, aesthetics, property values, wildlife or environmental impacts, health concerns, location on individual properties, the history of the land, and to follow existing lines.

The questionnaires asked respondents to rank certain routing considerations or factors from most important to least important. These factors included placing the line next to existing transmission lines, pipelines, and roads; proximity to residences, airports and airstrips, communication towers, parks, and cultural resources; impacts to environmentally sensitive areas, protected or endangered species, and irrigated land; and cost. The factors were ranked by the respondents in the below order of importance:

1. Proximity to single-family and multi-family dwellings and related structures, mobile homes, apartment buildings, commercial structures, industrial structures, business structures, churches, hospitals, nursing homes, and schools
2. Proximity to FAA-registered airports, private airstrips and heliports
3. Proximity to historical or archeological sites
4. Proximity to parks and/or recreational areas
5. Existing corridors (electric transmission lines, pipelines, etc.)
6. Environmentally sensitive areas
7. Proximity to commercial radio transmitters, microwave relay stations or other electronic installations
8. Agricultural areas irrigated by traveling irrigation systems
9. Protected or endangered species
10. Cost of the line

When asked which of five situations applied to them, responses were as follows:

- 49% of the respondents indicated a potential line route would be near their home
- 57% indicated a potential line route would be near their farm or business
- 68% indicated the line route would be on their land
- 5% indicated they would not be affected by a proposed route
- 15% indicated they would be affected in another way (most respondents indicated an airstrip would be affected, their property value or aesthetics

would be affected, or a new home or proposed development would be affected by a proposed route).

According to the questionnaire responses, 60% of the respondents believed the proposed routes were adequately explained. Of the respondents that indicated they had a concern with a particular route, most of the concerns were directed toward Links AA, CC, EE, HH, KK, MM, RR and TT in the Central C to Sam Switch segment of the Project. Most of the other route links were also mentioned, but not as frequently. Many respondents listed their assigned tract number as their area of concern.

When asked whether they would prefer monopole or lattice tower structures, 64% indicated a preference for monopoles, while 36% indicated no preference. One respondent indicated a preference for lattice tower structures. The majority of respondents (82%) indicated that they heard of the open house meetings by mail.

The questionnaire also allowed space for respondents to write in general comments and or concerns. The most frequently mentioned comments or concerns mentioned in letters or questionnaire format included:

- Concern for a particular link crossing their property and the suggestion to select a different route or a proposal for a new alignment that would avoid their property or concern
- Concern for property devaluation resulting from the line and fair compensation for use of the land
- Concern for views or aesthetics, particularly the Chalk Mountain area
- Concern for environmentally sensitive species or areas, particularly the golden-cheeked warbler and the black-capped vireo, as well as clearing of trees
- Health concerns, in part associated with electric and magnetic fields (EMF)
- Suggestions to use existing ROW
- Concern for farming/crop impacts

- Complaints regarding the format and helpfulness of the open house meeting and notification concerns
- Concern for the proximity of the routes to homes, stock tanks, and other features on their property

For each public meeting or public open house provide a description of the method of notice, a copy of any notices, and the number of notices that were mailed and/or published.

Lone Star mailed written notice of the meetings to all owners of property within 500 feet of the centerline of the preliminary alternatives routes (nearly 4,500 landowner notices were mailed). Notices were also mailed to the local officials and various state/federal regulatory agencies. In addition, advertisements ran in the local newspapers listed below announcing the location, time, and purpose of the meetings. A copy of all notices can be found in Appendix B of the Environmental Assessment and Routing Study.

Snyder Daily News (September 27, 2009 and October 4, 2009)
Colorado City Record (September 24, 2009 and October 1, 2009)
Rotan Advance/Roby Star Record (September 24, 2009 and October 1, 2009)
Abilene Reporter News (September 27, 2009 and October 4, 2009)
Western Observer (September 23, 2009 and September 30, 2009)
Clyde Journal (September 23, 2009 and September 30, 2009)
Baird Banner (September 23, 2009 and September 30, 2009)
Cross Plains Review (September 23, 2009 and September 30, 2009)
The Albany News (September 24, 2009 and October 1, 2009)
Breckenridge American (September 30, 2009 and October 7, 2009)
Mineral Wells Index (October 4, 2009 and October 11, 2009)
The Lake Country Sun (October 2, 2009 and October 9, 2009)
Cisco Press (October 4, 2009 and October 11, 2009)
Eastland Telegram (October 4, 2009 and October 11, 2009)
Ranger Times (October 4, 2009 and October 11, 2009)
The Rising Star (September 30, 2009 and October 7, 2009)

Stephenville Empire-Tribune (October 4, 2009 and October 11, 2009)

The Dublin Citizen (October 1, 2009 and October 8, 2009)

The Comanche Chief (September 30, 2009 and October 7, 2009)

The Glen Rose Reporter (September 30, 2009 and October 7, 2009)

Glen Rose Newspaper (October 1, 2009 and October 8, 2009)

Cleburne Times-Review (October 4, 2009 and October 11, 2009)

Bosque County News (September 30, 2009 and October 7, 2009)

The Clifton Record (September 30, 2009 and October 7, 2009)

The Hillsboro Reporter (October 5, 2009 and October 12, 2009)

The Lakelander (October 7, 2009 and October 14, 2009)

Navarro County Times (October 1, 2009 and October 8, 2009)

Corsicana Daily Sun (October 4, 2009 and October 11, 2009)

17. Routing Maps:

Base maps should be a full scale (one inch = not more than one mile) highway map of the county or counties involved, or other maps of comparable scale denoting sufficient cultural and natural features to permit location of all proposed alternative routes (including the preferred route) in the field. Provide a map (or maps) showing the study area, routing constraints, and all routes or line segments that were considered prior to the selection of the preferred and alternate routes. Identify the preferred and alternate routes and any existing facilities to be interconnected or coordinated with the proposed project. Identify any taps, ties, meter points, or other facilities involving other utilities on the routing map. Show all existing transmission facilities located in the study area. Include the locations of radio transmitters and other electronic installations, airstrips, irrigated pasture or cropland, parks and recreational areas, historical and archeological sites, and any environmentally sensitive areas.

See Attachment 6.

Provide aerial photographs of the study area displaying the date that the photographs were taken or maps that show (1) the location of each proposed alternative route (including the preferred route) with each route segment identified, (2) the locations of all major public roads including, as a minimum, all federal and state roadways, (3) the locations of all known habitable structures or groups of habitable structures (see Question 18 below) on properties directly affected by any route, and (4) the boundaries (approximate or estimated according to best available information if required) of all properties directly affected by any route .

See Attachment 7.

For each proposed alternative route (including the preferred route), cross-reference each habitable structure (or group of habitable structures) and directly affected property identified on the maps or photographs with a list of corresponding landowner names and addresses and indicate which route segment affects each structure/group or property.

See Attachment 8.

18. Permits:

List any and all permits and/or approvals required by other governmental agencies for the construction of the proposed project. Indicate whether each permit has been obtained.

Lone Star has not obtained any permits at this time. Prior to construction Lone Star will obtain any required permits based on the routes approved by the Commission. Below is a list of permits that could potentially be required for construction of the Project on any of the routes:

- Texas Department of Transportation ("TxDOT") permit(s) for crossing state maintained roadways.
- A Storm Water Pollution Prevention Plan ("SWPPP") will be prepared and a Notice of Intent will be submitted to the Texas Commission on Environmental Quality ("TCEQ") under the TPDES program.
- A cultural resources survey plan will be developed with the Texas Historical Commission ("THC") for the proposed Project.
- Consultation with the U.S. Army Corps of Engineers ("USACE") will occur following the Commission's approval of this Application to determine appropriate requirements under Section 404/Section 10 Permit criteria.
- Consultation with the U.S. Fish and Wildlife Service will occur following the Commission's approval of this Application to determine appropriate requirements under the Endangered Species Act.

In addition, routes containing Links XX2 and XX4 cross USACE-owned land and will require an Environmental Assessment should a route with one of those links be selected (CSS183, CSS200, CSS246, and CSS264).

19. Habitable structures:

For each proposed alternative route (including the preferred route) list all single-family and multi-family dwellings and related structures, mobile homes, apartment buildings, commercial structures, industrial structures, business structures, churches, hospitals, nursing homes, schools, or other structures normally inhabited by humans or intended to be inhabited by humans on a daily or regular basis within 300 feet of the centerline if the proposed project will be constructed for operation at 230kV or less, or within 500 feet of the centerline if the proposed project will be constructed for operation at greater than 230kV. Provide a general description of each habitable structure and its distance from the centerline of the alternative route. In cities, towns or rural subdivisions, houses can be identified in groups. Provide the number of habitable structures in each group and list the distance from the centerline of the alternative route to the closest and the farthest habitable structure in the group. Locate all listed habitable structures or groups of structures on the routing map.

The table below identifies the habitable structure ID number ("ID"), structure type, distance, and direction of all habitable structures located within 500 feet of the Preferred Routes. Table 2, attached, identifies the same information for the alternate routes. Figures 3-2A through 3-2F of the Environmental Assessment and Routing Study depicts the location of the habitable structures.

Habitable Structures within 500 feet of the Central A to Central C Preferred Route

Route	ID	Distance From Line	Direction From Line	Description
AC 6 (Preferred Route)	25	490	South	House
	26	293	Northwest	House
	27	438	South	House
	28	388	South	House
	29	112	Northwest	RV
	30	527	Northwest	House
	31	92	North	House
	32	165	North	House
	33	377	North	House
	34	470	South	House
	35	528	South	House
	36	385	South	House
	37	200	South	House
	56	149	Northwest	House
	57	190	Northwest	House
	58	178	South	House
	59	386	North	House
	60	440	South	House

	61	366	South	House
	62	291	North	House
	63	482	North	House
	64	277	Southeast	House
	65	67	North	RV
	66	163	North	House
	67	348	Northwest	Business
	68	513	South	House
	69	222	South	House
	70	245	Northwest	House
	71	341	Northwest	House
	72	242	North	House

Habitable Structures within 500 feet of the Central C to Sam Switch Preferred Route

Route	ID	Distance From Line	Direction From Line	Description
CSS 14 (Preferred Route)	90	503	South	House
	91	468	South	House
	92	468	South	House
	93	185	North	House
	94	522	South	House
	95	389	South	House
	96	350	South	House
	97	491	North	Business
	98	254	North	House
	99	172	North	House
	100	379	North	House
	101	160	North	House
	269	308	Southwest	House
	270	174	West	RV
	271	291	West	House
	272	465	Northeast	House
	273	416	East	House
	274	325	East	House
	275	172	Northwest	House
	276	384	West	House
	277	419	West	House
	278	426	West	Unknown
	279	504	East	House
	280	345	East	House
	281	371	North	House
	282	482	Southwest	House
	283	365	Southwest	House
	284	350	South	House
	285	307	South	House
	303	421	Southwest	House
	304	489	Northeast	House
	305	415	Northeast	House

306	476	Southwest	House
307	456	Northeast	House
308	378	Southwest	House
309	288	Southwest	House
310	478	Northeast	House
508	442	Northeast	Church
509	480	Southwest	House
510	401	Southwest	House
511	385	Southwest	House
512	369	Southwest	House
513	362	Southwest	House
514	529	Southwest	House
515	390	Southwest	House
516	127	Northeast	House
517	63	Northeast	Unknown
518	271	Northeast	Unknown
519	442	Southwest	House
520	155	Southwest	House
323	375	Northwest	House
579	518	Southeast	House
580	238	Northwest	House
581	520	Southwest	House
582	372	Northeast	House
583	528	South	House
584	364	South	House
585	132	South	House
586	150	South	House
587	132	South	House
588	164	South	House
589	118	South	House
102	454	Southwest	House
103	338	Southwest	House
104	430	Southwest	House
105	505	Southwest	House
106	328	Northeast	House
107	245	Northeast	House
108	333	South	House
109	392	Northeast	House
110	467	Northeast	House
111	307	Southwest	House
112	451	Southwest	House
113	529	Northeast	House
114	416	Northeast	House
115	331	Southwest	House
116	397	Northeast	House
117	506	Southwest	House
118	295	South	House

	119	331	South	House
	286	469	East	House
	287	469	East	House
	288	528	East	House
	289	322	Southwest	House
	290	405	Northeast	House

Habitable Structures within 500 feet of the Sam Switch to Navarro Preferred Route

Route	ID	Distance From Line	Direction From Line	Description
SSN 4 (Preferred Route)	640	506	South	House
	641	316	South	House
	642	127	Southeast	House
	652	297	South	House
	653	381	South	House
	654	141	North	House
	655	525	South	House
	656	411	South	Business
	657	516	South	House
	658	56	North	RV
	659	528	South	House

20. Electronic Installations:

For each proposed alternative route (including the preferred route), list all commercial AM radio transmitters located within 10,000 feet of the center line of the alternative route, and all FM radio transmitters, microwave relay stations, or other similar electronic installations located within 2,000 feet of the center line of the alternative route. Provide a general description of each installation and its distance from the center line of the alternative route. Locate all listed installations on a routing map.

There are no commercial AM communication towers within 10,000 feet of any of the alternative routes of the Central A to Central C or the Sam Switch to Navarro segments of the Project. Only alternative route CSS 101 in the Central C to Sam Switch segment would be within 10,000 feet of an AM facility owned by KHBR Radio, Inc. It would be approximately 9,720 feet south of the route.

There are no FM radio transmitters, microwave relay stations, and other electronic installations identified within 2,000 feet of the Preferred or alternate routes for the Sam Switch to Navarro segment of the Project. The tables below list FM radio transmitters, microwave relay stations, and other electronic installations identified within 2,000 feet of the Preferred Routes for the Central A to Central C and

Central C to Sam Switch segments. Table 3, attached, lists the same information for the alternate routes for the Central A to Central C and Central C to Sam Switch segments. Figures 3-2A through 3-2F of the Environmental Assessment and Routing Study depict the location of the electronic installations.

Electronic Installations within 2,000 feet of the Central A to Central C Preferred Route

Route	Operator	Type	Distance	Direction
AC 6 (Preferred Route)	WWC Texas RSA Limited Partnership	Cellular / Microwave	1,820	South

Electronic Installations within 2,000 feet of the Central C to Sam Switch Preferred Route

Route	Operator	Type	Distance	Direction
CSS 14 (Preferred Route)	Pinnacle Towers LLC	Communication	720	South
	Dallas MTA, LP	Cellular	1,120	Southwest
	American Towers, Inc./ NEXTEL of Texas Inc.	Microwave	1,850	Northeast

21. Airstrips:

For each proposed alternative route (including the preferred route), list all known private airstrips within 10,000 feet of the center line of the project. List all airports registered with the Federal Aviation Administration (FAA) with at least one runway more than 3,200 feet in length that are located within 20,000 feet of the center line of any alternative route. For each such airport, indicate whether any transmission structures will exceed a 100:1 horizontal slope (one foot in height for each 100 feet in distance) from the closest point of the closest runway. List all listed airports registered with the FAA having no runway more than 3,200 feet in length that are located within 10,000 feet of the center line of any alternative route. For each such airport, indicate whether any transmission structures will exceed a 50:1 horizontal slope from the closest point of the closest runway. List all heliports located within 5,000 feet of the center line of any alternative route. For each such heliport, indicate whether any transmission structures will exceed a 25:1 horizontal slope from the closest point of the closest landing and takeoff area of the heliport. Provide a general description of each listed private airstrip, registered airport, and heliport; and state the distance of each from the center line of each alternative route (including the preferred route). Locate and identify all listed airstrips, airports, and heliports on a routing map.

There are no public-use airports registered with the FAA having at least one runway greater than 3,200 feet in length within 20,000 feet of the Preferred or alternate routes for the Central A to Central C segment of the Project. Likewise, there are no public-use airports registered with the FAA having a runway more

than 3,200 feet in length and no private airstrips within 10,000 feet of the centerline of the alternative routes for the Central A to Central C segment of the Project, nor are there any heliports located within 5,000 feet of the Preferred or alternate routes for the Central A to Central C segment.

The tables below list the FAA registered airports with at least one runway greater than 3,200 feet found within 20,000 feet of the Preferred Route for the Central C to Sam Switch segment of the Project; FAA registered airports with runways less than 3,200 feet in length found within 10,000 feet of the Preferred Route of the Central C to Sam Switch and Sam Switch to Navarro segments; private airstrips within 10,000 feet of the Preferred Route for Central C to Sam Switch and the Preferred and alternate routes for the Sam Switch to Navarro segments; and heliports within 5,000 feet of the Central C to Sam Switch Preferred and alternate routes. Table 4, attached, lists the above described airports and heliports on the alternate routes.

None of the alternative routes for the Sam Switch to Navarro segment of the Project have any FAA-registered airports having a runway that is greater than 3,200 feet in length within 20,000 feet or any heliports within 5,000 feet.

Figures 3-2 and Figures 3-2A through 3-2F of the Environmental Assessment and Routing Study depicts the location of the airstrips.

FAA Registered Airstrips/Airports with At Least One Runway >3,200 feet in Length within 20,000 feet of the Central C to Sam Switch Preferred Route

Route	Airport	Distance (feet)	Direction	FAA Notification Required	Usage
CSS 14 (Preferred Route)	Albany Municipal	11,610	North	No	Public
	Stephens County Airstrip	9,600	North	Yes	Public
	Thurber Lake Airstrip	12,190	West	No	Private
	Kimzey Airstrip	19,540	Northeast	No	Private
	Flat Top Ranch Airstrip	17,890	South	No	Private
	Hillsboro Municipal	7,310	Northeast	Yes	Public

FAA Registered Airstrips/Airports with Runways <3,200 feet in Length within 10,000 feet of the Central C to Sam Switch Preferred Route

Route	Airport	Distance (feet)	Direction	FAA Notification Required	Usage
CSS 14 (Preferred Route)	Caselman Ranch Airstrip	1,260	South	No	Private
	Dearing Ranch Airstrip	9,700	West	No	Private

FAA Registered Airstrips/Airports with Runways <3,200 feet in Length within 10,000 feet of the Sam Switch to Navarro Preferred Route

Route	Airport	Distance (feet)	Direction	FAA Notification Required	Usage
SSN 4 (Preferred Route)	Gizmo Field	4,270	North	No	Private
	Bar 16 Airstrip	9,150	South	No	Private

Private Airstrips (Not FAA Registered) within 10,000 feet of the Central C to Sam Switch Preferred Route

Route	Airport	Distance (feet)	Direction	FAA Notification Required	Usage
CSS 14 (Preferred Route)	Unknown	2,880	North	No	Private
	Unknown	3,790	North	No	Private
	Unknown	3,000	Southwest	No	Private

Private Airstrips (Not FAA Registered) within 10,000 feet of the Sam Switch to Navarro Preferred and Alternate Routes

Route	Airport	Distance (feet)	Direction	FAA Notification Required	Usage
SSN 4 (Preferred Route)	Unknown	2,220	Southwest	No	Private
SSN 7	Unknown	2,220	Southwest	No	Private

Alternate Routes SSN 1, SSN 2, SSN 3, SSN 5, and SSN 6 do not have any private, non-FAA registered airstrips within 10,000 feet.

Heliports within 5,000 feet of the Central C to Sam Switch Preferred Route

Route	Airport	Distance (feet)	Direction	FAA Notification Required	Usage
CSS 14 (Preferred Route)	Link Ranch Heliport	1,660	South	No	Private
	Rough Creek Lodge Heliport	4,450	Southwest	No	Private
	Rough Creek Lodge Heliport	1,500	Southwest	No	Private

22. Irrigation Systems:

For each proposed alternative route (including the preferred route) identify any pasture or cropland irrigated by traveling irrigation systems (rolling or pivot type) that will be traversed by the alternative route. Provide a description of the irrigated land and state how it will be affected by each alternative route (number and type of structures etc.). Locate any such irrigated pasture or cropland on a routing map.

Most traveling irrigation systems that were identified as being crossed by a route were center-pivot irrigation systems. Only one was a linear-move irrigation system. The tables below list the number of crossings and the total length of land irrigated by traveling irrigation systems crossed by the Preferred and alternate routes for each segment. The center pivot irrigation systems are visible on Figures 3-2A through 3-2F of the Environmental Assessment and Routing Study.

Land with Traveling Irrigation Systems Crossed by the Central A to Central C Preferred and Alternate Routes

Route	Number Crossed	Total Length Crossed (miles)
AC 6 (Preferred Route)	0	0
AC 1	1	0.1
AC 2	1	0.1
AC 3	2	0.3
AC 4	0	0
AC 5	1	.02
AC 7	1	0.2
AC 8	0	0
AC 9	1	0.2

Land with Traveling Irrigation Systems Crossed by the Central C to Sam Switch Preferred and Alternate Routes

Route	Number Crossed	Total Length Crossed (miles)
CSS 14 (Preferred Route)	0	0
CSS 1	0	0
CSS 16	0	0
CSS 33	0	0
CSS 97	2	0.3
CSS 101	1	0.1
CSS 183	1	0.1

CSS 200	2	0.3
CSS 228	2	0.5
CSS 229	3	0.8
CSS 230	2	0.5
CSS 246	2	0.5
CSS 249	2	0.5
CSS 264	2	0.5

None of the Preferred and alternate routes between Sam Switch and Navarro cross any traveling irrigation systems.

23. Notice:

Notice is to be provided in accordance with P.U.C. PROC. R. 22.52.

A. Provide a copy of the written direct notice to owners of directly affected land. Attach a list of the names and addresses of the owners of directly affected land receiving notice.

A copy of the written direct notice, with attachments, mailed to owners of directly affected land is provided as Attachment 9 to this Application. A list of the names of and addresses of those owners of directly-affected land to whom notice was mailed by first-class mail is provided as Attachment 10 to this Application. Landowners of record were determined by review of information obtained from the Tax Appraisal Districts located in the counties through which the proposed transmission line alternative routes run.

B. Provide a copy of the written notice to utilities that are located within five miles of the proposed transmission line.

A copy of the written direct notice, with attachments, provided to utilities located within five miles of the proposed transmission line is provided as Attachment 11 to this Application. The following utilities were provided notice:

Oncor Electric Delivery Company

Brazos Electric Power Cooperative, Inc.

Electric Transmission Texas, LLC

AEP Texas North Company

Texas New Mexico Power Company

Cap Rock Energy Corporation

C. Provide a copy of the written notice to county and municipal authorities.

A copy of the written direct notice, with attachments, provided to county and municipal authorities is provided as Attachment 11 to this Application. The county and municipal officials provided notice are listed in Attachment 12 to this Application.

D. Provide a copy of the notice that is to be published in newspapers of general circulation in the counties in which the proposed facilities are to be constructed. Attach a list of the newspapers that will publish the notice for this Application. After the notice is published, provide the publisher's affidavits and tear sheets.

A copy of the public notice, to be published in the newspapers listed below, is provided in Attachment 13 to this Application. The notice will be published once in each newspaper, no later than the week after the Application is filed with the Commission. Publishers' affidavits will be filed with the Commission showing proof of notice as soon as available after filing of this Application.

Snyder Daily News

Colorado City Record

Rotan Advance/Roby Star Record

Abilene Reporter News

Western Observer

Clyde Journal

Baird Banner

Cross Plains Review

The Albany News

Breckenridge American

Mineral Wells Index

The Lake Country Sun

Cisco Press

Eastland Telegram

Ranger Times

The Rising Star

Stephenville Empire-Tribune

The Dublin Citizen

The Comanche Chief

The Glen Rose Reporter

Glen Rose Newspaper

Cleburne Times-Review

Bosque County News

The Clifton Record

The Hillsboro Reporter

The Lakelander

Navarro County Times

Corsicana Daily Sun

Livestock Weekly

In addition to the requirements of P.U.C. PROC. R. §22.52 the applicant shall, not less than twenty-one (21) days before the filing of the application, submit to the Commission staff a "generic" copy of each type of proposed published and written notice for review. Staff's comments, if any, regarding the proposed notices will be provided to the applicant not later than seven days after receipt by Staff of the proposed notices, Applicant may take into consideration any comments made by Commission staff before the notices are published or sent by mail.

On April 19, 2010, Lone Star provided to Commission Staff generic copies of the proposed written notices and notices to be published in newspapers of general circulation. Lone Star submitted proposed modifications to that notice on May 5, 2010. Lone Star incorporated Commission Staff's proposed changes prior to providing notice.

24. Parks and Recreation Areas:

For each proposed alternative route (including the preferred route), list all parks and recreational areas owned by a governmental body or an organized group, club, or church and located within 1,000 feet of the center line of the alternative route. Provide a general description of each area and its distance from the center line. Identify the owner of the park or recreational area (public agency, church, club,

etc.). List the sources used to identify the parks and recreational areas. Locate the listed sites on a routing map.

No park or recreational areas would be within 1,000 feet of the Preferred or alternate routes for the Central A to Central C segment of the Project. The following tables list the parks that would be within 1,000 feet of the Preferred Routes for the Central C to Sam Switch and the alternate routes for the Sam Switch to Navarro segments. Table 5, attached, lists the same information for the alternate routes for the Central C to Sam Switch segments. Figures 3-2 and 3-2A through 3-2F of the Environmental Assessment and Routing Study depict the locations of the park/recreational areas within 1,000 feet of the Preferred and Alternate Routes for each segment.

Whitney Lake is USACE land surrounding Whitney Lake. Some of the land crossed is fee-owned, while other areas are managed by the Corps as flowage easement.

Latham Springs Baptist Camp is owned and operated by several Baptist Associations of Churches in the central Texas area. It is located south of Whitney Lake and southwest of the town of Aquilla.

Thousand Oaks Ranch is owned by the Dallas Fort Worth Church as a camping, conference, and retreat facility. It is located west of Corsicana.

Navarro Mills Lake is located in eastern Hill County and western Navarro County. Most of the land surrounding the lake is owned or managed by the U.S. Army Corps of Engineers.

Parks and Recreation Areas within 1,000 feet of the Central C to Sam Switch Preferred Route

Route	Name	Description	Owner	Distance (feet)	Direction
CSS14 (Preferred Route)	Whitney Lake (USACE Easement Land)	Public fishing lake and recreation area	U.S. Army Corps of Engineers	--	Crossed

Parks and Recreation Areas within 1,000 feet of the Sam Switch to Navarro Alternate Routes

Route	Park	Description	Owner	Distance (feet)	Direction
SSN 1	Thousand Oaks Ranch	Camping, conference and retreat facility	Dallas Fort Worth Church	50	Northeast
SSN 2	Navarro Mills Lake	Public fishing lake and recreation area	U.S. Corps of Engineers	360	South
SSN 3	Navarro Mills Lake	Public fishing lake and recreation area	U.S. Corps of Engineers	360	South
SSN 5	Navarro Mills Lake	Public fishing lake and recreation area	U.S. Corps of Engineers	360	South
SSN 6	Navarro Mills Lake	Public fishing lake and recreation area	U.S. Corps of Engineers	360	South

Preferred Route SSN 4 and Alternate Route SSN 7 do not have any parks or recreational areas within 1,000 feet.

25. Historical and Archeological Sites:

For each proposed alternative route (including the preferred route), list all historical and archeological sites known to be within 1,000 feet of the center line of the alternative route. Include a description of each site and its distance from the center line. List the sources (national, state or local commission or societies) used to identify the sites. Locate all historical sites on a routing map. For the protection of the sites, archeological sites need not be shown on maps.

In an effort to identify known cultural resources that could be affected by this Project, an on-line search of the THC Texas Atlas was conducted by Burns & McDonnell archaeologists in September 2009 and was followed up by file search at the Texas Archaeological Research Laboratory. The search also included state archaeological landmarks, historical markers, National Register of Historic Places ("NRHP"), cemeteries, military sites, shipwrecks, sawmills, and bridges. In addition, a search of the National Park Service ("NPS") NRHP database was conducted. The tables below list the known/recorded historical and archeological sites within 1,000 feet of the Preferred Routes for each segment of the Project. Table 6, attached, lists the same information for the alternate routes for the Project. Figures 3-2 and 3-2A through 3-2F of the Environmental Assessment and Routing Study depict the locations of the historical sites within 1,000 feet of the Preferred for each segment.

Historical and Archeological Sites within 1,000 feet of the Central A to Central C Preferred Route

Route	Site Number	Distance (feet)	Direction	Description
AC 6 (Preferred Route)	41JS12	--	Crossed	Lithic scatter
	41JS20	--	Crossed	Lithic scatter
	41JS21	--	Crossed	Lithic scatter
	41JS83	990	North	Undetermined
	41JS95	547	South	Undetermined
	41JS96	--	Crossed	Undetermined
	41JS51	640	North	Prehistoric Camp

Historical and Archeological Sites within 1,000 feet of the Central C to Sam Switch Preferred Route

Route	Site Number	Distance (feet)	Direction	Description
CSS 14 (Preferred Route)	41SF25	--	Crossed	Lithic Scatter
	41SF26	--	Crossed	Lithic Scatter
	41SF38	280	South	Prehistoric Camp
	41SF7	1000	North	Prehistoric Unknown
	41ER17	258	East	Prehistoric Unknown
	41ER19	--	Crossed	Prehistoric Unknown/Historic Farm site
	41ER20	784	East	Prehistoric Unknown
	41ER21	738	East	Prehistoric Unknown
	41ER22	1000	East	Historic Farmstead
	41ER23	--	Crossed	Prehistoric Camp
	41PP92	--	Crossed	Undetermined
	41PP93	173	Southwest	Undetermined
	41ER16	130	Southwest	Historic House site
	41BQ268	--	Crossed	Prehistoric Camp

Historical and Archeological Sites within 1,000 feet of the Sam Switch to Navarro Preferred Route

Route	Site Number	Distance (feet)	Direction	Description
SSN 4 (Preferred Route)	41HI70	670	Northwest	Lithic Scatter
	41HI72	--	Crossed	Lithic Scatter
	41HI79	410	Southwest	Prehistoric Unknown
	41NV37	970	Northwest	Unknown

26. Coastal Management Program:

For each proposed alternative route (including the preferred route), indicate whether the alternative route is located, either in whole or in part, within the coastal management program boundary as defined in 31 T.A.C. §503.1.

If any proposed alternative route (including the preferred route) is, either in whole or in part, within the coastal management program boundary, indicate whether any part of the proposed route is seaward of the Coastal Facilities Designation Line as defined in 31 T.A.C. §19.2(a)(21). Using the designations in 31 T.A.C. §501.3(b), identify the type(s) of Coastal Natural Resource Area(s) impacted by any part of the proposed route and/or facilities.

The proposed Project is not located, either in whole or in part, within the coastal management program boundary as defined in 31 T.A.C. §503.1.

27. **Environmental Impact:**

Provide copies of any and all environmental impact studies and/or assessments of the proposed project. If no formal study was conducted for this project, explain how the routing and construction of this project will impact the environment. List the sources used to identify the existence or absence of sensitive environmental areas. Locate any environmentally sensitive areas on a routing map. In some instances, the location of the environmentally sensitive areas or the location of protected or endangered species should not be included on maps to ensure preservation of the areas or species.

The Environmental Assessment and Routing Study is attached to this Application as Attachment 1.

Within seven days after filing the application for the proposed project, provide a copy of each environmental impact study and/or assessment to the Texas Parks and Wildlife Department (TPWD) for its review at the address below. Include with this application a copy of the letter of transmittal with which the studies/assessments were or will be sent to the TPWD. Provide an affidavit within nine days after filing the application confirming that the letter of transmittal and studies/assessments were sent to TPWD.

Wildlife Habitat Assessment Program
Wildlife Division
Texas Parks and Wildlife Department
4200 Smith School Road
Austin, Texas 78744

Lone Star will provide a copy of the Environmental Assessment and Routing Study to TPWD within seven days after the Application is filed. See Attachment 14 for a copy of the letter of transmittal that will accompany the Environmental Assessment and Routing Study to TPWD. An affidavit confirming that the letter of transmittal and a copy of the Environmental Assessment and Routing Study

were sent to TPWD will be filed with the Commission within nine days after filing this Application.

AFFIDAVIT

Attach a sworn affidavit from a qualified individual authorized by the applicant to verify and affirm that, to the best of knowledge, all information provided, statements made, and matters set forth in this application and attachments are true and correct.

4432861.2
57809.1

OATH

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

I, DAVID K. TURNER, being duly sworn, file this Application as Project Director, Lone Star Transmission, LLC, and state that, in such capacity, I am qualified and authorized to file and verify such Application on behalf of Applicant, am personally familiar with the maps and exhibits filed with this Application, and have complied with all the requirements contained in the Application; and, that all statements made and matter set forth therein and all exhibits attached thereto are true and correct. I further state that the Application is made in good faith, that notice of its filing is being provided in accordance with Public Utility Commission of Texas Procedural Rule §22.52, and that this Application does not duplicate any filing presently before the Commission.

David K. Turner

SUBSCRIBED AND SWORN TO before me, a Notary Public in and for the State of Texas, this 14 day of May, 2010.

SEAL

Gina Lendway
Notary Public

GINA LENDWAY
Notary Public, State of Texas
My Commission Expires
APRIL 17, 2011

My Commission expires: _____

Application For A Certificate of Convenience and Necessity For A Proposed Transmission Line Pursuant To P.U.C. Subst. R. 25.174

Table No. 1

All Routes with lengths

Route	Length (mi)
AC6 (Preferred)	90.5
AC1	92.4
AC2	96.3
AC3	103.9
AC4	87.3
AC5	94.9
AC7	98.1
AC8	91.1
AC9	93.0
CSS14 (Preferred)	187.2
CSS1	185.3
CSS16	199.3
CSS33	191.7
CSS97	197.6
CSS101	192.1
CSS183	182.3
CSS200	183.7
CSS228	192.8
CSS229	193.6
CSS230	185.5
CSS246	179.6
CSS249	184.0
CSS264	186.1
SSN4 (Preferred)	33.3
SSN1	38.0
SSN2	35.4
SSN3	34.1
SSN5	36.2
SSN6	34.8
SSN7	34.1

Application For A Certificate of Convenience and Necessity For A Proposed Transmission Line Pursuant To P.U.C. Subst. R. 25.174

Table No. 2

Habitable Structures within 500 feet of the Central A to Central C Preferred and Alternate Routes

Route	ID	Distance From Line	Direction From Line	Description
AC 1	1	136	West	House
	2	131	East	House
	3	184	North	House
	4	289	South	House
	5	191	North	House
	6	382	South	House
	7	379	South	Unknown
	8	207	South	House
	9	449	North	House
	10	424	North	House
	11	465	North	House
	12	106	South	House
	13	434	Northeast	House
	14	483	Northeast	House
	48	341	North	RV
	49	261	Southeast	RV
	50	428	Southeast	House
	51	129	North	House
	52	425	South	House
	53	509	North	House
AC 2	1	136	West	House
	2	131	East	House
	3	184	North	House
	4	289	South	House
	5	191	North	House
	6	382	South	House
	7	379	South	Unknown
	8	207	South	House
	9	449	North	House
	10	424	North	House
	11	465	North	House
	12	106	South	House
	13	434	Northeast	House
	14	483	Northeast	House
	54	437	East	House
	55	155	West	RV
	56	149	Northwest	House
	57	190	Northwest	House
	58	178	South	House
	59	386	North	House
	60	440	South	House
	61	366	South	House

Application For A Certificate of Convenience and Necessity For A Proposed Transmission Line Pursuant To P.U.C. Subst. R. 25.174

	62	291	North	House
	63	482	North	House
	64	277	Southeast	House
	65	67	North	RV
	66	163	North	House
	67	348	Northwest	Business
	68	513	South	House
	69	222	South	House
	70	245	Northwest	House
	71	341	Northwest	House
	72	242	North	House
AC 3	1	136	West	House
	2	131	East	House
	3	184	North	House
	4	289	South	House
	5	191	North	House
	6	382	South	House
	7	379	South	Unknown
	8	207	South	House
	9	449	North	House
	10	424	North	House
	11	465	North	House
	12	106	South	House
	13	434	Northeast	House
	14	483	Northeast	House
	54	437	East	House
	55	155	West	RV
	56	149	Northwest	House
	57	190	Northwest	House
	58	178	South	House
	59	386	North	House
	73	434	South	House
	74	400	South	House
	75	243	South	House
	76	338	South	Business/Industry
	77	299	North	House
	78	352	North	House
	79	389	North	House
	80	388	North	House
	81	528	North	House
	82	511	North	House
	83	510	North	House
	84	355	Northwest	House
	85	103	North	Business/Industry
	86	313	North	House
	87	496	Northwest	House
	88	394	Southeast	House
	89	211	East	House

Application For A Certificate of Convenience and Necessity For A Proposed Transmission Line Pursuant To P.U.C. Subst. R. 25.174

AC 4	15	530	South	House
	16	157	North	House
	17	132	North	House
	18	328	South	House
	19	210	South	House
	20	410	South	RV
	21	424	South	Business
	22	391	South	Business
	23	489	North	House
	24	512	North	House
	31	92	North	House
	32	165	North	House
	33	377	North	House
	34	470	South	House
	35	528	South	House
	36	385	South	House
	37	200	South	House
	56	149	Northwest	House
	57	190	Northwest	House
	58	178	South	House
	59	386	North	House
	60	440	South	House
	61	366	South	House
	62	291	North	House
	63	482	North	House
	64	277	Southeast	House
	65	67	North	RV
	66	163	North	House
	67	348	Northwest	Business
	68	513	South	House
	69	222	South	House
	70	245	Northwest	House
	71	341	Northwest	House
	72	242	North	House
	15	530	South	House
	16	157	North	House
	17	132	North	House
	18	328	South	House
	19	210	South	House
	20	410	South	RV
	21	424	South	Business/Industry
	22	391	South	Business/Industry
	23	489	North	House
	24	512	North	House
	31	92	North	House
	32	165	North	House
	33	377	North	House
	34	470	South	House