



Control Number: 38354



Item Number: 3191

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**S.O.A.H. DOCKET NO. 473-10-5546  
P.U.C. DOCKET NO. 38354**

**APPLICATION OF LCRA  
TRANSMISSION SERVICES  
CORPORATION TO AMEND ITS  
CERTIFICATE OF CONVENIENCE  
AND NECESSITY FOR THE  
PROPOSED MCCAMEY D TO  
KENDALL TO GILLESPIE 345-KV  
CREZ TRANSMISSION LINE IN  
SCHLEICHER, SUTTON, MENARD,  
KIMBLE, MASON, GILLESPIE,  
KERR, AND KENDALL COUNTIES**

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**BEFORE THE STATE OFFICE**

**OF**

**ADMINISTRATIVE HEARINGS**

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**AC RANCHES'**

**INITIAL BRIEF**

**(AC Ranches voluntarily offers its land, at fair market value, for the proposed transmission line. AC Ranches comprise about 1/3 of the length of links b84 and b86. AC Ranches is in no way affiliated with McGinley L- Ranch, Armstrong Exempt Trust, or Alliance for A3.)**

**15 NOVEMBER 2010**

**POSITION AT-A-GLANCE**

**AC Ranches**

<b>PARTY NAME</b>	<b>LINKS AFFECTING PROPERTIES</b>	<b>MAP #s<sup>1</sup></b>	<b>ROUTE OPPOSING<sup>2</sup></b>	<b>ROUTES SUPPORTING</b>	<b>LEGAL REPRESENTATIVE</b>
<b>AC Ranches</b>	b14bb b84 b86	5 9	MK 13 <sup>3</sup> MK 15 <sup>4</sup> MK 22 MK 23 MK 24 MK 32 MK 33 MK 61	MK 15- modified <sup>5</sup> MK 15A <sup>6</sup> MK 15 Segrest <sup>7</sup> MK 62 MK 63	Shannon K. McClendon

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<sup>1</sup> Map number is from LCRA TSC Ex. 1 at Environmental Assessment ("EA"), Attachment 3.

<sup>2</sup> This chart is meant to be a position summary for the routes listed on LCRA TSC Ex. 26 *except* for MK 15-alternate. MK 15-alternate is no longer in play because of the Commissioners' unanimous decision in P.U.C. Docket No. 38577, *PUC Proceeding to Determine Whether to Modify the CREZ Transmission Plan* (Nov. 10, 2010). *See, also*, Staff Ex. 1 (Mr. Mohammed Ally, P.E. Direct Testimony). Positions regarding other routes not included in LCRA TSC Ex. 26 are not specifically addressed.

<sup>3</sup> MK 13 is LCRA TSC's Preferred Route.

<sup>4</sup> MK 15 is also referred to as "Weinzierl Preferred" Route.

<sup>5</sup> MK 15-modified is Staff's Preferred Route.

<sup>6</sup> MK 15A is also called "Weinzierl Alternate" which is MK 15 but uses links b84 and b86 (traversing the AC Ranches).

<sup>7</sup> MK 15 Segrest uses MK 15 except it goes through Junction.

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**AC RANCH'S  
INITIAL BRIEF**

**I. INTRODUCTION**

For the most western portion of this project, there is a clear path of least resistance. AC Ranches agree to have the subject transmission line traverse its property along segments b84 and b86. The AC Ranches have surveyed routes that will provide a reasonable, feasible, and favorable option for the Administrative Law Judges to recommend a route that is least resistant for Intervenors in this case. AC Ranches' list of supported and opposed routes reflects its opinions regarding the western portion of the study area; AC Ranches has no opinion as to route selection in the central or eastern portion of the study area. Because AC Ranches are agreeing to take 1/3 of the line that comprises the segments of b84 and b86 the impact on community values, the aesthetics and the environment for other property owners in the area is significantly reduced. Further utilizing segments b84 and b86 provides a shorter and less expensive routing option than the Highway 277 and I-10 routes in the western portion of the study area.

#### IV. PRELIMINARY ORDER ISSUES

**F. Preliminary Order Issue No. 6: Which proposed transmission line route is the best alternative, weighing the factors set forth in PURA § 37.056(c) (4), excluding (4) (E), and P.U.C. SUBST. R. 25.101(b) (3) (B)?**

In the western portion of the study area, the Commission Staff's recommended route MK 15-modified is the best transmission line route, and should be recommended to the Commissioners. As succinctly articulated by Staff witness Mr. Mohammed Ally, MK 15-modified is the best route "[w]eighing as a whole the factors set out in PURA § 37.056(c)<sup>8</sup> and P.U.C. SUBST. R. 25.101".<sup>9</sup>

Furthermore, Mr. Ally states that although b84 diagonally cuts through AC1 and segment b86 diagonally cuts through AC3, "[t]hese segments appear to provide a reasonable solution for covering the western part of the study area in a manner that is shorter and less costly than following US277 and I-10 on the western border of the study area."<sup>10</sup>

**G. Preliminary Order Issues No. 7 and 8: Are there alternative routes or facilities configurations that would have a less negative impact on landowners? What would be the incremental cost of those routes? If alternative routes or facility configurations are considered due to individual landowner preference: (a) have the affected landowners made adequate contributions to offset any additional costs associated with the accommodations; and (b) have the accommodations to landowners diminished the electric efficiency of the line or reliability?**

AC Ranches has offered its land for this proposed transmission line. Therefore, by definition, using routes b84 and b86 will have a less negative impact on all other landowners. The record evidence shows that the incremental cost of placing the line on these two routes would reduce the cost of the route that could have traversed Hwy 277

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<sup>8</sup> Section 37.056(c) of the Public Utility Regulatory Act ("PURA"), TEX. UTIL. CODE ANN. §§ 11.001-66.107.

<sup>9</sup> Staff Ex. 1 at 13.

<sup>10</sup> *Id.* at 27.

and I-10 in the western portion of the study area.

As duly noted, this Initial Brief does not squarely address the statutory requirement regarding community values. One can argue that this criterion is simply defined, which may have been true to date when all landowners fought, and fight, to have a transmission line avoid their property. But, this case is unique. Here we have a landowner with many acres willing to take the transmission line. As Mr. Ally testifies, this, in and of itself, is a true reflection of community values. Specifically he states that routing the line through AC Ranches “complies with the factor of PURA in that it address community values by placing the transmission line on the property of a landowner willing to be impacted by the line so that others are not impacted by it”.<sup>11</sup> As P.U.C.’s expert recognizes, “the fact that a portion of the line is routed with landowner consent indicates greater embodiment of the community values factor than if no impacted landowner were to consent to the route”.<sup>12</sup>

Attention should be called to the expert testimony of Mr. Jon E. Hodde, R.P.L.S., wherein he testifies that segment b84 is approximately 15.6 miles long and traverses approximately 2.5 miles on AC I (amounting to 15.7%), and segment b86 is approximately 11 miles long, of which almost seven miles are on AC III, equating to 62%.<sup>13</sup>

## V. CONCLUSION

AC Ranches is willing to take a portion of the LCRA TSC subject transmission line on its land, for fair-market value. AC Ranches respectfully requests the Administrative Law Judges consider all of the evidence in the record and recommend a route that utilizes links b84 and b86 in the western portion of this project.

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<sup>11</sup> Staff Ex. 1 at 27.

<sup>12</sup> *Id.* at 28.

<sup>13</sup> AC Ranches Ex. 2 at 7.

Respectfully submitted,



Shannon K. McClendon  
State Bar No. 13412500

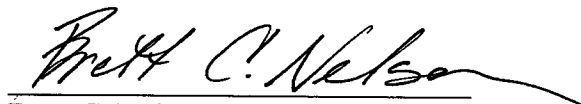
Devon McGinnis  
State Bar No. 24060257

WEBKING McCLENDON, P.C.  
1301 Nueces Street, Suite 200  
Austin, Texas 78701  
(512) 651-0515 telephone  
(512) 651-0520 facsimile

**ATTORNEYS FOR AC RANCHES**

**CERTIFICATE OF SERVICE**

I certify that a full and complete copy of this pleading has been served in accordance with the procedural orders governing this proceeding on November 15, 2010.

  
Brett C. Nelson