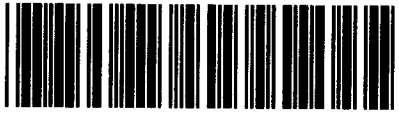




Control Number: 38484



Item Number: 142

Addendum StartPage: 0

SOAH DOCKET NO. 473-10-5919
PUC DOCKET NO. 38484

APPLICATION OF WIND ENERGY § BEFORE THE STATE OFFICE
TRANSMISSION TEXAS, LLC §
(WETT) FOR A CERTIFICATE OF §
CONVENIENCE AND NECESSITY §
(CCN) FOR THE SCURRY COUNTY §
SOUTH – LONG DRAW – GRELTON - § OF
ODESSA 345-KV CREZ §
TRANSMISSION LINES IN SCURRY, §
MITCHELL, BORDEN, HOWARD, §
DAWSON, MARTIN, MIDLAND, AND §
ECTOR COUNTIES § ADMINISTRATIVE HEARINGS

FILED
COMMISSIONER
MAY 22 AM 11:27
CYMED

**JOHNNY LASITER'S DIRECT TESTIMONY
ON BEHALF OF FLINT HILLS RESOURCES**

I. INTRODUCTION

Q. PLEASE STATE YOUR NAME AND ADDRESS.

A. My name is Johnny Lasiter, and my current mailing address is Flint Hills Resources, 2495 S. Grandview Ave., Odessa, TX 79766.

Q. WHAT IS YOUR BACKGROUND and CURRENT OCCUPATION?

A. I graduated from Texas Tech in 1973, with a degree in Chemical Engineering. Since 1977, I have worked at what is now the Flint Hills Resources-Odessa site, in a variety of positions, including my current position of Site Manager.

Q. HAVE YOU EVER TESTIFIED IN A PUBLIC UTILITY COMMISSION OF TEXAS ("PUC" OR "COMMISSION") PROCEEDING?

A. No.

Q. ON WHOSE BEHALF ARE YOU PRESENTING TESTIMONY IN THIS PROCEEDING?

A. I am testifying on behalf of Flint Hills Resources, LP, (FHR) an intervenor in this proceeding.

Q. ARE YOU AN INTERVENOR?

A. Yes, in my capacity as Site Manager of the Odessa Site for Flint Hills Resources, LP, an

142

intervenor in this proceeding.

II. PURPOSE OF TESTIMONY

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?

A. The purpose of my testimony is to describe the property that Flint Hills Resources owns in Ector County that would be impacted by the proposed transmission line routes, and to explain how certain proposed alternative routes would materially degrade the value of Flint Hills Resources property and interfere with Flint Hills Resources ability to utilize the rail yard, which would have a significant negative economic impact.

Q. ARE YOU IN FAVOR OF THE PREFERRED ROUTE?

A. Yes; subject to minor modifications to Links IW4 and C4, links that are a part of the Preferred Route, Alternative Route 14-4, and links that will affect Flint Hills Resources property, Flint Hills Resources is in favor of the preferred route.

As is described more fully below, Flint Hills Resources would prefer minor modifications to the current proposed routing of Links IW4 and C4 on Flint Hills Resources property in order to reduce the negative effects that this proposed line will have on the value of Flint Hills Resources property and its rail yard operations.

Q. DO YOU SUPPORT ANY ROUTES?

A. Again, subject to minor modifications to Links IW4 and C4, Flint Hills Resources supports the following routes: Alternative Routes 1-4, 2-4, 3-4, 4-4, 5-4, 7-4, 8-4, 9-4, 10-4, 11-4, 12-4, 13-4.

Q. DO YOU OPPOSE ANY ROUTES?

A. Yes. Flint Hills Resources is adamantly opposed to Alternative Route 6-4, because this route uses Links JW4 and JJ4. These links would have a devastating effect on the value of Flint Hills Resources property and would interfere with Flint Hills Resources ability to utilize the rail yard, which would have a significant negative economic impact.

III. DESCRIPTION OF PROPERTY

Q. PLEASE DESCRIBE YOUR PROPERTY.

A. Flint Hills Resources owns approximately 1000 acres in eastern Ector County, close to the Odessa Switching Station. In addition to the tracts identified on WETT maps as Flint Hills Resources property, Flint Hills Resources also currently owns those properties in this area that were previously owned by Huntsman Polymers Corp., including the Tract labeled as JJ-TX-ET-001.000. Therefore, Flint Hills Resources property would be affected by proposed Links C4, IW4, JJ4, and JW4. The Flint Hills Resources property is

home to a large petrochemical plant. In addition, an active rail yard is located on the property.

Q. WHAT PORTION OF THE PROPOSED TRANSMISSION LINE AFFECTS YOUR PROPERTY?

A. The FHR property would be affected by the portion of the proposed transmission line that is referred to as "Odessa-Grelton."

Q. WHAT SEGMENTS ADVERSELY AFFECT YOUR PROPERTY?

A. The following Links would all impact Flint Hills Resources' property: IW4, CC4, JJ4, and JW4.

IV. ADVERSE EFFECTS ON THE PROPERTY

Q. PLEASE DESCRIBE HOW LINKS IW4, C4, JJ4, JW4 AS CURRENTLY PROPOSED, WILL IMPACT YOUR PROPERTY, AND EXPLAIN WHAT YOUR OBJECTIONS ARE TO ROUTING THE TRANSMISSION LINE ALONG LINKS IW4, C4, JJ4, JW4.

A. COMMERCIAL IMPACT

Proposed Links JJ4 and JW4 would materially degrade the value of Flint Hills Resources property and interfere with Flint Hills Resources ability to utilize the rail yard, which would have a significant negative economic impact. These proposed links cut directly through an active rail yard owned and operated by FHR. Currently, the rail yard holds approximately 180 rail cars. Flint Hills Resources operates the rail yard and the switching station that is found on the yard. This rail yard is vital to Flint Hills Resources; therefore, FHR is adamantly opposed to construction of the proposed line along JJ4 and JW4.

Proposed Links IW4 and C4 would impose a less severe burden on FHR property. Links IW4 and C4 would be located in the northern portion of the FHR property at the Odessa site. While this location is certainly less damaging than construction of the proposed line using Links JJ4 and JW4, FHR suggests that there are better, alternative locations on FHR property to construct IW4 and C4, that would be in compliance with PURA § 37.056 and PUC Sub. R. 101(b)(3)(B). For example, an existing 345-kV transmission line traverses the FHR property in an approximate diagonal line from northwest to southeast; routing IW4 and C4 in a manner that would parallel the existing 345-kV transmission line right of way would result in less damage to the FHR property than the currently proposed location for these links. An additional alternative would be to shift the existing IW4 and C4 links north, to Flint Hills Resources' existing northern property boundary. This site would also be much less problematic than the currently proposed location for links IW4 and CC4.

V. CONCLUSION

Q. WILL YOU PLEASE SUMMARIZE YOUR TESTIMONY?

- A. Flint Hills Resources intervened in this proceeding, because FHR owns approximately 1000 acres in Ector County that would be impacted by the Odessa-Grelton portion of the proposed transmission line. Flint Hills Resources is adamantly opposed to a transmission line route that would include proposed Links JJ4 and JW4, because these links would materially degrade the value of Flint Hills Resources property and interfere with Flint Hills Resources ability to utilize the rail yard, which would have a significant negative economic impact. Proposed Links IW4 and C4 would impose a less severe burden on FHR property. Indeed, subject to minor modifications to Links IW4 and C4, Flint Hills Resources is in favor of the preferred route for the Odessa-Grelton portion of the proposed transmission line.

Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

- A. Yes. However, in the event the Commission issues an Order with additional issues to be addressed in this proceeding, I reserve the right to supplement my testimony.