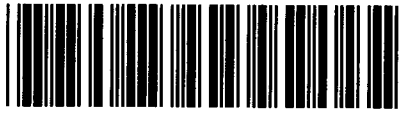


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Addendum StartPage: 0

**SOAH DOCKET NO. 473-13-0218
PUC DOCKET NO. 40606**

APPLICATION OF WIND ENERGY	§	BEFORE THE
TRANSMISSION TEXAS, LLC	§	
FOR AUTHORITY TO ESTABLISH	§	PUBLIC UTILITY COMMISSION
INITIAL RATES AND TARIFFS	§	OF TEXAS

SUPPLEMENTAL TESTIMONY OF

BRADLEY A. BALLARD, P.E., PMP

ON BEHALF OF

WIND ENERGY TRANSMISSION TEXAS, LLC

2012 NOV 13 PM 2:31
PUBLIC UTILITY COMMISSION
FILING CLERK

**TABLE OF CONTENTS TO THE SUPPLEMENTAL TESTIMONY
OF BRADLEY A. BALLARD, P.E., PMP, WITNESS FOR
WIND ENERGY TRANSMISSION TEXAS, LLC**

I.	INTRODUCTION AND PURPOSE	1
II.	INCREMENTAL CAPITAL EXPENDITURES	2
III.	CONCLUSION.....	3
	AFFIDAVIT	4

1 **SUPPLEMENTAL TESTIMONY OF BRADLEY A. BALLARD, P.E., PMP**

2 **I. INTRODUCTION AND PURPOSE**

3 **Q. PLEASE STATE YOUR NAME, POSITION, AND BUSINESS ADDRESS.**

4 A. My name is Bradley A. Ballard, P.E., PMP. I am employed by Wind Energy
5 Transmission Texas, LLC ("WETT") as the Asset Management Director. My business
6 address is 210 Barton Springs Road, Suite 150, Austin, TX 78704.

7 **Q. ARE YOU THE SAME BRADLEY A. BALLARD THAT FILED DIRECT**
8 **TESTIMONY IN THIS PROCEEDING?**

9 A. Yes, I am.

10 **Q. WHAT IS THE PURPOSE OF YOUR SUPPLEMENTAL TESTIMONY?**

11 A. The purpose of my supplemental testimony is to provide an update on the
12 construction of WETT's facilities, including associated costs. Consistent with my direct
13 testimony filed in this proceeding, the term "Phase I Projects" refers to the facilities
14 approved in Docket Nos. 38295 and 38484 (also referred to as "CCN1" and "CCN2,"
15 respectively) and comprise the Cottonwood to Dermott transmission line, the Scurry
16 County South to Long Draw transmission line, the Long Draw to Grelton transmission
17 line, the Grelton to Odessa transmission line, the Cottonwood Substation, the Long Draw
18 Substation, and the Grelton Substation. Also consistent with my direct testimony filed in
19 this proceeding, the term "Phase II Projects" refers to the Docket No. 38825 (or "CCN3")
20 facilities and comprises the Long Draw to Sand Bluff transmission line, the Sand Bluff to
21 Divide transmission line, the Sand Bluff to Bearkat transmission line, the Sand Bluff
22 Substation, and the Bearkat Substation. The Phase II projects also include the Faraday
23 Substation. I will also continue to refer to the Phase I and Phase II Projects as the
24 "Projects."

1 This supplemental testimony was prepared by me or under my direction,
2 supervision, or control and is true and correct.

3 **II. INCREMENTAL CAPITAL EXPENDITURES**

4 **Q. PLEASE PROVIDE AN UPDATE ON THE CONSTRUCTION OF THE**
5 **COMPANY'S UTILITY SYSTEM.**

6 A. WETT has made significant progress in construction of the Projects and is on
7 target to complete construction of the Phase I Projects in March 2013 and the Phase II
8 Projects in May 2013.

9 **Q. HAS WETT USED THE SAME COST CONTROL PROCESSES THROUGHOUT**
10 **THE CONSTRUCTION PERIOD OF THE PROJECTS?**

11 A. Yes. WETT has used the same processes for managing construction costs as I
12 described in my direct testimony throughout the construction period.

13 **Q. HAS WETT USED THE SAME CONTRACTORS AND PROJECT**
14 **MANAGEMENT STRUCTURE THROUGHOUT THE CONSTRUCTION**
15 **PERIOD OF THE PROJECTS?**

16 A. Yes. WETT has used the same contractors and project management structure as I
17 describe in my direct testimony throughout the construction period.

18 **Q. WHAT WAS WETT'S CAPITAL INVESTMENT IN THE PROJECTS AT**
19 **HISTORICAL YEAR END AND AS OF OCTOBER 31, 2012?**

20 A. As of June 30, 2012, WETT's investment in the Phase I Projects was
21 \$183,163,947 and WETT's investment in the Phase II Projects was \$69,417,188.
22 WETT's total investment in the Phase I and Phase II Projects as of June 30, 2012, was
23 \$252,581,135. As of October 31, 2012, WETT's investment in the Phase I Projects was
24 \$289,979,245 and WETT's investment in the Phase II Projects was \$108,389,439.

1 WETT's total investment in the Phase I and Phase II Projects was \$398,368,684. The
2 relevant capital investment is detailed in the supplemental direct testimony of Dr. Bruce
3 H. Fairchild.

4 **Q. IS WETT REQUESTING RECOVERY OF ALL CONSTRUCTION-RELATED**
5 **PROJECTS EXPENDITURES FROM JULY 1, 2012, THROUGH OCTOBER 31,**
6 **2012?**

7 A. No. Consistent with the Processing Agreement, WETT is only requesting
8 recovery of capital investment associated with Phase I Projects.

9 **Q. DOES INCLUSION OF THE ADDITIONAL CONSTRUCTION-RELATED**
10 **EXPENDITURES ASSOCIATED WITH PHASE I PROJECTS HAVE ANY**
11 **EFFECT ON THE OPERATIONS AND MAINTENANCE EXPENSES**
12 **REQUESTED BY WETT IN THIS DOCKET?**

13 A. No. The requested operations and maintenance expenses, including
14 administrative and general expenses, are not affected by the incremental capital
15 investment requested in WETT's supplemental filing.

16 **III. CONCLUSION**

17 **Q. DOES THIS CONCLUDE YOUR SUPPLEMENTAL TESTIMONY?**

18 A. Yes. However, I reserve the right to make changes or corrections as necessary.

AFFIDAVIT

STATE OF TEXAS

§

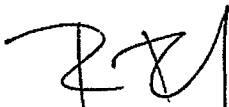
§

COUNTY OF TRAVIS

§

BEFORE ME, the undersigned authority, on this day personally appeared Bradley A. Ballard, who, having been placed under oath by me, did depose as follows:

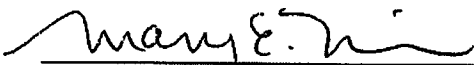
My name is Bradley A. Ballard. I am of legal age and a resident of the State of Texas. The foregoing supplemental direct testimony offered by me are true and correct, and the opinions stated therein are accurate, true and correct.



Bradley A. Ballard

13 **SUBSCRIBED AND SWORN TO BEFORE ME** by the said Bradley A. Ballard this day of NOVEMBER, 2012.





Notary Public, State of Texas

Commission # 12880762-0