

Control Number: 41606



Item Number: 1192

Addendum StartPage: 0

SOAH DOCKET NO. 473-13-5207 PUC DOCKET NO. 41606

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JOINT APPLICATION OF ELECTRIC TRANSMISSION TEXAS, LLC AND SHARYLAND UTILITIES TO AMEND THEIR CERTIFICATES OF **CONVENIENCE AND NECESSITY FOR** THE NORTH EDINBURG TO LOMA ALTA DOUBLE-CIRCUIT 345-KV **TRANSMISSION LINE IN HIDALGO** AND CAMERON COUNTIES, TEXAS

STATE OFFICE OF

ADMINISTRATIVE HEARINGS

DIRECT TESTIMONY

OF

ANDREA B. YOUNG

ON BEHALF OF VALLEY RACE PARK LLC

NOVEMBER 8, 2013

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BEFORE THE

STATE OFFICE OF

ADMINISTRATIVE HEARINGS

1		I. <u>INTRODUCTION</u>
2	Q.	PLEASE STATE YOUR NAME AND ADDRESS.
3	А.	My name is Andrea B. Young. My address is 7575 N. Sam Houston Parkway, Houston,
4		TX 77064.
5	Q.	HAVE YOU PREVIOUSLY TESTIFIED IN A PUBLIC UTILITY COMMISSION
6		PROCEEDING?
7	А.	No, I have not.
8	Q.	ON WHOSE BEHALF ARE YOU TESTIFYING?
9	А.	I am testifying on behalf of PM Texas LLC and Valley Race Park LLC, which I will refer
10		to collectively as Valley Race Park or VRP.
11	Q.	WHAT IS THE RELATIONSHIP BETWEEN PM TEXAS LLC AND VALLEY
12		RACE PARK LLC?
13	А.	Valley Race Park LLC is a wholly owned subsidiary of PM Texas LLC.
14	Q.	WHAT IS YOUR RELATIONSHIP TO VALLEY RACE PARK?
15	А.	I am the President and Chief Operating Officer (COO) of Valley Race Park.
16	Q.	HOW LONG HAVE YOU BEEN IN THIS POSITION?
17	А.	I have been employed by Valley Race Park and Sam Houston Race Park, which formerly
18		owned VRP but is now an affiliate also owned by PM Texas LLC, since 2007. I was
19		promoted to President and COO in January 2009.

WHAT ARE YOUR DUTIES AS PRESIDENT AND COO OF VALLEY RACE 1 Q. 2 **PARK?**

3 I oversee all day-to-day operating activities for VRP including revenue and sales growth, А. 4 cost and margin control, financial goal management, racing operations, facility operations, sales, marketing, human resources, and business administration. I also 5 6 establish and maintain performance goals, allocate resources and assess policies for 7 senior management. In addition, I manage regulatory compliance issues for VRP at the Texas Racing Commission. 8

9

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

10 A. The purpose of my testimony is to address the impact that constructing the proposed line 11 along Link 259 would have for VRP and to provide VRP's position on the placement of 12 the line. VRP owns property operated as an active greyhound track on Link 259 (Property ID 191319). Link 259 is a component of five of the thirty-two route options 13 14 proposed by the Joint Applicants.

15

II. **DESCRIPTION OF VALLEY RACE PARK**

VALLEY RACE PARK'S PROPERTY ALONG 16 **Q**. PLEASE DESCRIBE **PROPOSED LINK 259.** 17

18 Α. Valley Race Park is a 91,000-square foot entertainment complex in Cameron County that 19 features live greyhound racing and year-round simulcasting of both horse and dog racing. 20 The track has capacity to seat 6,000 patrons. The site also includes a 15-acre parking lot, 21 which hosts concerts and various trade shows and accommodates parking for more than 2,500 vehicles. The property has 18 kennels with space for 1,080 greyhounds. An aerial 22 23 map of Valley Race Park is attached as Exhibit AY-1.

PLEASE DESCRIBE VRP'S OPERATIONS IN CAMERON COUNTY. 24 Q.

Valley Race Park's main attractions are live greyhound racing and simulcast wagering. 25 Α. Valley Race Park is one of only three greyhound race tracks in Texas. VRP also 26 27 simulcasts hundreds of thoroughbred and greyhound races on 500 television monitors every operating day, and offers patrons full wagering opportunities along with food and 28 29 beverage service. In addition, VRP features other sports-related telecasts like boxing and UFC (Ultimate Fighting Championship) matches. Photographs illustrating some of
 VRP's facilities and events are attached as Exhibit AY-2.

3

Q. WHAT OTHER EVENTS DOES VRP HOST?

- 4 A. VRP also hosts additional private events. For example, VRP's function rooms are used
 5 for charity events, holiday parties, and weddings. The parking lot has been used in the
 6 past for car shows and the track area can be used for outdoor concerts.
- 7 8

Q.

WHAT IMPACT DOES VALLEY RACE PARK HAVE ON THE COMMUNITY AND LOCAL ECONOMY?

9 A. In addition to providing a premium entertainment venue in Harlingen, Texas, the park
 10 provides the community with several hundred jobs and is a significant contributor to the
 11 local tax base. VRP pays more than \$50,000 in property taxes each year. VRP also pays
 12 significant sales tax, paying more than \$38,000 in 2013. In addition, VRP contributes
 13 several thousand dollars to local charities each year.

14

III. IMPACT OF PROPOSED LINK 259

15 Q. HOW WOULD VRP'S OPERATIONS BE IMPACTED IF A ROUTE WERE 16 CONSTRUCTED ON LINK 259?

17 А. VRP has a number of concerns about proposed Link 259. VRP is concerned that traffic 18 closures or obstructions during the construction process, or during maintenance activities 19 after construction, will deter patrons from visiting the park. Maintaining adequate traffic 20 flow into and out of the property is essential to operating a successful racetrack. In fact, 21 as part of the process to obtain a license from the Texas Racing Commission, VRP was 22 required to conduct and present a traffic flow study to support the viability of the VRP 23 location. VRP's facility is located between S. Ed Carey Dr., which parallels the 24 northwest border of the property, and FM 509, which parallels the southeast border of the property. Patrons visiting the park would use either FM 509 or S. Ed Carey Dr. to access 25 26 the park from US 83, which is the nearest major highway. Link 259 runs alongside FM 27 509, parallel to the southeastern border of VRP's property. Closures or detours on the 28 roads immediately surrounding the park during the construction process, or during 1 subsequent maintenance, could make access for patrons more difficult and deter 2 attendance.

3 **Q**. ARE THERE ANY CIRCUMSTANCES THAT HEIGHTEN VRP'S CONCERNS 4 **ABOUT THE IMPACTS OF LINK 259?**

5 A. Yes. Racetracks in Texas must compete with neighboring states for both patrons and 6 race participants. Tracks in neighboring states supplement the purses paid to race 7 winners by using proceeds from slot machines or other gambling activities, which are not 8 permitted in Texas. This has historically placed Texas at a competitive disadvantage and 9 made it difficult for Texas tracks to maintain profitability. In addition, attendance at the 10 park declined significantly during the economic crisis beginning in 2008-2009. VRP also 11 has to compete with other entertainment venues in the area. VRP has worked very hard 12 in recent years to compete with rival facilities, attract new patrons, and provide a high-13 value entertainment experience. As a result of these efforts, VRP's business has 14 improved and increased substantially in recent years, with higher attendance, and VRP 15 has operated near break-even despite an un-level playing field and an unfavorable 16 Given this recent history and ongoing competitive pressures, VRP is economy. 17 particularly concerned about any development that may deter patrons and create 18 additional financial challenges for the VRP facility.

19

Q. **DOES VRP HAVE OTHER CONCERNS ABOUT LINK 259?**

20 Yes, VRP is also concerned about the impact that construction and clearing activities A. 21 could have for the greyhounds at the track. Sharyland's proposed easement form 22 indicates that the right-of-way will be subject to clearing, and that vegetation may be 23 sprayed with herbicides.¹ VRP is concerned about the impact these activities could have 24 for animals in close proximity to the right-of-way. Significant noise during the 25 construction process would disrupt VRP's operations as a greyhound track and 26 entertainment venue. Dogs are very sensitive to loud noises and having significant 27 construction activities in such close proximity to the kennels and dog runs would be 28 disruptive. Loud noise and construction activities could also disrupt and deter VRP

¹ Applicants' Response to VRP 1-8, attached as Exhibit AY-3.

patrons. These impacts should be avoided by selecting a route that does not include Link
 259.

3

Q. WHAT OTHER IMPACTS DOES VRP ANTICIPATE?

Based on the discovery responses provided by the Applicants, VRP is also concerned that 4 A. 5 some construction activities could actually occur on the VRP property. The Applicants 6 have confirmed that, as proposed, the right-of-way for Link 259 will not be on the VRP 7 property. However, the Applicants have indicated that some areas outside the right-ofway will be used during construction.² If equipment or construction activities were 8 9 located on the VRP property, or if other ingress and egress activities impacted VRP's 10 property during construction, this would further impair VRP's operations and jeopardize its ability to operate a successful business. 11

12 Q. IF A ROUTE IS ULTIMATELY CONSTRUCTED THAT INCORPORATES 13 LINK 259, DO YOU HAVE A POSITION ABOUT THE LOCATION OF THE 14 PROPOSED LINE?

15 Yes. As I mentioned previously, the Application proposes to locate Link 259 exclusively Α. 16 on the other side of FM 509 from VRP's property, to the southeast. The Commission 17 should not select a route that includes Link 259 for the reasons discussed above. 18 However, if the Commission ultimately approves a route that includes Link 259, the 19 location of Link 259 and the associated right-of-way should not be adjusted or extended 20 such that VRP's property would be impacted. The area between FM 509 and VRP's 21 property (tract 191322), is a narrow drainage tract owned by the Cameron County 22 Drainage District. If the line were to be moved to the other side of FM 509 from its 23 current placement, it appears that the right-of-way would have to be located partially or 24 entirely on the VRP property.

² See Response to VRP 1-4, attached as Exhibit AY-3.

1Q.WHY WOULD MOVING THE RIGHT-OF-WAY ONTO VRP'S PROPERTY BE2A CONCERN?

3 As reflected in the easement forms provided by the Applicants,³ there are significant 4 restrictions on how a property owner can use areas within the right-of-way. The 5 Applicants have indicated that Sharyland will construct Link 259 and own the associated easement if a route is selected that includes that link.⁴ Paragraph 4 of Sharyland's 6 7 standard easement form provides that Sharyland shall have the right "to clear the 8 Easement (both above and below ground) of all obstructions." Paragraph 6 of the form 9 also provides that the property owner granting the easement (here, VRP) "shall not build, 10 construct or cause to be erected any improvements, building or other structure that may interfere with the provision of utility operation or the exercise of the rights granted to 11 12 [Sharyland] herein without [Sharyland's] prior written consent." These restrictions 13 indicate that VRP would not be able to build or maintain any structures within the right-14 of-way.

15 Based on the width of the right-of-way as shown on Sharyland's maps, it appears that if 16 the right-of-way were moved across the street onto VRP's property, the greyhound track 17 itself would be within or very near the right-of-way. Having to move the track would be extremely expensive and would cause extreme hardship to VRP. Further, the area on the 18 19 far southeast border of the VRP property, nearest to FM 509, contains dog kennels and 20 dog runs. Moving or eliminating these facilities would also significantly interfere with 21 track operations and impose a substantial hardship on VRP. The site layout for the VRP 22 facility is the product of extensive study and planning, and had to be approved by the 23 Texas Racing Commission. The dog kennels and runs are strategically placed to 24 optimize the site layout and allow immediate, secure access to the track for the 25 greyhounds and trainers. The Commission should not modify the current placement of 26 Link 259 in a way that would impact these facilities. In addition, the concerns about 27 conducting construction and clearing activities in close proximity to the greyhounds, 28 which was discussed previously on p. 6 of my testimony, would be heightened if the 29 right-of-way actually extended onto the VRP property.

³ Supplemental Response to VRP 1-2, attached as Exhibit AY-3.

⁴ Response to VRP 1-3, attached as Exhibit AY-3.

1

Q. WHAT IS VRP'S POSITION WITH RESPECT TO LINK 259?

- A. For the reasons discussed above, the Commission should approve a route that does not
 include Link 259. If a route including Link 259 is ultimately approved, the current
 configuration for the proposed line should be maintained and the right-of-way should not
 be adjusted or extended to encroach upon VRP's property.
- 6

Q. DOES VRP SUPPORT A SPECIFIC ROUTE IN THIS CASE?

- 7 A. VRP has discussed a route with other intervenors that would go directly east from the
 8 North Edinburgh substation to the Loma Alta substation, rather than circling around or
 9 backtracking to pass in close proximity to the South McAllen substation. This route is
 10 being referred to as the "Rhodes Alliance Route" and is the same as Supplemental
 11 Alternative Route 3S, as filed in the applicants' amended application filed on October 28,
 12 2013. VRP supports this route.
- 13

IV. <u>CONCLUSION</u>

14 Q. PLEASE SUMMARIZE YOUR TESTIMONY AND VRP'S POSITION IN THIS 15 CASE.

A. Routes that include proposed Link 259 will adversely impact VRP's operations and
 should not be approved. If a route is selected that ultimately includes Link 259, the
 current configuration for that link should not be modified in any way that would impact
 VRP's property. VRP also supports the Rhodes Alliance Route/Supplemental
 Alternative Route 3S.

21 Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

22 A. Yes.

AFFIDAVIT OF ANDREA B. YOUNG

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STATE OF TEXAS	
COUNTY OF HARRIS	

Before me, the undersigned authority, on this day personally appeared the person known by me to be Andrea Young, who, after being sworn by me, stated as follows:

1. My name is Andrea B. Young. My address is 7575 N. Sam Houston Parkway, Houston, TX 77064. I am over eighteen years of age, am of sound mind and competent to make this Affidavit. I have personal knowledge of every statement contained in this Affidavit, and every statement contained herein is true and correct and based on my own personal knowledge.

2. I make this Affidavit in support of my testimony on behalf of PM Texas LLC and Valley Race Park, LLC (collectively "Valley Race Park" or "VRP"). Attached hereto and made a part hereof for all purposes in my Direct Testimony and Exhibits, which have been prepared in written form for introduction into evidence in SOAH Docket No. 473-13-5207 and Public Utility Commission of Texas Docket No. 41606.

3. I hereby swear and affirm that my answers contained in the testimony are true and correct.

SUBSCRIBED AND SWORN to before me on this the 1 th of November, 2013 to certify which witness my hand and seal of office.

lotary Public

CINDY L. JOHNSON lotary Public, State of Texas My Commission Expires September 30, 2015

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Exhibit AY-2 Page 4 of 4



AY Exhibit 3 Page 1 of 7

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JOINT APPLICATION OF ELECTRIC
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BEFORE THE STATE OFFICE

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ADMINISTRATIVE HEARINGS

ELECTRIC TRANSMISSION TEXAS, LLC AND SHARYLAND UTILITIES, L.P. FIRST SUPPLEMENTAL RESPONSE TO PM TEXAS, LLC AND VALLEY RACE PARK, LLC'S FIRST REQUEST FOR INFORMATION

Question No. VRP RFI No. 1-2:

Please provide a copy of Sharyland's standard easement form. If Sharyland does not have a standard easement form, please provide any documents used to initiate negotiations with landowners for Sharyland's most recent easement acquisition.

Response No. VRP RFI No. 1-2:

Please see VRP RFI No. 1-2 ETT-SU Attachment 1 for a copy of Sharyland's standard easement form.

Supplemental Response No. VRP RFI No. 1-2:

In their response to VRP RFI No. 1-2, Joint Applicants provided the standard distribution line easement form instead of the standard transmission line easement form. Please see VRP RFI No. 1-2 ETT-SU Amended Attachment 1 for the correct copy of Sharyland's standard transmission line easement form.

Prepared By:	Mark Caskey	Title:	President, Sharyland Utilities, L.P.
Sponsored By:	Mark Caskey	Title:	President, Sharyland Utilities, L.P.

AY Exhibit 3 Page 2 of 7

SOAH Docket No. 473-13-5207 PUC Docket No. 41606 VRP's 1st, Q. # VRP 1-2 ETT-SU Amended Attachment 1 P. Page 1 of 3



SHARYLAND UTILITIES, L.P. Pa UTILITY EASEMENT AND RIGHT OF WAY AGREEMENT

THE STATE OF TEXAS

COUNTY OF

This UTILITY EASEMENT AND RIGHT OF WAY AGREEMENT ("Easement") is entered into and made effective as of the ______ day of _______, 20___ (the "Effective Date") between the undersigned, hereinafter called "Grantor" (whether one or more) and Sharyland Utilities, L.P., a Texas limited partnership (hereinafter called the "Company").

1. <u>Grant of Easement</u>. Grantor, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and accepted, does hereby covenant access to and grant, sell, and convey unto the Company an easement and right-of-way ("Easement") upon, over, under, and across the land now owned by the Grantor, as more fully described and shown on attached Exhibit A, under the terms and conditions as set forth herein.

2. <u>Purpose of Easement</u>. The Easement herein granted shall be used for the purpose of providing, constructing, operating and maintaining the Company's overhead transmission and/or communications facilities or equipment (the "Utility Facilities"), to include, without limitation, placing towers or poles, patrolling, repairing, inspecting, rebuilding, upgrading, and removing said Utility Facilities; as well as performing any act related to the operation and maintenance of the Utility Facilities. The Company is specifically granted pedestrian and vehicular ingress and egress over, under, through, and upon the Easement, and over Grantor's land to or from said Easement, at all times for the aforesaid purposes.

3. <u>Term</u>. The Easement and all rights and privileges herein granted shall be perpetual, appurtenant to the land, and shall inure to the benefit of the Company and the Company's successors and assigns.

4. <u>Maintenance of Easement</u>. The Company shall as part of this grant have the right, but not the obligation, to clear the Easement (both above and below ground) of all obstructions, to cut, trim or chemically treat with herbicides, trees or shrubs whether within or outside the Easement to the extent the Company deems necessary to prevent possible interference with or hazards to the safety, operation and/or reliability of the Utility Facilities.

5. Grantor's Reserved Rights. Grantor reserves the right to use, at Grantor's sole risk and expense, the land in any way that will not interfere with the Company's exercise of the rights hereby granted. Without limiting the generality of the foregoing, Grantor shall be permitted to graze livestock and grow crops within the Easement after the Company's construction of the Utility Facilities is complete. Grantor further reserves the right, at Grantor's sole risk and expense, to lay out, dedicate, construct, maintain and use across the Easement such roads, streets, parking lots, alleys, railroad tracks, cattle pens, pump driven irrigation systems (excluding windmills), underground telephone cables and conduits, gas, water and sewer pipe lines as will not interfere with Company's use of the Easement for the purposes aforesaid, provided that, with respect to the Company's Utility Facilities, all such facilities shall be constructed, maintained and operated (i) to provide the minimum clearance provided by law and recognized as standard in the electrical industry; (ii) to meet the safety standards and good utilities practices of the Company, as the Company determines in its absolute discretion, and (iii) as mutually agreed to by the Grantor and the Company before construction of aforesaid facilities.

6. <u>No Interference</u>. Notwithstanding anything to the contrary herein, Grantor shall not build, construct or cause to be erected any improvements, building or other structure that may interfere with the provision of utility operation or the exercise of the rights granted to the Company herein without the Company's prior written consent. Grantor represents and warrants that during the term of this Easement, Grantor will not grant any third party any rights in the Easement that may interfere with the use, construction, maintenance, or operation of the Utility Facilities.

7. <u>Grantor's Representations</u>. Grantor is the sole owner of the Easement and holds fee simple title to the land described in Exhibit A. Grantor has the unrestricted right and authority and has taken all necessary action to authorize Grantor to execute this Easement and to grant to the Company the rights granted hereunder.

8. <u>Confidentiality</u>. Grantor shall maintain in confidence all information pertaining to the financial terms of or payments under this Easement and any other information of the Company that is disclosed or discovered by Grantor that is not in the public domain.

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AY Exhibit 3 Page 3 of 7

SOAH Docket No. 473-13-5207 PUC Docket No. 41608 VRP's 1st, Q. # VRP 1-2 ETT-SU Amended Attachment 1

9. <u>Further Assistance</u>. Grantor covenants that Grantor, Grantor's successors and assigns, shall facilitate and assigne 2 of 3 Company personnel in exercising their rights and privileges herein described at all reasonable times. Grantor further covenants that it will cooperate with the Company in connection with the financing, construction, maintenance and/or operation of the Utilities Facilities.

10. <u>Restoration</u>. In the event the Company damages the land or any of Grantor's permitted facilities in conjunction with the exercise of Company's rights or privileges described herein, the Company shall, to the extent practicable, restore the land and such facilities to substantially the condition existing prior to Company's disturbance thereof.

11. <u>No Ownership</u>. Grantor acknowledges and agrees that Grantor has no ownership or other interest in the Utility Facilities or other equipment used or constructed by the Company on the Easement.

12. <u>Successors and Assigns: Assignment; Recordation</u>. This Easement will be binding upon and inure to the benefit of the parties hereto and their respective successors, legal representatives, and assigns. The parties intend that this Easement create a valid and present interest in the land in favor of the Company and therefore this Easement will be deemed an interest in and encumbrance upon the land which will run with the land. The Company may assign all or part of its interests or rights in this Easement and may at any time mortgage to any entity, all or any part of the Company's county(ies) in which the land is located.

13. <u>Amendment and Governing Law</u>. This Easement may only be modified in a separate writing signed by both parties. This Easement shall be governed by and construed under the laws of the State of Texas, excluding any choice of law provisions thereof.

EXECUTED to be effective as of the Effective Date.

<u>GRANTOR:</u> By:

Name:

Title:

STATE OF _____

COUNTY OF

BEFORE ME, the undersigned authority, on this day personally appeared, ______ known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purposes and consideration herein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this __ day of ______, 20____, 20____,

Notary Public in and for the State of

Printed or stamped Name of Notary

My Commission Expires:

AY Exhibit 3 Page 4 of 7

SOAH Docket No. 473-13-5207 PUC Docket No. 41606 VRP's 1st, Q. # VRP 1-2 ETT-SU Amended Attachment 1 Page 3 of 3

EXHIBIT "A"

LEGAL DESCRIPTION OF LAND AND THE EASEMENT

(In the event of any inaccuracy in this Exhibit A, the Company and Grantor shall correct such inaccuracy in order to accomplish the intent of the Company and Grantor.)

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ELECTRIC TRANSMISSION TEXAS, LLC AND SHARYLAND UTILITIES, L.P. RESPONSE TO PM TEXAS. LLC AND VALLEY RACE PARK, LLC'S FIRST REQUESTS FOR INFORMATION

Question No. VRP 1-3:

In the event that a route is selected which includes Link 259, please state which utility will own and operate the portion of the transmission where Link 259 is located.

Response No. VRP 1-3:

ETT and Sharyland have agreed to each construct and own one-half of the project. ETT will construct, own, and operate the western half of the new transmission line, and, subject to Joint Applicants' response to Question No. 2b of the Application, Sharyland will construct, own, and operate the eastern half of the new transmission line. Other than this general description, the Joint Applicants will not know with certainty which company will own and operate specific portions of the transmission line until a final route is approved by the Commission. However, if a route proposed by Joint Applicants that includes Link 259 is selected by the Commission, Sharyland will own and operate that portion of the transmission line based on the agreement described above.

Prepared By:	Mark Caskey	Title:	President, Sharyland Utilities, L.P.
Sponsored By:	Mark Caskey	Title:	President, Sharyland Utilities, L.P.

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Question No. VRP 1-4:

Will all construction activities take place inside the right-of-way?

Response No. VRP 1-4:

While most construction activities will take place inside the right-of-way, limited areas outside the right-of-way will be used temporarily for construction activities (e.g., temporary roadways used to access the right-of-way, laydown yards used for storage of construction equipment and materials). Where use of land outside the right-of-way is necessary for construction activities, Joint Applicants will work with surrounding landowners to determine where these temporary construction activities would best be located.

Prepared By:	Mark Caskey Teresa Trotman	President, Sharyland Utilities, L.P. Manager of Projects, AEPSC
Sponsored By:	Mark Caskey Teresa Trotman	President, Sharyland Utilities, L.P. Manager of Projects, AEPSC

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Question No. VRP 1-8:

During construction or operation of the transmission line, do Applicants intend to use herbicides, pesticides, or other chemicals in the right-of-way? If so, please list all chemicals intended for use and their effect on land property, animals, and humans.

Response No. VRP 1-8:

Once a route has been approved by the Commission, Joint Applicants will determine whether and/or where herbicides will be used to control vegetation within the right-of-way. If deemed appropriate, US Environmental Protection Agency (EPA)-approved herbicides will be applied and handled in accordance with the product manufacturers' published recommendations and specifications, and as directed by appropriate qualified personnel. Joint Applicants also will comply with the ordering paragraph typically found in CCN orders instructing utilities to "exercise extreme care to avoid affecting non-targeted vegetation or animal life when using chemical herbicides to control vegetation within the ROW, and shall ensure that such herbicide use complies with the rules and guidelines established in the Federal Insecticide, Fungicide and Rodenticide Act and with the Texas Department of Agriculture regulations." Aside from possible use of herbicides, Joint Applicants do not intend to use other chemicals to control vegetation in the right-of-way or pesticides.

Prepared By:	Mark Caskey Teresa Trotman	President, Sharyland Utilities, L.P. Manager of Projects, AEPSC
Sponsored By:	Mark Caskey Teresa Trotman	President, Sharyland Utilities, L.P. Manager of Projects, AEPSC