



Control Number: 42740



Item Number: 28

Addendum StartPage: 0

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P.U.C. PROJECT NO. 42740

RULEMAKING TO AMEND §
SUBSTANTIVE RULE 25.101 RELATING §
TO CERTIFICATION CRITERIA §

PUBLIC UTILITY COMMISSION
BEFORE THE
PUBLIC UTILITY COMMISSION
OF TEXAS

REPLY COMMENTS OF ONCOR ELECTRIC DELIVERY COMPANY LLC

TO THE HONORABLE PUBLIC UTILITY COMMISSION OF TEXAS:

Oncor Electric Delivery Company LLC ("Oncor") submits the following reply to various parties' comments filed in this proceeding.

**I.
INTRODUCTION**

At the workshop, a comment was made that the engineering constraint issue "is a solution looking for a problem." In other words, the current process has worked for a very long time. We should be cautious in trying to make changes based on a single, isolated case where, due to the bifurcated nature of the case, the Commission didn't have access to all the facts. As stated in Oncor's original comments, the full story in the Vinson case demonstrates substantial utility diligence in working with a landowner and consent provided by a landowner.

The Vinsons' filed comments underscore how directly related this project is to the Vinson complaint case.¹ The facts of the Vinson case demonstrate why the process provided in the Vinson comments is unworkable. That case arose from a global settlement in Docket No. 38324.² The Vinsons were the key party to this settlement because of the size and location of their property. Before the Vinsons would sign the global settlement for the CCN case, the Vinsons and their legal counsel demanded a separate settlement agreement with Oncor.³ Once Oncor signed the Vinson Settlement Agreement, the Vinsons agreed to the global settlement of the CCN.

One of the terms of the Vinson Settlement Agreement directly addressed the potential need to modify the location of the transmission line for engineering constraints. During

¹ *Complaint of Johnny H. & Eloise Vinson Against Oncor Electric Delivery Company LLC*, Docket No. 40953 (pending).

² *Application of Oncor Electric Delivery Company to Amend a Certificate of Convenience and Necessity for the Willow Creek - Hicks 345-kV CREZ Transmission Line in Denton, Parker, Tarrant and Wise Counties*, Docket No. 38324.

³ The Vinson Settlement Agreement is included as Attachment No. 1 (with oversized Exhibit A (emphasis added)).

28

settlement discussions, the Vinsons disclosed to Oncor that there may be additional underground pipelines on their property, but the exact number and locations were unknown. Oncor engineers expressed concern about determining an exact location for the line given these potential constraints. In order to resolve this issue and provide flexibility, Oncor and the Vinsons agreed to provision No. 1 of the Vinson Settlement Agreement:

The CREZ Line will be located within the route corridor shown on Exhibit "A". Minor deviations in the location of the final CREZ line outside of such route corridor may be made only upon written agreement of Oncor and those members of the Rolling V Intervenors who own the affected property.

Exhibit "A" to the Vinson Settlement Agreement is a map with a yellow, 1000-foot route corridor that the map legend identifies as "Approved Corridor for Transmission Line Placement." With this provision, the Vinsons provided Oncor consent to locate the CREZ line anywhere inside of the "Approved Corridor for Transmission Line Placement." This provision of the Vinson Settlement Agreement is a perfect example of a case where it was clear there was a potential to encounter engineering constraints, a lack of clarity regarding the precise contours of those potential constraints, and an agreement to use a specific method for addressing those constraints.

Many months after the Commission's Final Order in Docket No. 38324, as Oncor moved toward construction of the line, Oncor was informed that the Vinsons refused to agree to any specific route across their property and that the Vinsons would not abide by the terms of the Vinson Settlement Agreement. Further, the Vinsons demanded a substantial financial payment if Oncor did not want to face litigation costs at the Commission. Oncor refused to pay, and the Vinsons have held true to their threat of litigation. This example highlights the need for flexibility after utilities have engaged in reasonable negotiations and a landowner is unwilling to agree or renege on an agreement regarding engineering constraints.

II.

REPLY TO SPECIFIC COMMENTS

A. The Vinsons and Resolved Energy Consulting (Harold Hughes)

The proposals of the Vinsons and their paid consultant, Harold Hughes of Resolved Energy Consulting,⁴ would increase landowner and utility costs, increase the burden on

⁴ The Vinsons have hired Mr. Hughes to, among other things, provide direct and rebuttal testimony in their pending complaint case in Docket No. 40953. Because Mr. Hughes is paid by and aligned with the Vinsons, Oncor's discussion of the Vinsons' comments also applies to Mr. Hughes' comments.

landowners who participate in CCNs, and create a new round of unnecessary litigation. For these reasons, the Commission should reject their proposals.

The Vinsons seek to impose a new burden on utilities to identify all engineering constraints before filing a CCN application. This burden is simply impossible for utilities to meet.⁵ Utilities only have limited tools at their disposal when compiling environmental assessments (“EAs”) and CCN applications. Utilities utilize aerial photography, conduct reconnaissance surveys, and review information from public resources, such as data from the Railroad Commission of Texas, U.S. Army Corps of Engineers, Texas Department of Transportation, and Texas Parks and Wildlife Department, among others. Landowners may also volunteer information at public meetings and, if they intervene, through testimony in a CCN case. However, none of these sources of information allows a utility to rule out the possibility that engineering constraints may exist.

Utilities must conduct detailed surveys both surface and sub-surface to conclusively determine the absence of engineering constraints. This process requires access to private property—access that a utility does not have until a CCN order is approved. Once a CCN is approved, if a landowner is unwilling to permit surveying, a utility has the ability to gain access through the courts of the State of Texas. Thus, it is only after CCN approval that a utility can begin to make conclusive determinations regarding engineering constraints.

Notwithstanding the access hurdles, requiring surveyed routes in a CCN application would also not serve the public interest. Such a requirement would add substantial additional time and costs to the CCN application process. Surveying involves slow, detailed, boots-on-the-ground work. Oncor estimates that requiring surveys of each proposed route in the typical CCN application could add as much as 12 months to the CCN preparation time. Surveying pre-CCN would also substantially increase costs. As an example, Oncor’s pending Permian Basin – Culberson CCN is a 100+ mile project that essentially provides the commission with four routing corridors.⁶ If surveys had been conducted of all the filed routes in that case pre-application, it would have added approximately \$6.5 million to the project costs. This new burden the Vinsons

⁵ “The Vinsons assert that the utility must meet the burden of proof in the CCN proceeding to establish that the route to be approved by the Commission is not encumbered by any engineering constraints, known or unknown, that would result in route changes....” Vinson Comments at 1.

⁶ *Application of Oncor Electric Delivery Company LLC to Amend a Certificate of Convenience and Necessity for a Proposed 138-kV Transmission Line in Culberson, Loving, Reeves, Ward and Winkler Counties*, Docket No. 42583 (pending).

are advocating for is contrary to the public interest because it would delay needed transmission infrastructure and substantially increase the costs of projects.

In an effort to soften the effect their proposal would have on the process, the Vinsons assert that utilities can obtain information on all engineering constraints through discovery in a CCN case.⁷ This novel assertion fails to add up. First, unfortunately even though utilities strive to have robust landowner involvement, the vast majority of noticed landowners do not attend public meetings or intervene in the CCN case. While the numbers vary from case to case, in one recent representative Oncor CCN, approximately 19% of noticed landowners intervened in the CCN case out of more than 750 noticed landowners. In the pending Permian Basin – Culberson CCN referenced above, over 1700 landowners received notices, yet only 26 (approximately 1.5%) have intervened. This begs the question: how could the CCN discovery process reveal constraints on properties of landowners who do not intervene? This is especially salient given that facts on the ground are constantly changing. The constraints mapping process takes a snapshot in time, but constraints may be subsequently added or removed as time progresses.

A second issue with the Vinsons' proposal is the additional burden it would place on landowners. Utilities rarely serve discovery on landowners in CCN cases. Under the Vinsons' proposal, discovery on every individual landowner would essentially become a part of the utility's burden and necessary in every case. This increased litigiousness inside of the CCN is unlikely to benefit anyone and only serve to decrease landowner participation where unrepresented landowners may already feel somewhat out of their element. Further, as explained above, even the Vinsons—sophisticated intervening landowners with significant resources at their disposal—didn't know where constraints were on their property. The vast majority of landowners are in similar situations. Even landowners who are aware of potential constraints rarely possess the detailed engineering, surveying, or mapping information that would be necessary to meet the conclusive determination burden the Vinsons' comments are seeking to impose. Thus, it is doubtful that conducting rigorous discovery on landowner intervenors will accomplish much more than increasing the burden on those landowners and potentially dissuading participation in CCN proceedings.

⁷ The Vinsons also assert that a "utility, which controls the timing of its filing, has all the time it needs to identify engineering constraints before it files." Vinsons' Comments at 6. This is often not true. For critical reliability projects or customer-driven projects, the identified need for the project must very often be met within short timelines.

Moreover, under the Vinsons' proposal, this increased CCN litigiousness would drag on through multiple phases or multiple filings, increasing both costs and the CCN administrative timeline. Notably, the Vinsons provide only vague allusions to bifurcated phases or some subsequent compliance proceedings without any level of detail as to how their procedural proposals could actually be carried out.⁸ Regardless of its contours, the Vinsons' proposal to lengthen CCN-related proceedings, compounded with the increased litigiousness they desire through heightened landowner discovery, will only increase costs,⁹ discourage participation, and delay needed infrastructure.

Finally, but certainly not least, is the underlying incentive the Vinsons' proposal would create for landowners to *not* identify engineering constraints until *after* the CCN proceeding. Regardless of whether an engineering constraint is classified as "known" or "unknown" under the Vinsons' definitions, their proposal grants landowners a complete and unfettered right to prevent construction of a newly-certificated line if any constraint exists that was not fully litigated in a CCN case. Creation of this Catch-22 can only lead to additional proceedings, costs, and delayed construction timelines.

As the Vinson Settlement Agreement demonstrates, utilities go to great lengths to accommodate landowner preferences, settle disputes within CCN cases, and agree to reasonable terms to minimize the impact unforeseeable circumstances like engineering constraints might have on landowners. However, even when such substantial effort is put forth, some landowners are unwilling to agree or refuse to live by the terms of their agreement.

While engineering constraints are not rare, problems like the Vinson case are. The dramatic changes recommended by Vinson would create impossible burdens that cannot be met, increase the adversarial nature of CCN proceedings, increase costs, and delay transmission line construction. For these reasons, their proposals should be rejected.

B. Atmos Energy Corporation

Oncor agrees with Atmos that pipeline mitigation should be addressed in a rulemaking, but not in this Project. The Notice of Rulemaking in this Project was focused on two issues:

⁸ This proposal also raises jurisdictional issues due to PURA's specified timeframes for processing CCNs. See, e.g., TEX. UTIL. CODE § 37.057 (requiring Commission to approve or deny CCN applications within 1 year).

⁹ Hughes also asks the Commission to consider capping recoverable litigation expenses to the amount intervenors spend. But putting aside the attorney-client privilege implications, the Commission already has the authority and means to review utility litigation costs in general rate proceedings.

engineering constraints and eliminating the preference for pipelines as compatible corridors in transmission line routing. Each of these issues focuses on where and how transmission lines should be built.

Pipeline mitigation, on the other hand, is an extremely technical and controversial topic that can only properly be addressed with the pipeline industry as a whole. The pipeline industry itself lacks consensus on whether mitigation for induced current is even necessary. This lack of consensus is presented in industry standards in which the National Association of Corrosion Engineers ("NACE") has expressly declined to adopt a standard to govern induced current.¹⁰

Many are now concerned with AC corrosion on buried pipelines adjacent to or near overhead electric transmission towers. *This subject is not quite fully understood, nor is there an industry consensus on this subject.* There are reported incidents of AC corrosion on buried pipelines under specific conditions, and there are also many case histories of pipelines operating under the influence of induced AC for many years without any reports of AC corrosion. The members of NACE Task Group (TG) 025 agreed that *any criteria for AC corrosion control should not be included in this standard.*¹¹

As a further illustration of the lack of industry consensus, during the CREZ build-out, Oncor like its fellow TSPs crossed and paralleled well over a hundred different pipelines owned by numerous different companies. The vast majority of pipeline companies did not request that any type of mitigation be installed. However, on the rare occasion mitigation was requested, the cost estimates varied greatly based on the company who owned the pipeline. These costs ranged from \$90,000 to nearly \$2,000,000 per mile. Since no current standard or legal requirement establishes an appropriate amount of mitigation, these cost differences were driven nearly entirely by the level of mitigation deemed appropriate by the particular pipeline company.

Given the lack of any industry standard and the fact that no requirement exists to install mitigation for induced current, it is imperative that the entire pipeline industry receive notice and an opportunity to participate before policy determinations are made on this topic. The proper forum for this topic would likely be a joint project by the Commission and the Railroad Commission of Texas. Such a project would allow all facets of both the transmission line and pipeline industry to participate fully and address the many technical and cross-jurisdictional issues that are raised by pipeline mitigation.

¹⁰ See NACE Standard SPP0177-2014.

¹¹ *Id.* at Foreword (emphases added).

C. AEP

Oncor generally agrees with AEP's comments except for its proposal to codify the Commission's current standard ordering paragraphs ("OPs") regarding deviations. Oncor believes that once the current rulemaking on engineering constraints concludes, the Commission will be in a better situation to address modifications, if any, to its standard OPs regarding deviations on a case-by-case basis.

D. Entergy

In addition to generally agreeing with Entergy's comments, Oncor supports three of Entergy's specific proposals to improve the efficiency of the certification process.

First, Oncor supports extending the routine activity exemption under P.U.C. SUBST. R. 25.101(c)(5)(A) to cover any transmission line up to 10 miles long which is agreed to through the written consent of all landowners whose property is crossed by the line. This change would greatly facilitate utilities' ability to respond to the growing needs of new load customers more quickly than the standard CCN timeframe would allow.

Second, even if such agreed lines are not fully exempted from CCN filings, Oncor agrees with Entergy that any agreed line that has the written consent of all directly affected landowners, regardless of length, should receive streamlined consideration. While this option is not as efficient as full exemption under the routine activity definition described above, it would nevertheless remove unnecessary steps from a CCN filing since proposing and studying alternative routes serve little purpose where a route has already been agreed to by the directly affected landowners.

Third, Oncor agrees that certain customer-driven, agreed, or economic projects should be completed in an expedited 180-day timeframe. These projects merit speedy resolution on public policy grounds. Customer-driven projects in particular typically involve oil and gas development, generation, or large-scale industrial development for which timing is often critical due to the scale of customer investment. Oncor is currently negotiating service for several such projects, all of which would greatly benefit from expedited scheduling due to the customer's required in-service date for these projects. The ability to timely serve such customers enables economic development by providing necessary infrastructure and promotes the growth policies upon which the Texas economy is based.

E. CenterPoint

Oncor generally agrees with CenterPoint's comments. However, Oncor believes that it would be infeasible to include projected costs of pipeline mitigation in the costs estimates filed with a CCN application.¹² As explained above, several issues related to this topic remain unresolved and should be addressed in a separate rulemaking. For instance, there is no legal requirement or even industry consensus regarding the standard to which mitigation is necessary. Various pipelines, gas utilities, and electric utilities will doubtless have their own opinions on if—and if so, how much—mitigation should be required in any given situation. This broad discrepancy in industry views makes estimation of these costs impossible. Therefore, at this time, Oncor does not believe a requirement to include projected pipeline mitigation costs in a CCN application would be proper, prudent, or even feasible.

III.

REPLY TO GENERAL COMMENTS DEFINING "ENGINEERING CONSTRAINT"

Several utilities, including AEP, LCRA and Sharyland, proposed a definition of "Engineering Constraint" that makes explicit what Oncor believes is already implicit in the Strawman definition: it is the utility's engineers who must apply their technical expertise to determine what constitutes an engineering constraint. Oncor fully supports these comments and proposes the following changes to the Strawman definition:

Engineering constraint – Any ~~physical~~ condition ~~related to~~ encountered by a utility in the design or construction of a transmission facility that, consistent with good utility practice, the utility determines would be ~~impossible~~, unsafe or ~~cost prohibitive~~ unreasonably costly to overcome.

¹² See CenterPoint's Comments at 8.

Respectfully submitted,

VINSON & ELKINS LLP

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ATTACHMENT 1

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SETTLEMENT COMMUNICATION

November 5, 2010

Mr. E. Allen Nye
Vinson & Elkins, LLP
Trammell Crow Center
2001 Ross Avenue, Suite 3700
Dallas, Texas 75201-2975

Re: PUC Docket No. 38324; Application of Oncor Electric Delivery Company, LLC to Amend a CCN for the Willow Creek-Hicks 345-kV CREZ Transmission Line in Denton, Parker, Tarrant and Wise Counties

Dear Mr. Nye:

This letter sets forth the terms and conditions under which Oncor Electric Delivery Company LLC ("Oncor") and Mr. & Mrs. Johnny Vinson, Mr. Randy Scroggins, Mr. Bud Vinson and Rolling V Ranch W.C.I.D. No. 1 ("Rolling V Interveners") agree to settle all disputes concerning the location and construction of the 345 kV CREZ transmission line on or near the property of the Rolling V Interveners which transmission line is the subject of PUC Docket No. 38324 (the "CREZ Line").¹ The Rolling V Interveners agree to support any final settlement of Docket No. 38324 that contains the following terms and conditions:

1. The CREZ Line will be located within the route corridor shown on Exhibit "A". Minor deviations in the location of the final CREZ Line outside of such route corridor may be made only upon written agreement of Oncor and those members of the Rolling V Interveners who own the affected property.
2. The CREZ Line will be constructed using steel monopoles with a general appearance for tangent structures as shown in the schematic attached as Exhibit "B". All Oncor tangent transmission line structures located on the property of the Rolling V Interveners will be steel monopoles with the appearance and specifications set forth on Exhibit "B".
3. At no cost or expense to the Rolling V Interveners, Oncor will remove all transmission line conductor, structures and other infrastructure (except for subsurface foundation structures) currently located on the 138 kV Rhome – Sunset transmission line right-of-way currently located on Links BBB and EEE described in Oncor's CCN application

¹ In accordance with and pursuant to Public Utility Commission Order in Docket No. 37902.

which is the subject of PUC Docket No. 38324 (the "Oncor Application") on Rolling V Ranch.

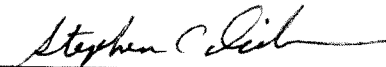
4. Oncor will underbuild the 138-kV Rhome – Sunset transmission line on the proposed 345-kV CREZ transmission line monopoles in order to substantively effectuate a re-location of the existing 138-kV Rhome - Sunset transmission line from its existing location to the agreed route for the CREZ Line as shown on Exhibit A.
5. Oncor and Mr. & Mrs. Johnny Vinson (and/or other appropriate members of the Rolling V Interveners) will enter into an agreement to exchange transmission line rights-of-way under which Oncor will be granted a 100-foot right-of-way to accommodate the CREZ Line, and Oncor will relinquish all of its right-of-way easement rights associated with the existing 138-kV transmission line. Under this land exchange agreement Mr. and Mrs. Johnny Vinson will grant Oncor a 50 foot easement for the CREZ Line at no cost to Oncor in exchange for Oncor's relinquishment of the abandoned portion of its existing 138 kV easement across the Vinson property. The Vinsons will be entitled to just compensation of \$285,388 for the additional 50 feet of right of way that will be required for the CREZ Line. Any easement instruments granted to Oncor for the CREZ Line right-of-way will substantively conform to the form of easement attached hereto as Exhibit C (which form expressly references this letter agreement).
6. Subject to final agreement of Brazos Electric Power Cooperative ("BEPC"), at no cost or expense to the Rolling V Interveners, Oncor or BEPC will remove all transmission line conductor, structures and other infrastructure (except for subsurface foundation structures) currently located on BEPC's 69-kV Newark – Rhome transmission line right-of-way currently located on the Rolling V Interveners' property on Links PPPP and ZZ described in the Oncor Application.
7. Oncor will underbuild the 69-kV Newark - Rhome transmission line on the proposed 345-kV CREZ transmission line monopoles in order to substantively effectuate a re-location of the existing BEPC 69-kV Newark – Rhome transmission line from its existing location to the agreed route for the CREZ Line.
8. All construction and other activities of Oncor on the Rolling V Ranch will take place only within the 100-foot CREZ Line right-of-way easement. If an additional construction easement is needed by Oncor, such temporary construction easement will be the subject of a separately negotiated easement agreement between Oncor and the Rolling V Ranch landowners, but will be provided at no cost to Oncor.
9. For every day on which Oncor conducts activities on the CREZ Line easement area, Oncor will take reasonable measures to remove all trash, debris and litter resulting from that day's activities whether such materials are located on the CREZ Line easement

area or may have been blown onto or come to be located on adjoining Rolling V Ranch property.

10. Oncor shall fully restore all private roads, drainage and irrigation ditches and canals disturbed by Oncor's construction and maintenance activities to their condition prior to such activities.
11. Oncor shall notify Rolling V Intervenor of when herbicides will be used on Rolling V Ranch.
12. Oncor shall be responsible for repairing or replacing gas gathering and gas flow lines that are damaged as a result of Oncor's activities in the CREZ Line easement area. Oncor shall also be responsible for any damages or costs incurred by the Rolling V Ranch landowners that result from Oncor's activities in constructing and maintaining the CREZ Line.
13. Oncor and the Rolling V Intervenor will both exercise their best efforts to obtain permission from the property owners of Tract Nos. 152 and 153 to modify the settlement route across those two properties as shown on Exhibit D. In the event permission for the above mentioned re-route from all landowners of Tract Nos. 152 and 153 cannot be obtained, Oncor will construct the CREZ Line according to Exhibit A.
14. Oncor will coordinate with Rolling V Intervenor regarding final structure placement on the Rolling V Ranch to accomplish, to the extent feasible, the routing of the existing Oncor 138 kV line north of the modified Link ZZ in accordance with the route indicated on Exhibit D. To the extent any structures need to be replaced on the existing Oncor 138 kV line north of the modified Link ZZ due to construction of the CREZ Line and the contemplated underbuild, Oncor will utilize monopole structures.

If the terms and conditions set forth above are acceptable please sign in the space provided below.

Very truly yours,



Stephen C. Dickman
Attorney for Rolling V. Ranch WCID No. 1

Mr. E. Allen Nye
November 5, 2010
Page 4



Mike Warren
Attorney for Mr. & Mrs. Johnny Vinson;
Mr. Randy Scroggins; Mr. Bud Vinson

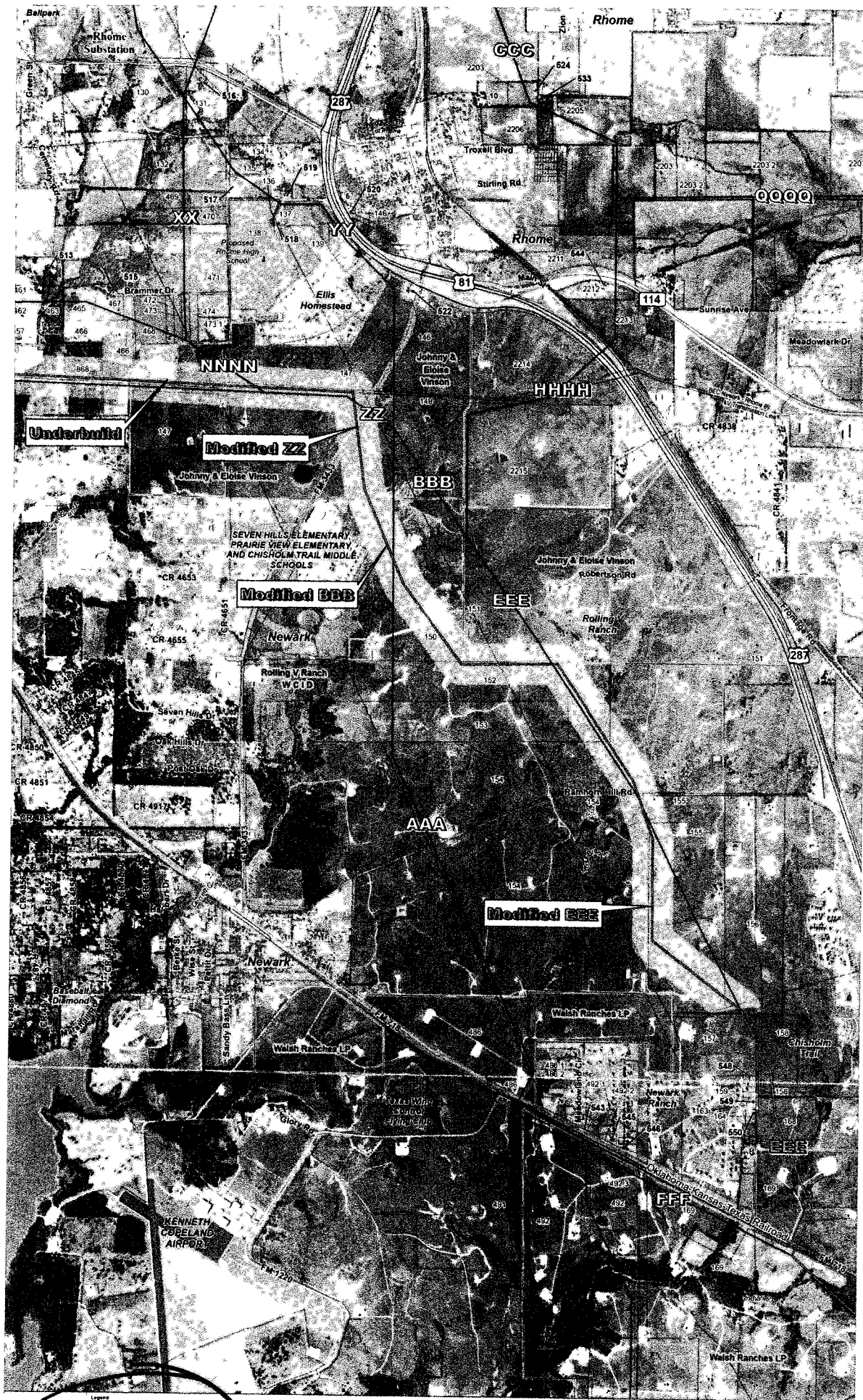
AGREED AND ACCEPTED:

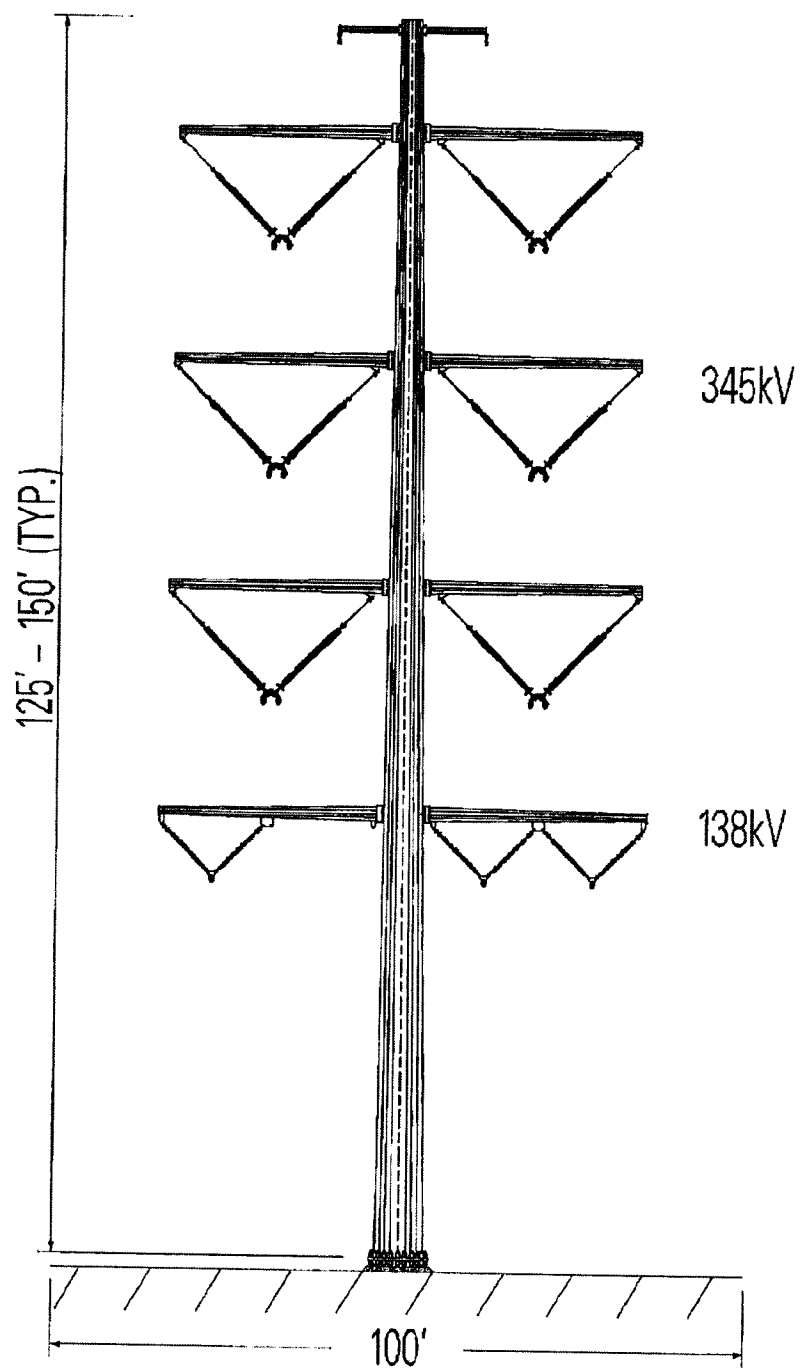
Oncor Electric Delivery Company LLC

By: Chet Warner

Its: Sr Director Transmission

Date: 11-05-2010





345kV DOUBLE CIRCUIT STEEL POLE
TANGENT SUSPENSION w/ 138kV UNDERBUILD

Exhibit B

Line Name: _____
CCN # _____ Easement #: _____
WA #: _____

EASEMENT AND RIGHT OF WAY

STATE OF TEXAS

§

§

COUNTY OF _____

§

KNOW ALL MEN BY THESE PRESENTS:

That, _____, hereinafter called "Grantor," whether one or more, for and in consideration of Ten and no/100 Dollars (\$10.00) and other valuable consideration to Grantor in hand paid by **Oncor Electric Delivery Company LLC**, a Delaware limited liability company, 1601 Bryan St., Dallas, Texas 75201, hereinafter referred to as "Grantee", has granted, sold and conveyed and by these presents does grant, sell and convey unto said Grantee, its successors and assigns, an easement and right-of-way for electric power and communications lines, each consisting of variable number of wires and cables, and all necessary or desirable appurtenances including supporting structures, foundations, guy wires and guy anchorages (the "Facilities") over, under, across and upon all that certain tract(s) of land located in _____ County, Texas, more particularly described in Exhibits A and B, attached hereto and made part hereof.

Together with: (1) the right of ingress and egress over and along the easement and right-of-way and over Grantor's adjacent lands to or from the easement and right-of-way, for the purpose of and with the right to construct, operate, improve, reconstruct, replace, repair, inspect, patrol, maintain and add or remove such electric power and communications lines or other Facilities as the Grantee may from time to time find necessary, convenient or desirable to erect thereon during the initial construction of the Facilities or at any time thereafter; (2) the right to install gates in all existing and future fences crossing the easement and right-of-way, provided such gates will be installed in a manner that will not weaken such fences; (3) the right to relocate its facilities along the same general direction of said lines; (4) the right to trim and cut down trees and shrubbery on the easement and right-of-way, including by use of herbicides or other similar chemicals approved by the U. S. Environmental Protection Agency, to the extent, in the sole judgment of the Grantee, necessary to prevent possible interference with the operation of said lines or to remove possible hazard thereto; and (5) the right to remove at Grantor's expense or to prevent the construction on the easement and right-of-way of any or all buildings, structures and obstructions.

Grantor shall not make or cause any changes in grade, elevation, or contour of the land (except those activities, excluding terracing, associated with normal agricultural activities) within the easement and right-of-way described herein without first providing advance notice and obtaining prior written consent to do so from Grantee. If written consent is not obtained prior to any action by Grantor that causes any changes in grade, elevation, or contour of the land within the easement and right-of-way, Grantor

Exhibit C

shall, upon demand from Grantee, at Grantor's expense, restore the easement and right-of-way to its previously existing condition, or reimburse Grantee fully for the cost of adjusting its Facilities as necessary to accommodate the change in grade, elevation, or contour of the land within the easement and right-of-way in the event Grantor fails to promptly restore the grade, elevation, or contour to its previously existing condition.

Grantor shall not perform any excavations, trenching, or other soil disturbing activities (except those activities, excluding terracing, associated with normal agricultural activities) that, in the sole judgment of Grantee, will endanger the integrity of the supporting structures and/or foundations or other Facilities, as applicable, or perform any other activities that may, in the sole judgment of Grantee, remove, reduce, or adversely affect or impact the lateral support of the supporting structures and/or foundations or other Facilities, as applicable, without first providing advance notice and obtaining prior written consent to do so from Grantee. If prior written consent is not obtained by Grantor prior to performing any excavation, trenching or other soil disturbing activity that endangers the integrity of the supporting structures or foundations or other Facilities, as applicable, Grantor shall, upon demand from Grantee, at Grantor's expense, restore the easement and right-of-way to its previously existing condition, or reimburse Grantee fully for the cost of adjusting its Facilities as necessary to accommodate the excavation, trenching, or soil disturbing activity in the event Grantor fails to promptly restore the easement and right-of-way to its previously existing condition or cannot do so.

Grantor reserves the right to use the easement and right of way area provided such use shall not include the growing of trees thereon or any other use that might, in the sole judgment of the Grantee, interfere with the exercise by the Grantee of the rights hereby granted. Grantor further reserves the right to lay out, dedicate, construct, maintain and use across said strip such roads, streets, alleys, railroad tracks, underground telephone cables and conduits and gas, water and sewer pipe lines as will not interfere with Grantee's use of said land for the purpose aforesaid, provided all such facilities shall be located at angles of not less than 45 degrees to any of Grantee's lines, and shall be so constructed as to provide with respect to Grantee's Facilities the minimum clearances provided by law and recognized as standard in the electrical industry, as same may change from time to time. **Roads and streets shall be allowed at an angle less than 45 degrees provided a minimum distance of 15 feet is maintained between the edge of road or curb and the closest edge of a structure. Appropriate barricades shall be installed to protect the structure where a road is within 30 feet of a structure and must be approved by Oncor.** Grantor also reserves the right to erect fences not more than 8 feet high across said land, provided all such fences shall have gates, openings, or removable sections at least 12 feet wide which will permit Grantee reasonable access to all parts of said land. Should Grantee later determine that a width greater than 12 feet is necessary, then Grantee shall have the right granted above to install additional or wider gates at its sole discretion, but the installation of such additional or wider gates shall be at the sole expense of Grantee.

Grantor retains all right, title, and interest in and to all oil, gas, and other minerals (whether by law classified as part of the mineral estate or the surface estate) and

groundwater in, on, and under the strip or land described herein; provided, however, that Grantor shall not be permitted to drill for oil, gas, and other minerals, and groundwater from and under said strip of land but Grantor may extract oil, gas, and other minerals, and groundwater from and under said strip of land by directional drilling, mining, or other means, so long as Grantee's use of said strip is not disturbed, which use shall include the right of Grantee to physical and/or lateral support for the Facilities, as well as the right that the Facilities shall not be endangered, obstructed, or interfered with by such operations.

In addition to the consideration above recited for the easement and right-of-way hereby granted, the Grantee will pay to the owner of the land, and, if leased, to his tenant, as they may be respectively entitled for actual damages to fences and growing crops and improvements located on the easement and right-of-way caused by reason of the construction, maintenance, addition or removal of said lines; provided, however, that no such payment will be made for trimming or removal of trees growing on the easement and right-of-way, nor for removal of buildings, structures, or obstructions erected upon the easement and right-of-way after granting of this easement and right-of-way.

TO HAVE AND TO HOLD the above described easement and right-of-way unto the said Grantee, its successors and assigns, until all of said lines and other Facilities shall be abandoned, and in that event said easement and right-of-way shall cease and all rights herein granted shall terminate and revert to Grantor or Grantor's heirs, successors or assigns; and Grantor hereby binds Grantor and Grantor's heirs, successors, assigns, and legal representatives, to warrant and forever defend the above described easement and right-of-way unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof. This easement may be assigned in whole or in part.

EXECUTED this ___ day of _____, A.D. 20__.

Grantor

(Corporate Acknowledgment)

STATE OF TEXAS §
 §
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared _____, as _____ the _____ of _____, 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 therein expressed, in the capacity therein stated and he/she is authorized to do so.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____ day of _____, A. D. 20__.

Notary Public in and for the State of Texas

(Single Acknowledgment)

STATE OF TEXAS §
 §
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 therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____ day of _____, A. D. 20__.

Notary Public in and for the State of Texas

After recording, return to:
Laura De La Paz
Oncor Electric Delivery Company
Suite 505
115 W 7th Street
Ft. Worth, Texas 76102



EXHIBIT D