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Addendum StartPage: 0

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APPLICATION OF ONCOR §
ELECTRIC DELIVERY COMPANY §
LLC TO AMEND ITS CERTIFICATE §
OF CONVENIENCE AND NECESSITY §
FOR THE MCKENZIE DRAW - §
TEXACO MABEE 138-KV §
TRANSMISSION LINE IN ANDREWS §
AND MARTIN COUNTIES §

PUBLIC UTILITY COMMISSION
PUBLIC UTILITY COMMISSION
OF TEXAS

NOTICE OF APPROVAL

This Notice approves the application of Oncor Electric Delivery Company LLC (Oncor) to amend its Certificate of Convenience and Necessity (CCN) for a 138 kilovolt (kV) transmission line in Andrews and Martin Counties (proposed project). Public Utility Commission of Texas (Commission) Staff recommended approval of the application. Based on Commission Staff's recommendation, the following findings of fact, conclusions of law, and ordering paragraphs are approved effective the date of this Notice.

I. Findings of Fact

Procedural History

1. On November 20, 2015, Oncor filed an application to amend its CCN for a proposed 138-kV transmission line in Andrews and Martin Counties.
2. On November 23, 2015, Order No. 1 was issued requiring certain information from Oncor and a recommendation from Commission Staff regarding the sufficiency of the application and notice, and addressing other procedural matters.
3. On December 7, 2015, Oncor filed information responsive to Order No. 1.
4. On December 10, 2015, Oncor filed affidavits of notice attesting to the provision of notice to cities, counties, neighboring utilities, landowners, the Texas Parks and Wildlife Department (TPWD), and the Office of Public Utility Counsel.

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5. On December 14, 2015, Oncor filed an affidavit of notice attesting to the provision of notice in newspapers of general circulation in the counties where the CCN is being requested.
6. On December 15, 2015, Commission Staff filed a response to Order No. 1 recommending that Oncor's application and provision of notice be found sufficient.
7. On December 18, 2015, Order No. 2 was issued deeming the application sufficient, approving Oncor's provision of notice, and establishing a procedural schedule.
8. On January 4, 2016, American Midstream Permian, LLC, filed a motion to intervene.
9. No party requested a hearing on the merits by the January 11, 2016, deadline established in Order No. 2.
10. On January 22, 2016, Commission Staff filed a recommendation on final disposition. Staff recommended approval of Oncor's application to construct the project on the proposed route.
11. On January 22, 2016, TPWD filed comments and recommendations regarding the project.
12. On January 26, 2016, Order No. 3 was issued, granting American Midstream Permian, LLC's motion to intervene.

Notice

13. Notice of the application was mailed on November 20, 2015, to directly affected property owners, county and municipal officials, neighboring utilities, and pipeline operators.
14. Notice of the application was published on November 26, 2015 and December 3, 2015 in *The Midland Reporter-Telegram* and on December 10, 2015 in *The Andrews News*, newspapers of general circulation in Andrews and/or Martin Counties.
15. Notice was published in the Texas Register on December 11, 2015.
16. Because the route proposed in the application only directly affects one landowner, no public meeting was required under 16 TAC § 22.52(a)(4).

Project Description and Cost

17. The proposed project is a new 138-kV double-circuit transmission line connecting the proposed McKenzie Draw Switching Station, to be located in Martin County approximately 26.5 miles northwest of Midland on the west side of U.S. Highway 349, to Oncor's existing Texaco Mabee Substation in Andrews County, located approximately 17 miles northwest of Midland.
18. The proposed project includes construction of the McKenzie Draw Switching Station, as well as station work at Oncor's existing Texaco Mabee Substation.
19. Station work may include dead-end structures, bus work, transformers, grading, fences, and other structures and equipment.
20. The new 138-kV transmission line will be constructed using double-circuit steel or concrete monopoles and is approximately 15 miles long.
21. The estimated cost of the proposed project for transmission facilities along the proposed route is \$16,364,092. The station work is estimated to cost \$5,301,033.

Need for the Proposed Transmission Line Project

22. The new 138-kV double-circuit transmission line is needed to support load growth and provide safe and reliable transmission service in the areas of Andrews and Martin Counties to be served by the proposed project.
23. The proposed project and associated station work was reviewed by Electric Reliability Council of Texas (ERCOT) stakeholders through the ERCOT Regional Planning Group (RPG) process and received classification as a Tier 4 Neutral Project.
24. Currently, two separate radial 138-kV transmission lines serve portions of Andrews and Martin Counties: Oncor's Paul Davis Tap — Paul Davis 138 kV transmission line and Texaco Mabee Tap — Texaco Mabee 138 kV transmission line.
25. Increased economic activity in this area over the past several years has caused increased loads on these two radial transmission lines, from under 20 MW in 2012 to nearly 80 MW in 2014.

26. Loads on these two lines are projected to increase to over 110 MW in 2016 and nearly 140 MW in 2020. These projections only include confirmed load increases for Oncor substations or customer requests that have signed agreements.
27. The proposed project will help address load growth due to existing and future high-voltage transmission customers and facilitate reducing the length of distribution feeders serving the area.
28. The proposed project will establish bi-directional, looped service for customers connected to the existing Paul Davis Tap — Paul Davis 138 kV transmission line or the existing Texaco Mabee Tap — Texaco Mabee 138 kV transmission line.
29. The proposed project will also provide reliability benefits because a single outage on either of the two radial lines serving the area currently exposes customers to lengthy outages. These outages affect six customer substations and four Oncor-owned substations.
30. The proposed project will significantly reduce service interruptions due to the looped nature of transmission service that will be established through construction and operation of the proposed project, thereby enhancing reliability.

Alternatives to the Project

31. Alternatives to the proposed project were studied as part of ERCOT's RPG process.
32. Upgrading the capacity on the existing radial transmission lines in the study area would not address reliability and operational issues because it would not create bi-directional, looped feed capability for customers.
33. Adding second circuits to the existing radial transmission lines in the study area would not address reliability and operational issues under contingency loss scenarios.
34. Distribution alternatives are infeasible because they would not address transmission reliability and operational capability, and existing distribution feeders already have limited reach to customers in the study area.

Routing of the Proposed Project

35. The Environmental Assessment was produced by URS Corporation. Inc. (URS).

36. The study area for the proposed project encompasses approximately six square miles.
37. URS analyzed one proposed route in the development of the Environmental Assessment because Oncor was able to reach a routing agreement with the only directly affected landowner on whose property the entire length of the proposed project would be located.
38. The proposed route is approximately 15 miles long.
39. Staff recommends approval of the proposed project along the agreed upon route.

Community Values

40. There are no habitable structures located within 300 feet of the proposed route.
41. The route is agreed upon by all directly affected landowners.
42. There is no known AM radio transmitter located within 10,000 feet of the proposed route.
43. There are 6 known FM radio transmitters, microwave relay stations, or other electronic installations located within 2,000 feet of the proposed route.
44. There are no airstrips registered with the Federal Aviation Administration (FAA) with runways less than 3,200 feet in length identified as being located within 10,000 feet of the proposed route.
45. There is one FAA-registered airstrip or airport having a runway greater than 3,200 feet identified within 20,000 feet of the proposed route.
46. No private airstrips were identified as being located within 10,000 feet of the proposed route.
47. No heliports were identified as being located within 5,000 feet of the proposed route.
48. The proposed route does not impact any cropland with mobile irrigation systems.
49. The proposed project will have minimal impact on community values.

Recreational and Park Areas

50. No parks or recreational areas owned by a government body or an organized group, club, or church were identified as being located within 1,000 feet of the proposed route.
51. The proposed project will have minimal impact on recreational and park areas.

Historical Values

52. There is one recorded cultural resource site identified as being crossed by the proposed route, and no other sites are located within 1,000 feet of the proposed route.
53. The proposed project will have minimal impact on historical values.

Aesthetic Values

54. There are no habitable structures located within 300 feet of the proposed route.
55. The proposed route has no right-of-way (ROW) within the foreground visual zone (half mile unobstructed) of parks or recreational areas.
56. The proposed route has 26,704 feet of ROW within the foreground visual zone (half mile unobstructed) of State and U.S. Highways.
57. The proposed project will have minimal impact on aesthetic values.

Environmental Impact/TPWD comments

58. The proposed route is not anticipated to have significant impacts to the natural resources of the area.
59. TPWD reviewed the Environmental Assessment for the proposed project and filed a letter in this docket with its comments and recommendations on January 22, 2016.
60. Staff recommended that Oncor has the resources and procedures in place for accommodating the recommendations and comments made by TPWD.

Prudent Avoidance

61. The proposed route complies with the Commission's policy of prudent avoidance.

Coastal Management Program

62. The proposed project is not located within the inland boundary of the Coastal Management Program.

Informal Disposition

63. At least 15 days have passed since the completion of all notice requirements.

64. No intervenor requested a hearing in this proceeding and the deadline for requesting a hearing was January 11, 2016.
65. Commission Staff determined that the application is complete and meets all applicable statutory criteria and filing requirements, including, but not limited to, the provision of proper notice of the application.

II. Conclusions of Law

1. Oncor is an electric utility as defined in PURA¹ §§ 11.004 and 31.002(6).
2. The Commission has jurisdiction over these matters pursuant to PURA §§ 14.001, 32.001, 37.051, 37.053, 37.054, and 37.056.
3. Notice of the application was provided in compliance with PURA § 37.054, 16 TAC § 22.52(a), and § 2001.051 of the Administrative Procedure Act, Texas Government Code Ann. §§ 2001.001 — 2001.902 (West 2008 & Supp. 2015).
4. This docket was processed in accordance with the requirements of PURA and the Administrative Procedure Act.
5. Oncor's proposed project complies with all aspects of PURA § 37.056 and 16 TAC § 25.101, as well as the Commission's policy of prudent avoidance.
6. Oncor is entitled to approval of the application as described in the findings of fact, having demonstrated that the proposed project is necessary for the service, accommodation, convenience, or safety of the public within the meaning of PURA § 37.056(a), taking into consideration the factors set out in PURA § 37.056(c).
7. Oncor has complied with 16 TAC § 25.101 in its application to amend its CCN.
8. This application is not a major rate proceeding as defined by 16 TAC § 22.2.
9. The requirements for informal disposition pursuant to 16 TAC § 22.35 have been met in this proceeding.

¹ Public Utility Regulatory Act, Tex. Util. Code Ann. §§ 11.001-66.016 (West 2007 & Supp. 2015) (PURA).

10. The requirements for administrative approval pursuant to 16 TAC § 25.101(b)(3)(C) have been met in this proceeding.

III. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following Order:

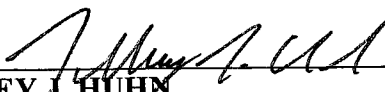
1. Oncor's application is approved for construction of the McKenzie Draw - Texaco Mabee 138-kV transmission line in Andrews and Martin Counties.
2. Oncor's CCN No. 30158 is amended to include construction of the project requested in the application.
3. In the event Oncor or its contractors encounter any artifacts or other cultural resources during project construction, work shall cease immediately in the vicinity of the resource and the discovery shall be reported to the Texas Historical Commission (THC). Oncor shall take action as directed by the THC.
4. Oncor shall follow the procedures described in the following publications for protecting raptors: *Suggested Practices for Avian Protection on Power Lines: The State of the Art in 2006*, Avian Power Line Interaction Committee (APLIC), 2006; the *Avian Protection Plan Guidelines* published by APLIC in April 2005; and *Reducing Avian Collisions with Power Lines: The State of the Art in 2012*, published by APLIC in October 2012.
5. Oncor shall 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.
6. Oncor shall minimize the amount of flora and fauna disturbed during construction of the transmission line, except to the extent necessary to establish appropriate ROW clearance for the transmission line. In addition, Oncor shall re-vegetate using native species and shall consider landowner preferences in doing so. Furthermore, to the maximum extent practicable, Oncor shall avoid adverse environmental impacts to sensitive plant and animal

species and their habitats as identified by TPWD and the United States Fish and Wildlife Service.

7. Oncor shall implement erosion control measures as appropriate. Also, Oncor shall return each affected landowner's property to its original contours and grades unless otherwise agreed to by the landowner or landowners' representatives. Oncor shall not be required to restore original contours and grades where a different contour or grade is necessary to ensure the safety or stability of the project's structures or the safe operation and maintenance of the line.
8. Oncor shall cooperate with directly affected landowners to implement minor deviations in the approved route to minimize the impact of the transmission line. Any minor deviation to the approved route shall only directly affect landowners who were sent notice of the transmission line in accordance with 16 TAC § 22.52(a)(3) and shall directly affect only those landowners that have agreed to the minor deviation, excluding public rights-of-way.
9. Oncor shall be permitted to deviate from the approved route in any instance in which the deviation would be more than a minor deviation, but only if the following two conditions are met. First, Oncor shall receive consent from all landowners who would be affected by the deviation, regardless of whether the affected landowner received notice of, or participated in, this proceeding. Second, the deviation shall result in a reasonably direct path towards the terminus of the line and not cause an unreasonable increase in cost or delay of the project. Unless these two conditions are met, this paragraph does not authorize Oncor to deviate from the approved route except as allowed by the other ordering paragraphs.
10. Oncor shall conduct surveys to identify pipelines that could be affected by the transmission line, if not already completed, and coordinate with pipeline owners in modeling and analyzing potential hazards because of alternating-current interference affecting pipelines being paralleled.
11. Oncor shall comply with the reporting requirements of 16 TAC § 25.83.
12. All other motions, request for entry of specific findings of fact and conclusions of law, and any other requests for general or specific relief, if not expressly granted herein, are denied.

SIGNED AT AUSTIN, TEXAS the 3rd day of February 2016.

PUBLIC UTILITY COMMISSION OF TEXAS



JEFFREY J. HUHN
ADMINISTRATIVE LAW JUDGE

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