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July 18, 2016

Honorable Casey A. Bell Administrative Law Judge State Office of Administrative Hearings 300 W. 15<sup>th</sup> Street – Wm. Clements Bldg. Austin, TX 78701

Honorable Fernando Rodriguez Administrative Law Judge State Office of Administrative Hearings 300 W. 15<sup>th</sup> Street – Wm. Clements Bldg. Austin, TX 78701

Re: SOAH Docket No. 473-16-2751; PUC Docket No. 45624 – Application of the City of Garland to Amend Certificate of Convenience and Necessity for the Rusk to Panola Double – Circuit 345-KV Transmission Line in Rusk and Panola Counties

Dear Administrative Law Judges Bell and Rodriguez:

Substantial discussion developed in this docket regarding additional transmission facilities that may or may not be needed to accommodate the Southern Cross DC Tie Project. This discussion commonly referenced studies conducted by Oncor and interpolation from those study results. Oncor's studies were completed in 2013 and utilized a 2015 ERCOT base case. The studies evaluated a 1,500 MW and 3,000 MW import/export level.

Interpolation from Oncor's prior study results is neither an appropriate nor a reliable manner to gauge future transmission needs or the potential impacts of the Southern Cross Project. The ERCOT grid has changed substantially since Oncor's studies in 2013. New transmission lines could have been built, rebuilt, or upgraded. New generation may now be available. Other generation units may have been retired or taken out of service. All of these changes impact transmission topology and the potential results of Oncor's reliability studies. Further, Oncor never studied the impact of a 2,000 MW import/export level. For each of these reasons, it is not reasonable to assume that the 2013 study results will accurately reflect the interconnection needs of the Southern Cross Project with a new in-service date of 2021,

and one cannot reliably interpolate what a new or additional study may conclude based on the 2013 study results.

While it is yet to be determined which facilities, if any, will be required due to Southern Cross' interconnection and other grid changes, it is important to remember that the transmission grid functions as a cohesive whole. Any new or upgraded facilities necessary to resolve overloads caused by the Southern Cross Project will and should also be used for and benefit the ERCOT grid generally.

Oncor hopes this information will benefit both the Honorable Administrative Law Judges in their proposal and the Commission in its decision.

Respectfully submitted,

Yaren Andrew Taylor