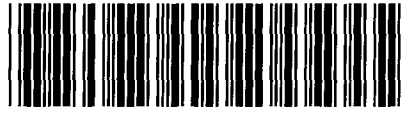


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APPLICATION OF LCRA §
TRANSMISSION SERVICES §
CORPORATION TO AMEND ITS §
CERTIFICATE OF CONVENIENCE §
AND NECESSITY FOR THE §
PROPOSED LEANDER TO ROUND §
ROCK 138-KV TRANSMISSION LINE §
PROJECT IN WILLIAMSON COUNTY, §
TEXAS §

BEFORE THE STATE OFFICE
OF
ADMINISTRATIVE HEARINGS

LCRA TRANSMISSION SERVICES CORPORATION'S OBJECTIONS TO THE DIRECT TESTIMONY OF HAROLD L. HUGHES, JR., ON BEHALF OF REAGAN & FM 2243, LTD., NEC REAGAN & FM 2243, LP AND BEASLEY TRACT, LP

COMES NOW LCRA Transmission Services Corporation (LCRA TSC) and files these Objections to the Direct Testimony of Harold L. Hughes, Jr., on behalf of Reagan & FM 2243, Ltd., NEC Reagan & FM 2243, LP and Beasley Tract, LP (collectively, Riverside Resources). In accordance with SOAH Order No. 2, these Objections are timely filed.

I. OBJECTIONS TO INADMISSIBLE HEARSAY

LCRA TSC objects to and moves to strike certain portions of Mr. Hughes' direct testimony on the basis that this testimony constitutes inadmissible hearsay.

Texas Rule of Evidence 801 defines hearsay as a statement, other than one made by the declarant while testifying, offered to prove the truth of the matter asserted.¹ Evidence is hearsay when its probative value depends in whole or in part on competency or credibility of some person other than the person by whom it is sought to be produced.²

In response to a question posed to him about "the impact of having a high pressure gas pipeline across [a] property," Mr. Hughes reproduces rulemaking comments that he identifies Atmos Energy Corp. (Atmos) as having submitted in PUC Project No. 42740. The probative value, if any, of these statements to establish the impacts of a high pressure gas pipeline across a

¹ TEX. R. EVID. 801.

² *Chandler v. Chandler*, 842 S.W.2d 829, 831 (Tex. App.—El Paso 1992, writ denied); *Texarkana Mack Sales, Inc. v. Flemister*, 741 S.W.2d 558, 562 (Tex. App.—Texarkana 1987, no writ).

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property in this CCN proceeding depends entirely on the competency and credibility of the attorney representative who submitted the comments on behalf of Atmos in the prior rulemaking proceeding, plainly rendering Mr. Hughes' statements hearsay.

Hearsay is not admissible except as provided by statute or rule.³ The identified statements in Mr. Hughes' direct testimony do not fall within any hearsay exceptions set forth in the Texas Rules of Evidence. It is not appropriate for Mr. Hughes to recite statements purporting to establish the public safety or other impacts of a natural gas pipeline made by an unrelated third party, particularly when the veracity of those statements and the qualifications of the person responsible for those statements cannot be explored in this proceeding. Thus, it is improper and impermissible for hearsay statements taken from Atmos' comments in an unrelated rulemaking project to be admitted into evidence and cited for the truth thereof in this docket.

On these grounds, LCRA TSC objects to the portion of Mr. Hughes' direct testimony from page 10, line 17 through page 11, line 14, and respectfully requests that such testimony be stricken.

II. CONCLUSION AND PRAYER

The foregoing objections are made without waiver of LCRA TSC's right to challenge the accuracy of the portions of the direct testimony to which LCRA TSC has objected, should its objections not be sustained.

LCRA TSC respectfully requests that its objections be sustained, that the portions of Mr. Hughes' testimony identified above be stricken, and for such other and further relief to which it may be justly entitled.

³ TEX. R. EVID. 802; see *Aquamarine Assocs. v. Burton Shipyard, Inc.*, 659 S.W.2d 820, 822 (Tex. 1983).

Respectfully submitted,

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CERTIFICATE OF SERVICE

I certify that a copy of this document was served on counsel for Riverside Resources via facsimile on this date, September 30, 2016, in accordance with SOAH Order No. 1 issued in this docket.

Kirk Rasmussen/ln
Kirk D. Rasmussen
(w/permission)