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SOAH DOCKET NO. 473-16-4342
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APPLICATION OF LCRA § BEFORE THE STATE OFFICE
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CERTIFICATE OF CONVENIENCE §
AND NECESSITY FOR THE § OF
PROPOSED LEANDER TO ROUND §
ROCK 138-KV TRANSMISSION LINE §
PROJECT IN WILLIAMSON §
COUNTY, TEXAS § ADMINISTRATIVE HEARINGS

**LCRA TRANSMISSION SERVICES CORPORATION'S
EXCEPTIONS TO THE PROPOSAL FOR DECISION**

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TO THE HONORABLE ADMINISTRATIVE LAW JUDGES HARVEL AND BIERMAN:

Pursuant to the notice from Commission Advising & Docket Management issued March 22, 2017, LCRA Transmission Services Corporation (LCRA TSC) timely submits the following exceptions to the Proposal for Decision (PFD).

I. INTRODUCTION

On April 28, 2016, LCRA TSC filed with the Public Utility Commission of Texas (Commission) an Application to Amend its Certificate of Convenience and Necessity (CCN) for the Proposed Leander to Round Rock 138-kilovolt (kV) Transmission Line in Williamson County, Texas (Project). The PFD recognizes that the parties in the proceeding focused primarily on five routing alternatives for the Project: Routes LHO-1, COL-1, 3M, 29, and 31.¹ The PFD ultimately recommends approval of the application on Route COL-1, but also acknowledges Route LHO-1 as a viable alternative.²

As the PFD discusses, the majority of the parties that actively participated in this proceeding support either Route LHO-1 or Route COL-1.³ Both of those routes use Segments E and K that parallel the right-of-way (ROW) of the existing Hero Way roadway for most all of the

¹ PFD at 2.

² PFD at 3, 20, 22.

³ PFD at 17.

length of those segments, which connect Routes COL-1 and LHO-1 to the Leander Substation, one of the Project endpoints.⁴ Route COL-1 additionally utilizes Segment L4, which connects between the existing Hero Way and Leander Road (FM 2243) ROW. Route LHO-1 additionally utilizes Segment S4, which follows the Ronald Reagan Boulevard ROW to the intersection with Segment K. Segments E, K, L4, S4, and S, Z, and A1 (continuing along Leander Road) were located in an attempt to follow a future roadway expansion and connection project involving Hero Way and Leander Road.⁵

Recently, subsequent to the hearing on the merits, the close of the record, and the submission of post-hearing briefing in this case, LCRA TSC was contacted by a consultant for the Texas Department of Transportation (TxDOT) regarding TxDOT's plans for the expansion and connection of Hero Way and Leander Road. As now developed and more fully designed, the proposed roadway expansion project of Hero Way and Leander Road will impact Segments E, K, L4, S4, S, Z, or A1, if any of those alignments are ultimately approved by the Commission for the Project.

In order to make Your Honors, the Commission, and the parties aware of these matters as they are developing, LCRA TSC submits the following information regarding its ongoing communications with TxDOT staff and the potential impacts that TxDOT's more fully developed plans for this area are anticipated to have on the alternative routes under consideration in this proceeding. In order to address the potential future impacts of the TxDOT road expansion project on the routing of the transmission line facilities, LCRA TSC requests the inclusion of ordering language, consistent with the Commission's precedent in prior, analogous cases, directing LCRA TSC, TxDOT, and other affected stakeholders to coordinate in construction of the approved route of the Project in a manner that accommodates the future roadway to the extent such accommodation is feasible and comports with Commission practice and procedure regarding route deviations.

⁴ LCRA TSC Ex. 1; LCRA TSC Ex. 3.

⁵ LCRA TSC Ex. 1, Attachment 1 (Environmental Assessment), p. 2-39; *see also* City of Leander Ex. 1, Attachment TY-11.

As well, LCRA TSC submits its limited exceptions to the PFD and correction of the record with regard to Preliminary Order Issue No. 3 and, subject to these clarifications, supports the recommendations and conclusions of the PFD.

II. PARALLELING OF EXISTING AND PLANNED FUTURE ROAD ROW

Consistent with the Commission's routing criteria and precedent, LCRA TSC developed alternative route segments that, where practicable, parallel and utilize compatible ROW, including roads and highways.⁶ Specifically, in the northern portion of the study area, where the proposed alternative routes approach the Leander Substation, alternative route Segments E and K parallel Hero Way on the west side of Ronald Reagan Boulevard, and Segments S, Z, and A1 parallel Leander Road (FM 2243) to the east of County Road 175.⁷ Route COL-1 uses Segments E and K, parallel to Hero Way and Segment L4 into Substation Site 2-6, and then proceeds parallel to County Road 175.⁸ Route LHO-1 also uses Segments E and K, before turning south and proceeding parallel to Ronald Reagan Boulevard along Segment S4.⁹

Recently, after the conclusion of the hearing on the merits, the close of the record, and the submission of briefs by the parties in this proceeding, LCRA TSC was contacted by a consultant working with TxDOT, who presented LCRA TSC with the preliminary design plans that have been developed for the roadway expansion and connection of Hero Way and Leander Road. The information recently provided was significantly more developed than previous information LCRA TSC had received in coordinating with TxDOT about the Hero Way/Leander Road expansion.

Specifically, according to the current plans, Hero Way and Leander Road are proposed to be widened significantly from their current configuration (approximately 60 feet wide with two lanes) to become a major arterial connector with six lanes and a frontage road on either side utilizing 350 to 500 feet of ROW. All or portions of Segments E, K, L4, and S4, as they are

⁶ See 16 TEX. ADMIN. CODE (TAC) § 25.101(b)(3)(B); LCRA TSC Ex. 1, Attachment 1 at 5-30, 5-31.

⁷ LCRA TSC Ex. 3.

⁸ *Id.*

⁹ *Id.*

currently aligned, would be within the proposed road ROW of the future road, if constructed in accordance with TxDOT's current designs. The road ROW for the future expanded road would also cross a portion of the tract on which Substation Site 2-6 is presently configured. While LCRA TSC was aware of the proposed roadway expansion project from its coordination with TxDOT, Williamson County, and the City of Leander over the last several years,¹⁰ the current design is larger and more involved than LCRA TSC was previously aware. Segments S, Z, and A1 would also be within the road ROW of the future road.

LCRA TSC understands the specific timeline for acquisition of ROW and construction of the expansion to Hero Way and Leander Road has not yet been finalized. The timing and uncertain nature of these developments—particularly when weighed against the undisputed and imminent need for the Project to be in service by 2020—presents an unfortunate set of challenges at this late stage in the proceedings. LCRA TSC is nonetheless committed to working with TxDOT, Williamson County, and the City of Leander to reach a coordinated solution. As in prior CCN proceedings when LCRA TSC has been ordered to work with TxDOT and to maximize the use of public ROW in the vicinity of TxDOT roadways,¹¹ in the event the Commission orders approval and construction of the Project on a route utilizing Segments E, K, L4, S4, S, Z, or A1, LCRA TSC respectfully requests the Commission facilitate similar coordination efforts by including the following ordering paragraphs in the final order in this docket:

ORDER: LCRA TSC shall cooperate with directly affected landowners to implement minor deviations in the approved route to minimize the impact of the Project. Any minor deviations in the approved route shall directly affect only those landowners who received notice of the transmission line in accordance with 16 TAC § 22.52(a)(3) and who have agreed to the minor deviation, except no consent is required where the minor deviation is within right of way (ROW) owned or acquired by a roadway authority for public use.

¹⁰ LCRA TSC Ex. 1, Attachment 1 (Environmental Assessment), p. 2-39; *see also* City of Leander Ex. 1, Attachment TY-11.

¹¹ *See Application of LCRA Transmission Services Corporation to Amend its Certificate of Convenience and Necessity for the Proposed McCamey D to Kendall to Gillespie 345-kV CREZ Transmission Line in Schleicher, Sutton, Menard, Kimble, Mason, Gillespie, Kerr, and Kendall Counties*, Docket No. 38354, Order at 27 (Jan. 24, 2011).

ORDER: LCRA TSC shall engage in discussions and coordinate with the Texas Department of Transportation (TxDOT), Williamson County, and the City of Leander and use its best efforts to reach agreement with these entities to locate the structures of the Project adjacent to or within public ROW where the Project parallels road ROW owned or controlled by TxDOT, Williamson County, or the City of Leander in the vicinity of Hero Way and Leander Road as such roadways may be expanded in the near future. These discussions shall not unreasonably delay the completion of this project and, if agreement has not been reached on or before June 1, 2018, then LCRA shall proceed with construction of the Project on the approved route.

III. EXCEPTIONS TO THE PFD

The following limited exceptions follow the outline of the PFD.

IV-C. Preliminary Order Issue No. 3

The PFD correctly points out that the issue of whether the Project is the better option to meet the need when compared to a combination of distributed generation and energy efficiency does not need to be addressed in this proceeding,¹² but misstates that LCRA TSC is *not* subject to the unbundling requirements of Section 39.051 of the Public Utility Regulatory Act (PURA).¹³

The relevant portion of Issue No. 3 in the Preliminary Order states, “If LCRA TSC is not subject to the unbundling requirements of PURA § 39.051, is the project the better option to meet the need when compared to a combination of distributed generation and energy efficiency?”¹⁴ Because LCRA TSC *is* subject to the unbundling requirements of PURA § 39.051,¹⁵ this sub-issue does not apply. In any event, as the PFD also correctly notes, the record evidence establishes that the problems identified for the area to be served by the Project are not generation capacity-based limitations, nor are the electric load levels small enough to consider distributed generation as an economic, long-term solution.¹⁶

¹² PFD at 13, 64.

¹³ TEX. UTIL. CODE ANN. §§ 11.001-66.017 (West 2007 & Supp. 2015) (PURA).

¹⁴ Order of Referral and Preliminary Order at 4 (June 21, 2016).

¹⁵ Direct Testimony of Sergio Garza, P.E., LCRA TSC Ex. 6 at 34:7-9.

¹⁶ *Id.* at 34:9-11.

LCRA TSC respectfully submits that the discussion on page 13 and Finding of Fact 27 on page 64 of the PFD should be modified to state that LCRA TSC is subject to the unbundling requirements of PURA § 39.051.

IV. STATUTORY DEADLINE

The statutory deadline in this case is April 28, 2017.¹⁷ In order to permit the Commission adequate time to consider the PFD, LCRA TSC agrees to extend the statutory deadline until May 31, 2017.

V. CONCLUSION

LCRA TSC respectfully requests that the Commission adopt the Proposal for Decision, subject to the modifications discussed herein.

Respectfully submitted,



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¹⁷

See PURA § 37.057.

CERTIFICATE OF SERVICE

I certify that a copy of this document was served on all parties via the PUC Interchange on April 3, 2017, in accordance with SOAH Order No. 1 issued in this docket.

A handwritten signature in black ink, appearing to be "Kirk D. Rasmussen", written over a horizontal line.

Kirk D. Rasmussen