



Control Number: 47951



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**DeAnn T. Walker**  
Chairman

**Arthur C. D'Andrea**  
Commissioner



**Greg Abbott**  
Governor

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**John Paul Urban**  
Executive Director

## *Public Utility Commission of Texas*

**TO:** DeAnn T. Walker, Chairman  
Arthur C. D'Andrea, Commissioner

All Parties of Record

**FROM:** Irene Montelongo ~~JA~~  
Director, Docket Management

**RE:** **Open Meeting of May 10, 2018**  
Docket No. 47951 – *Joint Application of Rayburn Country Electric Cooperative, Inc. and Trinity Valley Electric Cooperative, Inc. to Transfer Certificate Rights to Facilities in Anderson, Kaufman, and Van Zandt Counties*

**DATE:** April 19, 2018

Enclosed is a copy of the Proposed Order in the above-referenced docket. The Commission will consider this docket at an open meeting presently scheduled to begin at 9:30 a.m. on Thursday, May 10, 2018, at the Commission's offices, 1701 North Congress Avenue, Austin, Texas. The parties shall file corrections or exceptions to the Proposed Order on or before Wednesday, May 2, 2018.

**If there are no corrections or exceptions, no response is necessary.**

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**DOCKET NO. 47951**

<b>JOINT APPLICATION OF RAYBURN</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>COUNTRY ELECTRIC</b>	<b>§</b>	
<b>COOPERATIVE, INC. AND TRINITY</b>	<b>§</b>	<b>OF TEXAS</b>
<b>VALLEY ELECTRIC COOPERATIVE,</b>	<b>§</b>	
<b>INC. TO TRANSFER CERTIFICATE</b>	<b>§</b>	
<b>RIGHTS TO FACILITIES IN</b>	<b>§</b>	
<b>ANDERSON, KAUFMAN, AND VAN</b>	<b>§</b>	
<b>ZANDT COUNTIES</b>	<b>§</b>	

**PROPOSED ORDER**

This Order addresses the joint application of Rayburn Country Electric Cooperative, Inc. (Rayburn) and Trinity Valley Electric Cooperative (Trinity Valley) (collectively, applicants) for approval of the transfer of certificate of convenience and necessity (CCN) rights to existing transmission line segments in Anderson, Kaufman, and Van Zandt Counties. Commission Staff recommended approval of the application. The Commission approves the application.

The Commission adopts the following findings of fact and conclusions of law.

**I. Findings of Fact**

**Procedural History, Description, and Background**

1. On January 17, 2018, Rayburn and Trinity Valley filed a joint application requesting approval of the transfer of associated CCN rights to existing transmission line segments which are being sold by Trinity Valley to Rayburn in Anderson, Kaufman and Van Zandt counties.
2. On January 23, 2018, Order No. 1 was issued, requiring Commission Staff to file a recommendation regarding the sufficiency of the joint application and the necessity of additional notice.
3. On February 20, 2018, Commission Staff recommended that the Commission find the application administratively complete and that applicants be required to provide newspaper notice.
4. On February 23, 2018, Order No. 2 was issued deeming the application sufficient, establishing a procedural schedule, and requiring additional notice.

5. On March 13, 2018, Rayburn submitted publisher's affidavits indicating that notice of the joint application was published in newspapers of general circulation in Kaufman, Van Zandt and Anderson Counties.
6. On March 26, 2018, Commission Staff recommended that the application be approved.
7. On April 2, 2018, Commission Staff recommended that the additional proof of notice filed by Rayburn be found sufficient.
8. The CCN rights of Trinity Valley that are to be transferred to Rayburn are related to the following facilities, all of which are located in ERCOT:
  - a. an approximately 13-mile-long portion of the existing 138-kV transmission line (including easements) beginning at the Rose Hill Substation and ending at the Combine Substation;
  - b. an approximately 22.8-mile long 138-kV transmission line (including easements) beginning at the Combine Substation and ending at the Rand Substation;
  - c. an approximately 3.5-mile long 138-kV transmission line (including easements) beginning at the I-20 Substation and ending at the Talty Substation;
  - d. an approximately 1.7-mile long 138-kV transmission line (including easements) beginning at the Tawakoni Switching Station and ending at the Tawakoni Pump Substation; and
  - e. an approximately 3.6-mile long 138-kV transmission line (including easements) beginning at the Lakeview Substation and ending at the Tucker Switching Station.
9. On April 2, 2018, applicants filed a joint request to admit evidence.
10. On April 19, 2018, Order No. 3 was issued admitting evidence into the record of this proceeding.

**Notice**

11. On January 18, 2018, applicants filed an affidavit stating that notice of the joint application was provided to: (1) municipalities that are within five miles of the facilities described in the joint application; (2) electric utilities providing the same utility service that are within

five miles of the facilities described in the joint application; and (3) the county government of the counties in which the transmission lines are located.

12. On February 2, 2018, notice of the application was published in the *Texas Register*.

**Informal Disposition**

13. More than 15 days have passed since the completion of notice provided in this docket.
14. No protests, motions to intervene, or requests for hearing were filed in this docket.

**Rayburn's Ability to Provide Adequate Service**

15. Trinity Valley holds CCN No. 30094, and Rayburn holds CCN No. 30188. Applicants have agreed to the transfer of the transmission lines and CCN rights as proposed in their joint application.
16. Rayburn has the ability to adequately plan, construct, and operate transmission facilities and provide transmission service.
17. Rayburn has access to the same personnel and resources currently used to operate the transmission facilities.
18. Rayburn is a transmission service provider operating a transmission system with more than 360 circuit miles of 138-kV transmission lines through ownership or lease agreements. Rayburn serves the wholesale electric loads in the Electric Reliability Council of Texas (ERCOT) system and in the Southwest Power Pool (SPP). Wholesale transmission service in ERCOT is provided under transmission tariffs on file at the Commission and in accordance with PUC Rules and ERCOT Operating Guides. Service in SPP is provided in accordance with applicable guidelines. All of the facilities sought to be transferred in this proceeding are operated in ERCOT.

**II. Conclusions of Law**

1. The Commission has jurisdiction over the proposed transaction under PURA §§ 37.154.<sup>1</sup>
2. Rayburn and Trinity Valley are electric utilities as defined by PURA § 37.001(2).
3. Notice of the application was provided in compliance with 16 TAC § 22.52.

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<sup>1</sup> Public Utility Regulatory Act, Tex. Util. Code Ann. §§ 11.001-58.302 (West 2016 & Supp. 2017), §§ 59.001-66.016 (West 2007 & Supp. 2017) (PURA).

4. The application was processed in accordance with the requirements of PURA, the Administrative Procedure Act<sup>2</sup>, and Commission Rules.
5. Rayburn has demonstrated that it has the ability to provide adequate service upon the sale and transfer of the associated CCN rights as required by PURA § 37.154(a).
6. The requirements for informal disposition in 16 TAC § 22.35 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 orders:

1. The Commission approves the application.
2. Rayburn shall file a notice in this docket within ten days of the closing of the sale and transfer transaction with Trinity Valley.
3. Rayburn and Trinity Valley shall each file an interim TCOS update within 90 days after closing the sale and transfer transaction.
4. All other motions and any other requests for general or specific relief, if not expressly granted, are denied.

**Signed at Austin, Texas the \_\_\_\_\_ day of April 2018.**

**PUBLIC UTILITY COMMISSION OF TEXAS**

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**DEANN T. WALKER, CHAIRMAN**

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**ARTHUR C. D'ANDREA, COMMISSIONER**

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<sup>2</sup> Administrative Procedure Act, Tex. Gov't Code Ann. §§ 2001.001- .902 (West 2016 & Supp. 2017).