



## Filing Receipt

**Received - 2022-01-28 12:07:13 PM**  
**Control Number - 52682**  
**ItemNumber - 21**

February 1, 2022

**Via Electronic Filing**

Chairman Peter M. Lake  
Commissioner Will McAdams  
Commissioner Lori Cobos  
Commissioner Jimmy Glotfelty  
1701 N. Congress Avenue  
Austin, Texas 78701

**Re: Docket No. 52682 – *Project for Commission Ordered Transmission Facilities*  
Sharyland Utilities, L.L.C.’s February 1, 2022 Quarterly Progress Report**

Dear Commissioners:

Please find attached Sharyland Utilities, L.L.C.’s (“Sharyland”) February 1, 2022 Quarterly Progress Report regarding the status of completing the construction of the transmission lines and facilities ordered by the Public Utility Commission of Texas (“Commission”) at the September 23, 2021 open meeting. The Commission’s written order was subsequently issued on October 14, 2021 in Project No. 52682.

The Commission’s order in this project required that: (i) Sharyland, Electric Transmission Texas, LLC (“ETT”), and South Texas Electric Cooperative, Inc. (“STEC”) construct a new second circuit on the existing double-circuit capable 345-kV transmission line between the San Miguel station and the Palmito station; and (ii) Sharyland and AEP Texas, Inc. (“AEP Texas”) construct new 345-kV transmission facilities to close the loop from Palmito to North Edinburg. For the second circuit project, Sharyland will construct approximately 47 miles of the new circuit, beginning at Sharyland’s Palmito station and progressing west toward AEP Texas’s North Edinburg station, along with an expansion of the Palmito station to accept the second circuit. For the close-the-loop project, which is now referred to as the “La Palma to Kingfisher” project, Sharyland will construct the new Kingfisher station and half of the new 345-kV transmission line connecting the Kingfisher station to AEP Texas’s La Palma station. Sharyland and AEP Texas are preparing to file a certificate of convenience and necessity (“CCN”) application for the La Palma to Kingfisher project as soon as practicable, but no later than June 30, 2022.

As required by the order in Project No. 52682, the attached Quarterly Progress Report addresses, at a minimum:

- Tasks that are necessary to complete the construction of the transmission lines and facilities with time estimates for completing each task;
- A log of tasks and construction that have been completed;
- The identification of all reliability and safety measures that are necessary to complete the construction of the transmission lines and facilities, including the progress to date on those measures;
- The identification of coordination efforts with the Electric Reliability Council of Texas, Inc. that are necessary to reliably complete the construction of the transmission lines and facilities, including the progress to date on those efforts;

- Explanation of any delays, including supply-chain issues, with supporting documentation that explains the reason for any delay.

As addressed in the attached progress report, tasks completed for Sharyland's portion of the second circuit project include (i) awarding the engineering, procurement, and construction management contract for the work and (ii) preliminary design for the Palmito station expansion. For the La Palma to Kingfisher project, completed tasks include (i) identification of the preferred Kingfisher station location; (ii) preliminary design of the Kingfisher station; (iii) defining the study area in which proposed alternative transmission line routes will be developed for the CCN application; (iv) mapping of constraints in the study area; and (v) sending agency letters that solicit comments on the project to be addressed in the environmental assessment and alternative route analysis.

If you have any questions regarding this Quarterly Progress Report, please feel free to contact me at the above-provided phone number or email address, or Vicki Oswalt at (512) 721-2740 or voswalt@huntutility.com.

Respectfully submitted,

/s/ John M. Zerwas, Jr.

John M. Zerwas, Jr.  
State Bar No. 24066329  
Eversheds Sutherland (US) LLP  
600 Congress Avenue, Suite 2000  
Austin, Texas 78701

*Attorney for Sharyland Utilities, L.L.C.*

# Public Utility Commission of Texas

## LRGV Second Circuit Progress Report

### Executive Summary



#### Summary

<b>Report Period</b>	1Q 2022
<b>Line Miles</b>	47
<b>Counties Affected</b>	Cameron
<b>% Complete – Design</b>	3%
<b>% Complete – Procurement</b>	0%
<b>% Complete - Construction</b>	0%
<b>Contact Information</b>	Mark Meyer (214) 978-8709 mmeyer@huntutility.com



#### Program Description

The LRGV Second Circuit Project involves the installation of a second circuit on the existing double-circuit capable 345kV transmission line extending from the San Miguel 345kV Station, through Fowlerton, Lobo, Cenizo, Del Sol, Pomelo, North Edinburg and Stewart Road, terminating at Sharyland's Palmito 345kV Station ("Palmito"), located north of the Port of Brownsville. Sharyland owns the eastern-most portion of this transmission line, commencing at Palmito and proceeding westerly for approximately 47 miles. Sharyland will be responsible for engineering, designing and constructing the eastern most 47 miles of the 2nd circuit, as well as the expansion of Palmito to serve as the eastern-most terminus of the 2nd circuit. This report only addresses Sharyland's portion of the project from Kingfisher to Palmito.

#### Overall Progress Summary

<b>Completed</b>	EPCm contract awarded; Palmito Station conceptual design established
<b>In Progress</b>	Prepare line construction bid package; detailed transmission line design; detailed substation design
<b>Upcoming</b>	Line construction bidding; Procurement package development

#### Reliability and Safety Measures and Progress

No updates

#### ERCOT Coordination Efforts and Regulatory Issues

Preparing outage requests for submission to ERCOT.

# Public Utility Commission of Texas

## LRGV Second Circuit Progress Report

### Kingfisher to Palmito Second Circuit Addition



#### Summary

<b>Report Period</b>	1Q 2022
<b>TSP Project Number</b>	TPSU.21.000016
<b>Line Miles</b>	47
<b>Counties Affected</b>	Cameron
<b>% Complete – Design</b>	2%
<b>% Complete – Procurement</b>	0%
<b>% Complete - Construction</b>	0%
<b>Project Description</b>	Install a second 345-kV circuit on the Sharyland's portion of the existing 345-kV transmission line that runs from the new Kingfisher station to Sharyland's Palmito station.



#### Project Progress Summary

<b>Completed</b>	EPCm contract awarded
<b>In Progress</b>	Detailed transmission line design; Prepare line construction bid package; ROW/Easement document review; Develop material procurement packages
<b>Upcoming</b>	Issue bid packages for line contraction and materials

#### Project Tasks and Time Estimates

Project Tasks	Plan	Baseline	Actual
<b>Design Start</b>	OCT 21	TBD	TBD
<b>Design Finish</b>	SEP 22	TBD	TBD
<b>Procurement Start</b>	FEB 22	TBD	TBD
<b>Procurement Finish</b>	NOV 23	TBD	TBD
<b>Construction Start</b>	OCT 23	TBD	TBD
<b>Construction Finish</b>	MAR 24	TBD	TBD
<b>Energization</b>	MAR 24	TBD	TBD

#### Project Delays

No Updates

#### Protected Information

No Updates

# Public Utility Commission of Texas

## LRGV Second Circuit Progress Report

### Palmito Station Expansion



#### Summary

<b>Report Period</b>	1Q 2022
<b>TSP Project Number</b>	TPSU.21.000015
<b>Line Miles</b>	N/A
<b>Counties Affected</b>	Cameron
<b>% Complete – Design</b>	1%
<b>% Complete – Procurement</b>	0%
<b>% Complete - Construction</b>	0%
<b>Project Description</b>	Expand Sharyland's existing 345kV Palmito Station to accept a second circuit.



#### Project Progress Summary

<b>Completed</b>	Preliminary station design
<b>In Progress</b>	EPC contract scope/pricing/schedule review
<b>Upcoming</b>	EPC contract execution; Detailed station design; Prepare material procurement packages

#### Project Tasks and Time Estimates

Project Tasks	Plan	Baseline	Actual
<b>Design Start</b>	OCT 21	TBD	TBD
<b>Design Finish</b>	SEP 22	TBD	TBD
<b>Procurement Start</b>	FEB 22	TBD	TBD
<b>Procurement Finish</b>	JUL 23	TBD	TBD
<b>Construction Start</b>	OCT 22	TBD	TBD
<b>Construction Finish</b>	MAR 24	TBD	TBD
<b>Energization</b>	MAR 24	TBD	TBD

#### Project Delays

No Updates.

#### Protected Information

No updates

ID	Task Name	Start	Finish	Duration	2021				2022								2023								2024														
					S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J
0	SU PROGRAM	Sep-21	Mar-24	30 mos																																			
1	Kingfisher to Palmito 2nd Circuit Addition*																																						
5	Engineering	Oct-21	Sep-22	12 mos																																			
6	Procurement	Feb-22	Nov-23	22 mos																																			
7	Construction	Oct-23	Mar-24	6 mos																																			
8	Palmito 345kV Station Expansion																																						
9	Engineering	Oct-21	Sep-22	12 mos																																			
10	Procurement	Feb-22	Jul-23	18 mos																																			
11	Construction	Oct-22	Mar-24	18 mos																																			
* Sharyland is responsbile for the engineering, design and construction of the eastern-most 47 miles of the San Miguel to Palmito line, commencing from Sharyland's Palmito 345kV station and progressing westward																																							



# Public Utility Commission of Texas

## LRGV Closing the Loop Progress Report

### Executive Summary



#### Summary

<b>Report Period</b>	1Q 2022
<b>Line Miles</b>	TBD
<b>Counties Affected</b>	Cameron
<b>% Complete – Design</b>	0%
<b>% Complete – Procurement</b>	0%
<b>% Complete - Construction</b>	0%
<b>Contact Information</b>	Mark Meyer (214) 978-8709 mmeyer@huntutility.com



#### Program Description

The Close the Loop ("CLT") initiative will increase load serving capability and system resiliency in the LRGV by creating looped 345kV transmission service to the region. This will be accomplished by connecting AEP's existing La Palma 345kV station to Sharyland's new Kingfisher 345kV station. Sharyland will connect Kingfisher into Sharyland's existing Palmito to Stewart Road double-circuit capable 345kV transmission line (to which a second circuit will be added) in close proximity to La Palma, which will be expanded by AEP. A new single circuit 345kV transmission line will be constructed between La Palma and Kingfisher, effectively "closing the loop".

#### Overall Progress Summary

<b>Completed</b>	Preferred station location identified; Study area defined; Constraints mapped; Agency letters sent
<b>In Progress</b>	Land negotiation (Kingfisher); Environmental/Routing analysis (La Palma – Kingfisher)
<b>Upcoming</b>	Public meetings; Engineering contract negotiation

#### Reliability and Safety Measures and Progress

No Updates

#### ERCOT Coordination Efforts and Regulatory Issues

Co-developing CCN application with AEP Texas for La Palma - Kingfisher section of line.



# Public Utility Commission of Texas

## LRGV Closing the Loop Progress Report

### Kingfisher to La Palma 345-kV Transmission Line



#### Summary

<b>Report Period</b>	1Q 2022
<b>TSP Project Number</b>	TPSU.21.000017
<b>Line Miles</b>	TBD
<b>Counties Affected</b>	Cameron
<b>% Complete – Design</b>	0%
<b>% Complete – Procurement</b>	0%
<b>% Complete - Construction</b>	0%
<b>Project Description</b>	Build half of the 345-kV transmission line between Sharyland's new 345-kV Kingsfisher switchyard and AEP's existing 345-kV La Palma station.



#### Project Progress Summary

<b>Completed</b>	Defined study area; Constraints mapped; Agency letters sent
<b>In Progress</b>	Preliminary link/route development; Environmental assessment; Prepare for public meetings; Review of engineering scope/cost/schedule estimates
<b>Upcoming</b>	Public meetings; CCN package preparation; Execute engineering/land acquisition/surveying contracts

#### Project Tasks and Time Estimates

Project Tasks	Plan	Baseline	Actual
<b>CCN Filing</b>	MAY 22	TBD	TBD
<b>CCN Approval</b>	NOV 22	TBD	TBD
<b>Design Start</b>	JUN 23	TBD	TBD
<b>Design Finish</b>	MAY 24	TBD	TBD
<b>Procurement Start</b>	FEB 23	TBD	TBD
<b>Procurement Finish</b>	DEC 25	TBD	TBD
<b>Construction Start</b>	SEP 25	TBD	TBD
<b>Construction Finish</b>	FEB 26	TBD	TBD
<b>Energization</b>	FEB 26	TBD	TBD

#### Project Delays

No Updates.

#### Protected Information

No Updates

# Public Utility Commission of Texas

## LRGV Closing the Loop Progress Report

### Kingfisher 345-kV Switchyard



#### Summary

<b>Report Period</b>	1Q 2022
<b>TSP Project Number</b>	TPSU.21.000018
<b>Line Miles</b>	TBD
<b>Counties Affected</b>	Cameron
<b>% Complete – Design</b>	0%
<b>% Complete – Procurement</b>	0%
<b>% Complete - Construction</b>	0%
<b>Project Description</b>	Build a new Kingfisher 345-kV switchyard.



#### Project Progress Summary

<b>Completed</b>	Preferred site identified; Preliminary station design
<b>In Progress</b>	Landowner negotiation; EPC scope/cost/schedule review
<b>Upcoming</b>	Secure station site; Execute EPC contract; Detailed design

#### Project Tasks and Time Estimates

Project Tasks	Plan	Baseline	Actual
<b>Design Start</b>	APR 23	TBD	TBD
<b>Design Finish</b>	MAR 24	TBD	TBD
<b>Procurement Start</b>	JAN 24	TBD	TBD
<b>Procurement Finish</b>	JUN 25	TBD	TBD
<b>Construction Start</b>	OCT 24	TBD	TBD
<b>Construction Finish</b>	MAR 26	TBD	TBD
<b>Energization</b>	MAR 26	TBD	TBD

#### Project Delays

No Updates.

#### Protected Information

No Updates.

ID	Task Name	Start	Finish	Duration	2021				2022				2023				2024				2025				2026																											
					S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A
0	SU PROGRAM	Sep-21	Mar-26	54 mos																																																
1	Kingfisher - La Palma 345kV Transmission Line**																																																			
2	CCN Preparation	Sep-21	May-22	6 mos																																																
3	CCN Approval Process	Jun-22	Nov-22	6 mos																																																
4	Land Acquisition	Dec-22	Apr-23	9 mos																																																
5	Engineering	Jun-23	May-24	12 mos																																																
6	Procurement	Feb-23	Dec-25	23 mos																																																
7	Construction	Sep-25	Feb-26	6 mos																																																
8	Kingfisher 345kV Station																																																			
9	Engineering	Apr-23	Mar-24	12 mos																																																
10	Procurement	Jan-24	Jun-25	18 mos																																																
11	Construction	Oct-24	Mar-26	18 mos																																																

\* Sharyland is responsible for 1/2 of the final alignment of the 345kV transmission line, as approved by the PUCT