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Sharyland Utilities, L.L.C.
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August 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 August 1, 2022 Quarterly Progress Report**

Dear Commissioners:

Please find attached Sharyland Utilities, L.L.C.’s (“Sharyland”) August 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, now known 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 filed a certificate of convenience and necessity (“CCN”) application for the La Palma to Kingfisher project on June 29, 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;



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- 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; and
- 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, in addition to those addressed in Sharyland's May 1 report, include (i) 60% of design review; (ii) issuance of material requests; (iii) finalization of construction contract bid review; and (iv) preliminary design for the Palmito station expansion. For the La Palma to Kingfisher project, completed tasks, in addition to those addressed in the May 1 report, include (i) filing of the CCN application at the Commission in Docket No. 53727; and (ii) execution of an option on the Kingfisher station site.

If you have any questions regarding this Quarterly Progress Report, please feel free to contact me at (512) 721-2707 or jzerwas@huntutility.com.

Respectfully submitted,

A handwritten signature in cursive script that reads "John M. Zerwas, Jr.".

John M. Zerwas, Jr.
Vice President, Regulatory Affairs
Sharyland Utilities, L.L.C.

Public Utility Commission of Texas

LRGV Second Circuit Progress Report

Executive Summary



Summary

Report Period	3Q 2022
Line Miles	47
Counties Affected	Cameron
% Complete – Design	3%
% Complete – Procurement	0%
% Complete - Construction	0%
Contact Information	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 Fowler, 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

Completed	See below project specific update
In Progress	See below project specific update
Upcoming	See below project specific update

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

Report Period	3Q 2022
TSP Project Number	TPSU.21.000016
Line Miles	47
Counties Affected	Cameron
% Complete – Design	60%
% Complete – Procurement	10%
% Complete - Construction	0%
Project Description	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

Completed	60% design reviewed, issued material requests, and finalized construction contractor bid review
In Progress	Detailed transmission line design; ROW/Easement document review; Issue material Purchase (Pos) and award construction contractor
Upcoming	Design review and develop baseline schedule

Project Tasks and Time Estimates

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

Report Period	3Q 2022
TSP Project Number	TPSU.21.000015
Line Miles	N/A
Counties Affected	Cameron
% Complete – Design	10%
% Complete – Procurement	0%
% Complete - Construction	0%
Project Description	Expand Sharyland's existing 345kV Palmito Station to accept a second circuit.



Project Progress Summary

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

Project Tasks and Time Estimates

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

Report Period	3Q 2022
Line Miles	TBD
Counties Affected	Cameron
% Complete – Design	0%
% Complete – Procurement	0%
% Complete - Construction	0%
Contact Information	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

Completed	Kingfisher Station secured; public meetings held, finalized route analysis, and filed CCN
In Progress	EPC scope/cost/schedule review
Upcoming	EPC contract negotiation; Schedule Regulatory proceedings

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

La Palma to Kingfisher 345-kV Transmission Line



Summary

Report Period	3Q 2022
TSP Project Number	TPSU.21.000017
Line Miles	TBD
Counties Affected	Cameron
% Complete – Design	5%
% Complete – Procurement	0%
% Complete - Construction	0%
Project Description	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

Completed	Public meetings completed (3); Preliminary routes developed and filed CCN
In Progress	EPC scope/cost/schedule review
Upcoming	Execute EPC contract; Detailed design; Hearing on Merits at State Office of Administrative Hearings.

Project Tasks and Time Estimates

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

Report Period	3Q 2022
TSP Project Number	TPSU.21.000018
Line Miles	TBD
Counties Affected	Cameron
% Complete – Design	2%
% Complete – Procurement	0%
% Complete - Construction	0%
Project Description	Build a new Kingfisher 345-kV switchyard.



Project Progress Summary

Completed	Kingfisher site acquired Preliminary station design
In Progress	EPC scope/cost/schedule review
Upcoming	Execute EPC contract; Detailed design

Project Tasks and Time Estimates

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