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# **SOAH DOCKET NO. 473-23-21216 PUC DOCKET NO. 55067**

APPLICATION OF ONCOR	§	BEFORE THE STATE OFFICE
ELECTRIC DELIVERY COMPANY	§	BEFORE THE STATE OFFICE
LLC TO AMEND ITS CERTIFICATE	§	
OF CONVENIENCE AND NECESSITY	<b>§</b>	OF
FOR THE RAMHORN HILL –	<b>§</b>	Or
DUNHAM 345 KV TRANSMISSION	§	
LINE IN DENTON AND WISE	§	ADMINISTRATIVE HEARINGS
COUNTIES	8	ADMINISTRATIVE BEARINGS

# **HILLWOOD PARTIES' POST-HEARING REPLY BRIEF**

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## HILLWOOD PARTIES' POST-HEARING REPLY BRIEF

#### TO THE HONORABLE ADMINISTRATIVE LAW JUDGES:

Pursuant to SOAH Order No. 2 issued in this docket, Eagle Income Properties, LP, AIL Investment, L.P., Petrus Investment, L.P., HW Indian Springs, L.P., HWC Justin 407, LLC, HP Gibbs, LP, Pecan Square Phase 1, LLC, Pecan Square Phase 2A, LLC, Pecan Square Phase 2B, LLC, Pecan Square Phase 3A, LLC, and Pecan Square Phase 3B, LLC (collectively, the "Hillwood Parties") file this its Post-Hearing Reply Brief, respectfully showing as follows:

#### I. INTRODUCTION

Oncor Electric Delivery Company LLC ("Oncor") filed this application to amend its certificate of convenience and necessity ("CCN") to construct and operate the proposed Ramhorn-Hill to Dunham double-circuit 345-kV transmission line in Denton and Wise Counties, Texas (Project) across one of the fastest growing areas in the United States. As the evidence in this docket demonstrates, the routing challenges in this highly congested environment are significant. Given that context, the diverse make-up of the broad coalition supporting Route 179 with minor modifications of Route 179C together with the La Estancia Alternatives<sup>1</sup> (collectively, the "Route 179 Variants") is particularly striking. The Hillwood Parties support that coalition.

<sup>&</sup>lt;sup>1</sup> These are Route 179C, Route 179C with La Estancia Alternative 1 and Route 179C with La Estancia Alternatives 1 & 2. See Oncor Exhibit 25.

#### II. REPLY TO CENTRAL REGION INTERVENORS

Route 179 is the best-meets route. The variants of Route 179 discussed at the hearing on the merits<sup>2</sup> are reasonable adjustments to the best-meets route and have broad consensus support—including the support of the Hillwood Parties. Route 179 and the Route 179 Variants have much in common. Notably, all four such routes include Segment J3. The evidence in the record supports choosing a route that includes Segment J3 (rather than J4 or I6, J1, J21, J22, and L1).

## Route 179 and the Route 179 Variants have broad, consensus support.

More than 80% of the parties that submitted evidence at the hearing support Route 179 or the Route 179 Variants.<sup>3</sup> Segment J3 is included in each of Route 179 and the Route 179 Variants. Segment J3 appears to be primarily opposed by residents of essentially one neighborhood in the City of Justin.<sup>4</sup> A small group of homeowners asks the Commission to use Segment J22 instead of Segment J3. Presumably in response to this neighborhood concern, the Mayor for the City of Justin asks that neither J3 nor J4 be used. Interestingly, counsel for the City of Justin spent considerable time at the hearing cross-examining various witnesses, including asking many questions related to Segment J4 (which no party supports in testimony and is not included in Route 179 or any of the Route 179 Variants<sup>5</sup>) and no questions challenging J3.<sup>6</sup>

As summarized in Hillwood's Initial Brief, Oncor witnesses Perkins, Zapatal and Marusak explain the disadvantages of Segment J22 compared to J3.<sup>7</sup> Segment J22 impacts 128 habitable structures, which is more than double the number impacted by J3. Moreover, the impact of J22 on homes is much more acute than the impact of J3 on habitable structures. Segment J22 would cross tracts 1653 through 1671 and come within approximately 100 feet of the habitable structure located

<sup>&</sup>lt;sup>2</sup> See Oncor Exhibit 25.

<sup>&</sup>lt;sup>3</sup> See Oncor Initial Brief at 19-20 (Sep. 7, 2023).

<sup>&</sup>lt;sup>4</sup> Two developers also object to J3 in post-hearing briefs. TCCI Range-Mead LLC objects to J3 because it feeds into K1 which directly affects TCCI property. TCCI Range-Mead LLC's Initial Post Hearing Brief at 2-3 (Sep. 7, 2023). Dudley Realty, LLC similarly objects to J3 asserting erroneously and without foundation that there is "minimal opposition" to not using J3. Dudley Realty LLC's Initial Post-Hearing Brief at 4 (Sep. 7, 2023).

<sup>&</sup>lt;sup>5</sup> In response to questions from another party in this proceeding, Brenda Perkins confirmed that Segment J4 does not appear in Route 179 or any of the Route 179 Variants. *See* Hearing on the Merits Transcript, Aug. 29, 2023, pp. 74-76.

<sup>&</sup>lt;sup>6</sup> Hearing on the Merits Transcript, Aug. 28, 2023, pp. 166-84; Hearing on the Merits Transcript, Aug. 29, 2023, pp. 67-74.

<sup>&</sup>lt;sup>7</sup> The Hillwood Parties' Initial Brief at 6-8 (Sep. 7, 2023).

on each tract (habitable structures 482-500). When asked whether there are other segments that would place the transmission line on landowners' property that close to their homes, after considering for a few moments, Ms. Perkins replied, "I would say probably not." As Mr. Marusak succinctly stated explaining the choice to use J3 in the best-meets route: "We could not find an alternative that we felt provided us any advantage over, you know, going through the floodplain area." <sup>10</sup>

In addition to using Segment J22, the modified routes proposed by the City of Justin and the small group of homeowners would also compel use of Segment L1. Similar to Segment J4, Segment L1 largely follows a water stream. Counsel for the City of Justin thoroughly attacked Segment J4 at the hearing on the basis of its environmental impacts. However, Segment L1 presents all of the same environmental problems as J4, only more pronounced. Seventy-three percent of Segment J4 crosses rangeland pasture, upland woodlands or riparian areas. Ninety-one percent of Segment L1 crosses such terrain. Segment L1 also represents more feet of transmission line through those high-value environmental areas than Segment J4, even though L1 is nearly 2,000 feet shorter than J4. Moreover, 100% of Segment L1 crosses areas of high archaeological site potential, whereas less than half of J3 does. To the extent segments are being considered on the basis of environmental impact, Segment L1 is demonstrably worse than J3, supporting Oncor's selection of J3 as the better choice.

The parties objecting to J3 plainly ask the Commission to put this line through someone else's neighborhood—just not through theirs. The preponderance of the record evidence, including the testimony of the Oncor and Hillwood witnesses, explains that the burden of using the floodplain for J3 is less than using J22 and the associated segments. While a broad consensus has formed to

<sup>&</sup>lt;sup>8</sup> See Hillwood Exhibit 3, p. 2; EA, Table 7-4, p. 11 (Oncor Exhibit 1, p. 585).

<sup>&</sup>lt;sup>9</sup> See Hearing on the Merits Transcript, Aug. 28, 2023, pp. 123-24.

<sup>10</sup> Id. at 95.

<sup>&</sup>lt;sup>11</sup> Hearing on the Merits Transcript, Aug. 29, 2023, pp. 67-74.

<sup>&</sup>lt;sup>12</sup> Oneor Exhibit 1, p. 568.

<sup>13</sup> Id. at 569.

<sup>14</sup> Id. at 568-69.

<sup>&</sup>lt;sup>15</sup> Id.

support Route 179C and the La Estancia Alternatives, no such consensus supports the sweeping change that would result from forcing the use of Segment J22.

The recommendations of both public representatives—Commission Staff ("Staff") and Texas Parks and Wildlife ("TPW")—incorporate the use of Segment J3 in their recommendations. John Poole provided testimony for Staff that endorsed Route 179C, which includes Segment J3. 16 Staff fully participated in the hearing on the merits and maintains its support for Route 179C today. 17

TPW also includes the use of Segment J3. As discussed at length in the Hillwood Parties' Initial Brief, TPW argued that Route 137 best fits the statutory criteria<sup>18</sup> that TPW is charged with considering. While not dispositive on the routing question, TPW's comments undercut any argument that Segments J22 and L1 are superior to Segment J3. Route 137, like Route 179, includes Segment J3. TPW has explicitly endorsed constructing the transmission line on Segment J3.

Oncor has included Segment J3 as part of the "best-meets" route from the outset of this case. <sup>19</sup> Staff, TPW and the vast majority of the intervenors in this case concur with Oncor's analysis of the statutory factors which leads to the use of Segment J3. Route 179 or one of the Route 179 Variants should be selected as the route for this CCN case.

Route 179 and all of the Route 179 Variants include at least five segments that cross the Hillwood Parties' property, yet the Hillwood Parties have accepted those segments and joined the broad coalition supporting the Route 179 Variants.<sup>20</sup> This is not because those segments do not negatively impact the Hillwood Parties (they do), but because the Hillwood Parties understand that such concessions must be made if we want to live and work in a growing and thriving region like Alliance. The parties arguing for I6, J1, J21, J22 and L1 ask the Commission to (1) destroy the ongoing operations of a cutting-edge flight test center, (2) place a transmission line within 100 feet of numerous homeowners along Segment J22, and (3) choose in Segment L1 a path that has

<sup>&</sup>lt;sup>16</sup> Direct Testimony of John Poole (Aug. 14, 2023).

<sup>&</sup>lt;sup>17</sup> Commission Staff's Initial Brief (Sep. 7, 2023).

<sup>&</sup>lt;sup>18</sup> Tex. Parks & Wild. Code, §§ 12.0011(b)(2)-(3); 12.0011(c).

<sup>&</sup>lt;sup>19</sup> See Oncor Exhibit 4, p. 8.

<sup>&</sup>lt;sup>20</sup> The Segments are 118, 18, K1, L5 and L4.

significant, negative environmental impacts. The Hillwood Parties believe that Route 179 or the Route 179 Variants are the routes that best meet the factors that the Commission must consider, and they are broadly supported by the vast majority of the parties in this docket. Therefore, the Commission should select either Route 179 or one of the Route 179 Variants.

#### III. CONCLUSION

Hillwood Parties respectfully requests that Your Honors and the Commission select Route 179, Route 179C, Route 179C with La Estancia Alternatives 1, 2 or both and approve the application subject to the conditions identified herein.

## Respectfully submitted,

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# CERTIFICATE OF SERVICE

I certify that a copy of this document was served by electronic mail, on all parties of record in this proceeding on September 14, 2023, in accordance with SOAH Order No. 1 in the above-styled proceeding and the Commission's Second Order Suspending Rules, issued in Project No. 50664.

Beth Mitchell	
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