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PUC DOCKET NO. 55120
SOAH DOCKET NO. 473-23-22222

JOINT APPLICATION OF LCRA TRANSMISSION SERVICES CORPORATION AND WIND ENERGY TRANSMISSION TEXAS, LLC TO AMEND THEIR CERTIFICATES OF CONVENIENCE AND NECESSITY FOR THE NORTH MCCAMEY-TO-BEARKAT 345-KV TRANSMISSION LINE IN GLASSCOCK, REAGAN, AND UPTON COUNTIES	§	**PUBLIC UTILITY COMMISSION OF TEXAS**

ORDER

This Order addresses the joint application of LCRA Transmission Services Corporation (LCRA TSC) and Wind Energy Transmission Texas, LLC (WETT) to amend their certificates of convenience and necessity (CCN) for the Bearkat-to-North McCamey 345-kilovolt (kV) transmission line in Glasscock, Reagan, and Upton counties. The Electric Reliability Council of Texas, Inc. (ERCOT) has deemed this transmission line as critical to the reliability of the ERCOT system.

The Commission adopts the proposal for decision, including findings of fact and conclusions of law, to the extent provided by this Order. The Commission approves route NM19-OXY and amends WETT's CCN number 30043 and LCRA TSC's CCN number 30110 to the extent provided by this Order.

Throughout this Order, the Commission disambiguates the term *project* to refer either to the Bearkat-to-North McCamey transmission line proposed in this docket or to the overall Bearkat-to-North McCamey-to-Sand Lake transmission line addition proposed in previously consolidated Docket Nos. 55120 and 55121,[1] where applicable. The Commission adds finding of fact 12A to complete the procedural history. The Commission deletes finding of fact 27 and moves its contents to finding of fact 28. The Commission modifies findings of fact 36 and 38 for completeness in

[1] *Joint Application of LCRA Transmission Services Corporation and Oncor Electric Delivery Company LLC to Amend their Certificates of Convenience and Necessity for the North McCamey-to-Sand Lake 345-kV Transmission Line in Crane, Crockett, Pecos, Reeves, Upton, and Ward Counties*, Docket No. 55121, Order (Nov. 30, 2023).

describing the parties. The Commission deletes finding of fact 71 as unnecessary to support this Order and for consistency with findings in other recent Commission orders. The Commission modifies finding of fact 97 for accuracy. The Commission modifies conclusion of law 9 for clarity.

The Commission also makes non-substantive changes for such matters as capitalization, spelling, grammar, punctuation, style, citations, and readability.

I. Findings of Fact

The Commission adopts the following findings of fact.

Joint Applicants

1. LCRA TSC is a Texas non-profit corporation registered with the Texas secretary of state under filing number 159084801.

2. LCRA TSC owns and operates facilities to transmit electricity in ERCOT.

3. LCRA TSC provides service under CCN number 30110.

4. WETT is a Texas limited liability company registered with the Texas secretary of state under filing number 801027991.

5. WETT is an investor-owned electric utility that owns and operates for compensation in Texas facilities and equipment to transmit and distribute electricity in the ERCOT region.

6. WETT provides service under CCN number 30197.

Joint Application

7. On June 22, 2023, in Commission Docket No. 55120, LCRA TSC and WETT (joint applicants) filed a joint CCN application with the Public Utility Commission of Texas (Commission) for a new double-circuit 345-kilovolt (kV) transmission line and associated modifications to LCRA TSC's North McCamey station and WETT's Bearkat station in Glasscock, Reagan, and Upton counties, Texas (the proposed Bearkat-to-North McCamey transmission line).

8. On June 22, 2023, in Commission Docket No. 55121, LCRA TSC and Oncor Electric Delivery Company LLC (Oncor) filed a joint CCN application with the Commission for a new double-circuit 345-kV transmission line and associated modifications to LCRA TSC's

North McCamey station and Oncor's Sand Lake station in Crane, Crockett, Pecos, Reeves, Upton, and Ward counties, Texas (the proposed North McCamey-to-Sand Lake transmission line).

9. In State Office of Administrative Hearings (SOAH) Order No. 2 filed on June 29, 2023, the SOAH administrative law judge (ALJ) consolidated Docket Nos. 55120 and 55121 under PURA[2] § 37.0541 because the proposed Bearkat-to-North McCamey line and the proposed North McCamey-to-Sand Lake line share a common endpoint —LCRA TSC's North McCamey station. The consolidated case proceeded under Docket No. 55121. During the time in which these two proceedings were consolidated, citations herein are to filings in Docket No. 55121 unless otherwise specified.

10. Joint applicants retained POWER Engineers, Inc. to prepare an environmental assessment and alternative route analysis for the transmission facilities, which was included in the application.

11. On August 15, 2023, joint applicants filed errata to the application.

12. In SOAH Order No. 4 filed on July 25, 2023, the SOAH ALJ found the application sufficient and materially complete.

12A. In SOAH Order No. 7 filed on September 15, 2023, the SOAH ALJs severed the Bearkat-to-North McCamey proceeding from consolidated Docket No. 55121, returning the Bearkat-to-North McCamey proceeding to its original Docket No. 55120.

Description of the Transmission Facilities

13. The proposed transmission facilities consist of a new double-circuit 345-kV electric transmission line between LCRA TSC's North McCamey station and WETT's Bearkat station.

14. Joint applicants will own, operate, and maintain all the transmission facilities concerning the proposed Bearkat-to-North McCamey 345-kV transmission line on their respective portions of the line.

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[2] Public Utility Regulatory Act, Tex. Util. Code §§ 11.001–66.016.

15. The proposed transmission facilities will be constructed with a design-voltage rating and operating voltage of 345 kV. The typical structure will primarily be double-circuit 345-kV tangent steel lattice towers. The typical structure height for both LCRA TSC and WETT is anticipated to be 110 to 185 feet. The structures will be located in a typical right-of-way approximately 160 feet wide. No right-of-way has been acquired for the transmission facilities.

16. The application included 50 alternative routes, and five additional alternatives were developed after the application was filed, for a total of 55 alternative routes.

17. The transmission line proposed in the application will be approximately 61 to 84 miles in length, depending on the route selected.

18. Joint applicants identified alternative route NM29 as the route that best addresses the applicable routing criteria of PURA and the Commission's rules.

19. In the application: (i) LCRA TSC estimated that it would finalize engineering and design by December 2024, acquire all right-of-way by February 2025, procure material and equipment by March 2025, complete construction by May 2026, and energize the proposed transmission facilities by June 2026; and (ii) WETT estimated that it would finalize engineering and design by December 2024, acquire all right-of-way by February 2025, procure material and equipment by January 2025, complete construction by March 2026, and energize the proposed transmission facilities by June 2026. Joint applicants' estimates were premised on the Commission's approval of the application within 180 days of the application's filing.

Public Input

20. To develop information on community values for the transmission facilities, joint applicants held three public participation meetings. The first meeting was held on January 17, 2023, from 5:00 p.m. to 8:00 p.m. at the Upton County 4H Community Center in McCamey, Texas. The second meeting was held on January 18, 2023, from 5:00 p.m. to 8:00 p.m. at the Reagan County Activity Center in Big Lake, Texas. The third meeting was held on January 19, 2023, from 5:00 p.m. to 8:00 p.m. at St. Lawrence Parish Hall in Garden City, Texas.

21. LCRA TSC mailed approximately 745 individual written notices of the public participation meetings to all owners of property within 500 feet of the centerline of the preliminary alternative route segments for the proposed transmission facilities. The notice included a map of the study area depicting the preliminary alternative route segments and a frequently asked questions document.

22. LCRA TSC emailed notice of the public participation meetings to the U.S. Department of Defense Siting Clearinghouse (now known as the Military Aviation and Installation Assurance Siting Clearinghouse).

23. Notice of the public participation meetings was published in: (1) *The Crane News*, a newspaper of general circulation in Upton County; (2) *The Big Lake Wildcat*, a newspaper of general circulation in Reagan County; and (3) *The Stanton Martin County Messenger*, a newspaper of general circulation in Glasscock County.

24. A total of 87 people signed in as attendees at the public participation meetings in McCamey, Texas, on January 17, 2023, the meeting in Big Lake, Texas, on January 18, 2023, and the meeting in Garden City, Texas, on January 19, 2023.

25. Joint applicants received feedback from attendees of the public participation meetings in the form of 40 questionnaires submitted at the meetings. Twenty-one additional questionnaires and email correspondence were received by joint applicants or POWER Engineers at a later date.

26. After the public participation meetings, POWER Engineers made modifications to the preliminary route segments after considering environmental constraints information gathered during reconnaissance surveys, new aerial imagery, and information provided by landowners during the public participation meetings and in submitted questionnaires.

Notice of Application

27. DELETED.

28. On June 22, 2023, LCRA TSC sent written notice of the application via the following methods:

a. by first-class mail to each landowner of record, based on a review of current county property tax rolls, who would be directly affected if the requested CCN amendment were granted;

b. by priority mail to municipal governments in the cities of McCamey and Rankin;

c. by priority mail to county governments in Glasscock, Reagan, and Upton counties;

d. by priority mail to neighboring utilities within five miles of the proposed routes that provide similar utility service;

e. by first-class mail as a courtesy to known owners or operators of pipeline facilities crossed by a proposed route;

f. by hand-delivery or first-class mail to state and federal representatives and senators in whose districts the Bearkat-to-North McCamey transmission line is proposed;

g. by hand-delivery or first-class mail to various independent school districts in the cities of McCamey, Rankin, Garden City, and Big Lake;

h. by first-class mail to the Office of Public Utility Counsel; and

i. by email and first-class mail to the Department of Defense Siting Clearinghouse (now known as the Military Aviation and Installation Assurance Siting Clearinghouse).

29. On June 22, 2023, LCRA TSC hand-delivered a copy of the environmental assessment to the Texas Parks and Wildlife Department.

30. On June 22, 2023, joint applicants filed the affidavit of Justin Stryker, a senior regulatory case manager for LCRA TSC, who attested on behalf of joint applicants that notice of the application was provided in accordance with PURA and the Commission's rules.

31. On June 29, 2023, LCRA TSC published notice of the application in: (1) *The Crane News*, a newspaper of general circulation in Upton County; (2) *The Big Lake Wildcat*, a newspaper

of general circulation in Reagan County; and (3) *The Stanton Martin County Messenger*, a newspaper of general circulation in Glasscock County.

32. On June 29, 2023, joint applicants filed an affidavit attesting that notice was published in accordance with PURA and the Commission's rules.

33. In SOAH Order No. 4 filed on July 25, 2023, the SOAH ALJ found the notice of the application sufficient.

Intervenors

34. In SOAH Order No. 3 filed on July 24, 2023, the SOAH ALJ granted the following motions to intervene filed in Commission Docket No. 55121: Ashley W. Watt, Trustee of the Christina W. Watt 2012 Ranch Trust; Julie and James Escalante; Emily Ann Johnson; Cosme Ramirez; Frost Bank, Trustee; Frost Bank, Trustee of the Edwards-Green II Trust; Wahab Pangtono; Li-Ching Lai; Oxy USA, Inc., Anadarko Petroleum Corporation, and Occidental Permian Ltd. (Oxy); James W. Moore, Successor Trustee to the James W. Carter III Non-Exempt Childs Trust, James W. Moore, Successor Trustee to the Kathleen F. Cotter Non-Exempt Childs Trust, Wayne and Joann Moore Charitable Foundation, Moore and Gilmore, Reed and Priscilla F. Gilmore, Trustees to the Reed Gilmore Revocable Trust Dated October 16, 1999, and Sharktooth Resources, Ltd. (Moore and Gilmore Intervenors); and WETT.

35. In SOAH Order No. 3 filed on July 24, 2023, the SOAH ALJ also granted the following motions to intervene filed in Commission Docket No. 55120: Wayne Jansa; Sammy Kellermeier; David Armstrong, Gyla Kim Sexton, and Shelly Ross (Armstrong Family); Linda Frysak, Jerline Frysak, Kathleen Schniers, Kenneth Schniers, Mark Frysak, and Kendrick Lange (Frysak Family); and Oncor.

36. In SOAH Order No. 5 filed on August 21, 2023, the SOAH ALJs granted the following motions to intervene filed in consolidated Docket Nos. 55120 and 55121: John Wilde Family Trust; Jude Ndudi; Jeane Rene Lauderback Robinson; Phil Wayne Dudley, Lisa Gaye Hickey Witkowski, James Burton Morris, Dana Gail King, and Marla Kay Brown (Casey Property Owners); Brent Gully, Carol Gully, and B&C Gully, JV (Gully Family); Robert Michalewicz and Daniel Michalewicz (Michalewicz Family); Charles Gully;

Darren Jost; Eugene Jost; Nathan Halfmann; Helen M. Jost; Douglas Schaefer; G. Wade Caldwell; Sherry Gould; William A. Johnson; Priscilla Gonzalez Fonseca; Philip and Judy Bales; Barba Ballenger Keene, Francys A. Ballenger, Trustee of the Francys A. Ballenger Revocable Trust, and Glass White River Ranches, LLC (Ballenger Intervenors); David T. Friday; David and Belinda Weishuhn; Helen Ziminski; Meenakshi Ramaswamy; Jerry and Arlene Hoelscher; Floyd and Martha Schwartz; City of Garland; Harvey Duke; Syed Jafri; Bill Reedy on behalf of Renewa 1 LLC; Ray Barrett; Patricia T. Barrett Shelter Trust; JRS Farms; Lee Ray Wilde; Charles Casey; Rodney Schwertner; Manuela Ruiz et al Family; Estate of Jerome Hoelscher; Gary and Sharon Halfmann; Terry Landreth; Michelle Lu; Howard Grimes; Alice Ayers; GJK Land Corporation; Frank A. and Dolores Gully Family Trust; Rodney and Madelaine Gully; Bryans Farms; Douglas Jost; Tung Tran; Alice Crawford; Rose Hoelscher-Pelzel; St. Lawrence Cotton Growers Association; Darrell Halfmann and Danielle Halfmann, Delbert R. and Betty Jean Halfmann, Ricky and Rebecca Halfmann, Scott Halfmann, Hatchel 433 LLC, Sharon Lange, and the Estate of Roger Lange (Link 164 Opposition Landowners); Justin and Amy Schwartz; Joe and Gail Schwartz; Myrtle Mendel, Inc.; Booze and Cigarettes, LLC; Lou Ann Wedgwood; Anna Marie Schwartz; Austin Hoelscher; Viviane Lau; Doug Roeber; Dina Bullard; Steve Barrington; Judith Richardson; Kathie Combest; Kenneth Braden; Shirley Braden; Amanda Garza; David Garza; Charles Braden; Carl Hoelscher; Michael Hoch; Greg Niehues; Dale and Laura Wilde; Kinder Morgan Energy Partners, LP; and Chris Matschek.

37. In SOAH Order No. 6 filed on August 30, 2023, the SOAH ALJs dismissed the following intervenors in consolidated Docket Nos. 55120 and 55121 for failing to file direct testimony or a statement of position: Julie and James Escalante; Emily Ann Johnson; Cosme Ramirez; Frost Bank, Trustee; Frost Bank, Trustee of the Edwards-Green II Trust; Wahab Pangtono; Li-Ching Lai; Jude Ndudi; Jeane Rene Lauderback Robinson; G. Wade Caldwell; Sherry Gould; Tytex Properties, Ltd.; William A. Johnson; Priscilla Gonzalez Fonseca; Meenakshi Ramaswamy; Helen Ziminski; Harvey Duke; Syed Jafri; Manuela Ruiz et al Family; Estate of Jerome Hoelscher; Terry Landreth; Alice Ayers; Tung Tran; Alice Crawford; Joe and Gail Schwartz; Myrtle Mendel Inc.; Lou Ann Wedgwood; Anna Marie Schwartz; Viviane Lau; Doug Roeber; Steve Barrington; Judith Richardson; Kathie

Combest; Dina Bullard; Kenneth Braden; Shirley Braden; Amanda Garza; David Garza and Charles Braden. SOAH Order No. 6 also denied the following non-admitted parties' request or attempt to request to intervene because they failed to file direct testimony or a statement of position: LaDean Noakes (as trustee for the Gene L. Duke Trust), Leah Brown, Debra Blankenship, Schwartz Farm Ltd., and Sylvia Gonzalez Archibece.

38. Ultimately, the parties remaining in the Bearkat-to-North McCamey case who filed testimony or a statement of position relating specifically to the LCRA TSC and WETT proposed Bearkat-to-North McCamey transmission line (rather than only the LCRA TSC and Oncor proposed North McCamey-to-Sand Lake transmission line) are: joint applicants; Wayne Jansa; Sammy Kellermeier; David Armstrong, Gyla Kim Sexton, and Shelly Ross (Armstrong Family); Linda Frysak, Jerline Frysak, Kathleen Schniers, Kenneth Schniers, Mark Frysak, Kendrick Lange (Frysak Family); Oxy; Oncor; John Wilde Family Trust; Brent Gully, Carol Gully, and B&C Gully, JV (collectively, Gully Family); Robert Michalewicz and Daniel Michalewicz (Michalewicz Family); Charles Gully; Darren Jost; Eugene Jost; Nathan Halfmann; Helen M. Jost; Douglas Schaefer; Philip and Judy Bales; Barba Ballenger Keene, Francys A. Ballenger, Trustee of the Francys A. Ballenger Revocable Trust, and Glass White River Ranches, LLC (collectively, Ballenger Intervenors); David and Belinda Weishuhn; Jerry and Arlene Hoelscher; Floyd and Martha Schwartz; City of Garland; Ray Barrett; Patricia T. Barrett Shelter Trust; JRS Farms; Lee Ray Wilde; Rodney Schwertner; Gary and Sharon Halfmann; Howard Grimes; GJK Land Corporation; Frank A. and Dolores Gully Family Trust; Rodney and Madelaine Gully; Bryans Farms; Douglas Jost; Rose Hoelscher-Pelzel; St. Lawrence Cotton Growers Association; Darrell Halfmann and Danielle Halfmann, Delbert R. and Betty Jean Halfmann, Ricky and Rebecca Halfmann, Scott Halfmann, Hatchel 433 LLC, Sharon Lange, and the Estate of Roger Lange (collectively, Link 164 Opposition Landowners); Justin and Amy Schwartz; Austin Hoelscher; Carl Hoelscher; Kara Hoelscher; Michael Hoch; Greg Niehues; Dale and Laura Wilde; Kinder Morgan Energy Partners, LP; Roland and Joyce Halfmann; and Commission Staff. Chris Matscheck did not file testimony or a statement of position but remains a party in this proceeding.

Route Adequacy

39. The application presented 50 geographically diverse alternative routes, and five additional alternative routes were developed after the application was filed. Each of the 177 alternative route segments is included in at least one of the 55 alternative routes.

40. No party filed testimony or a statement of position challenging whether the application provided an adequate number of reasonably differentiated routes to conduct a proper evaluation, and no party requested a hearing on route adequacy.

41. The application provided an adequate number of sufficiently delineated routes to conduct a proper evaluation.

Testimony and Statements of Position

42. On June 22, 2023, joint applicants filed the direct testimony of the following witnesses: Leo Quiachon, the senior vice president and chief operating officer of WETT; Justin Stryker, a senior regulatory case manager for LCRA TSC; Paul M. Bell, an engineer in Oncor's assets planning transmission group; Nathan D. Laughlin, a project manager in the power delivery division for POWER Engineers; Lisa Meaux, a project manager and regional manager in the environmental division for POWER Engineers; and Cody Landry, director of construction for WETT.

43. On August 8, 2023, statements of position were filed by the following: Armstrong Family (David Armstrong; Kim Sexton; Shelly Ross); the Frysak Family (Mark Frysak, Linda Frysak, Kathleen Schniers, Kenneth Schniers, Jerline Frysak, Kendrick Lange, the Estate of Sharon Lange).

44. On August 10, 2023, Dale and Laura Wilde filed a statement of position.

45. On August 11, 2023, Mark Frysak filed testimony on behalf of the Frysak Family.

46. On August 14, 2023, direct testimony was filed by or on behalf of the following parties: Kinder Morgan Energy Partners, LP; Oxy; Howard Grimes; JRS Farms, Ray Barrett, Patricia T. Barrett Shelter Trust (collectively); Floyd and Martha Schwartz; Justin and Amy Schwartz; Jerry and Arlene Hoelscher; GJK Land Corp. (by Justin Schwartz, Director); Carl Hoelscher (on his own behalf, and on behalf of Kara and Austin Hoelscher); Greg

Niehues (on his own behalf and as Tres Amigos Airport Manager for Intervenor Carl Hoelscher); Mohammed Ally (on behalf of Carl, Kara and Austin Hoelscher, Michael Hoch); Darrell and Danielle Halfmann; Delbert and Betty Jean Halfmann; Ricky and Rebecca Halfmann; Greg W. Schwertner (on behalf of Hatchel 433, LLC); Sharon Lange and Estate of Roger Lange; Scott Halfmann; David and Belinda Weishuhn; Rose Marie Hoelscher-Pelzel; Douglas Wilde (on behalf of the John Wilde Family Trust); Jason Buntz of Hicks & Co. (on behalf of Wayne Jansa, Sammy Kellermeier, Nathan Halfmann, Darren Jost, Charles Gully, Eugene Jost, Helen M. Jost, Douglas Schaefer, Rodney Schwertner, Bryans Farms, and Douglas Jost); Nathan Halfmann; Helen Jost; Charles Gully; Douglas Schaefer; Wayne A. Jansa; Douglas Jost; Sammy Kellermeier; Rodney Schwertner; Eugene Jost; Bryans Farms; and Darren Jost.

47. On August 14, 2023, a statement of position was filed by or on behalf of the following parties: Michalewicz Family; Brent Gully, Carol Gully, and B&C Gully, JV (Gully Family); Ballenger Intervenors (Francys A. Ballenger Revocable Trust, Barbra Ballenger Keene, Glass Properties Ltd); Garland Power and Light; Phillip and Judy Bales; St. Lawrence Cotton Growers Association; Lee Ray Wilde; Frank A. & Dolores Gully Family Trust; Rodney and Madelaine Gully; and Gary and Sharon Halfmann.

48. On August 18, 2023, Kinder Morgan Energy Partners, LP filed a letter explaining that it withdraws its direct testimony filed on August 14, 2023, subject to re-filing in accordance with terms of a Rule 11 agreement entered by Kinder Morgan Energy Partners, LP; joint applicants; and Oncor. Kinder Morgan Energy Partners, LP re-filed its direct testimony on August 25, 2023.

49. On August 23, 2023, Commission Staff filed the direct testimony of James Euton.

50. On August 25, 2023, the following filed cross-rebuttal testimony: Richard R. Barrett on behalf of JRS Farms, Patricia T. Barrett Shelter Trust, and Ray Barrett; Darrell Halfmann on behalf of Link 164 Opposition Landowners; Jason E. Buntz on behalf of Wayne Jansa, Sammy Kellermeier, Nathan Halfmann, Darren Jost, Charles Gully, Eugene Jost, Helen M. Jost, Douglas Schaefer, Rodney Schwertner, Bryans Farms, and Douglas Jost; and Mohammed Ally on behalf of Carl Hoelscher and Michael Hoch. Also on August 25, 2023,

Sharon Lange filed errata to the direct testimony of Sharon Lange on behalf of the Estate of Roger Lange.

51. On August 29, 2023, Roland Halfmann and Joyce Halfmann filed direct testimony.

52. On August 30, 2023, Commission Staff filed the supplemental direct testimony of Mr. Euton, and joint applicants filed the rebuttal testimony of the following witnesses: Mr. Stryker; Mr. Laughlin; Ms. Meaux; and Mr. Landry.

53. Other testimony and statements of position were filed in consolidated Docket Nos. 55120 and 55121 relating to the proposed North McCamey-to-Sand Lake transmission line.

Referral to SOAH for Hearing

54. On June 6, 2023, joint applicants and Oncor requested an expedited referral to SOAH and proposed a procedural schedule.

55. On June 23, 2023, the Commission referred this docket to SOAH and filed a preliminary order specifying issues to be addressed and not to be addressed in this proceeding.

56. On August 9, 2023, Jerry and Arlene Hoelscher filed a request for a hearing on the merits.

57. In SOAH Order No. 1 filed on June 23, 2023, the SOAH ALJ provided notice of a prehearing conference set for 9:00 a.m. on July 13, 2023.

58. In SOAH Order No. 2 filed on June 29, 2023, the SOAH ALJ adopted a procedural schedule, including a hearing on the merits from September 11 to 15, 2023, to be held remotely via videoconference.

Hearing on the Merits

59. At a prehearing conference convened on September 11, 2023, the SOAH ALJs confirmed that the only contested matter in the consolidated dockets concerned the proposed Bearkat-to-North McCamey transmission line's route and orally granted a motion to sever, ordering that the Bearkat-to-North McCamey case would proceed under its original docket number, Docket No. 55120, and that the North McCamey-to-Sand Lake case would proceed under its original docket number, Docket No. 55121. The SOAH ALJs subsequently issued SOAH Order No. 7 memorializing the severance.

60. On the morning of September 11, 2023, the hearing on the merits for the proposed LCRA TSC and Oncor North McCamey-to-Sand Lake transmission line convened via videoconference and concluded that day.

61. On the afternoon of September 11, 2023, the hearing on the merits for the proposed Bearkat-to-North McCamey transmission line convened via videoconference and concluded the following day.

62. The following parties made appearances, either personally or through legal counsel, and participated in the hearing on the merits for the proposed Bearkat-to-North McCamey transmission line: (1) joint applicants, (2) Commission Staff, (3) Oncor, (4) Armstrong Family (consisting of David Armstrong, Gyla Kim Sexton, and Shelly Ross), (5) Oxy USA, Inc. and Occidental Permian Ltd. (collectively, Oxy), (6) Frysak Family (consisting of Mark Frysak, Linda Frysak, Kenneth Schniers, Kathleen Schniers, and Kendrick Lange), (7) John Wilde Family Trust, (8) Gully Family Entities (consisting of Brent Gully, Carol Gully, and B&C Gully, JV), (9) Michalewicz Intervenors (consisting of Robert Michalewicz and Daniel Michalewicz), (10) Ballenger Intervenors (consisting of Barba Ballenger Keene, Francys A. Ballenger, Trustee of the Francys A. Ballenger Revocable Trust, and Glass White River Ranches, LLC), (11) Glasscock Concerned Citizens (consisting of Wayne Jansa, Sammy Kellermier, Nathan Halfmann, Darren Jost, Charles Gully, Eugene Jost, Helen Jost, Douglas Schaefer, Rodney Schwertner, Bryans Farms, and Douglas Jost), (12) David and Belinda Weishuhn, (13) Rose Hoelscher-Pelzel, (14) Floyd and Martha Schwartz, (15) GJK Land Corporation, (16) Justin and Amy Schwartz, (17) Roland and Joyce Halfmann, (18) Jerry and Arlene Hoelscher, (19) City of Garland, (20) Howard H. Grimes, (21) Barrett Parties (consisting of JRS Farms, Ray Barrett, and Patricia T. Barrett Shelter Trust), (22) Link 164 Opposition Landowners (consisting of Darrell and Danielle Halfmann, Delbert and Betty Jean Halfmann, Ricky and Rebecca Halfmann, Scott Halfmann, Greg Schwertner on behalf of Hatchell 433, LLC; and Sharon Lange on behalf of the Estate of Roger Lange), (23) St. Lawrence Cotton Growers Association, (24) 172 Opposition Group (consisting of Carl Hoelscher and Kara Hoelscher, Austin Hoelscher, Michael Hoch, and Greg Niehues), and (25) Kinder Morgan Energy Partners.

Adequacy of Existing Service and Need for Additional Service

63. The proposed Bearkat-to-North McCamey transmission line, as part of the overall Bearkat-to-North McCamey-to-Sand Lake 345-kV transmission line addition, is needed to address reliability issues driven by rapid load growth in the oil and gas industry, as well as to improve power import capability into the Delaware Basin area.

64. The Delaware Basin area currently lacks the necessary transmission facilities to address the area's substantial historical and projected load growth, which far exceeds other areas of ERCOT.

65. ERCOT completed the Delaware Basin Load Integration Study Report (Delaware Basin study) in December 2019. The main purpose of the Delaware Basin study was to identify potential reliability needs and cost-effective transmission system upgrades whose need would be triggered upon reaching certain load levels in the Delaware Basin area.

66. The Delaware Basin Study recommended the Bearkat-to-North McCamey-to-Sand Lake 345-kV transmission line addition, explaining that the project's need is triggered when the Delaware Basin area load level reaches 4,022 megawatts (MW). This load level could be reached as early as next year.

67. ERCOT completed the Permian Basin Load Interconnection Study Report (Permian Basin study) in December 2021. The Permian Basin study provided additional analysis of the Bearkat-to-North McCamey-to-Sand Lake 345-kV transmission line addition and reconfirmed its need. ERCOT's Permian Basin study identified the Bearkat-to-North McCamey-to-Sand Lake 345-kV transmission line addition as a preferred reliability upgrade.

68. Joint applicants and Oncor submitted the Bearkat-to-North McCamey-to-Sand Lake 345-kV transmission line addition to ERCOT's Regional Planning Group on April 7, 2022. ERCOT considered the submittal and in July 2022 issued its independent review of the Bearkat-to-North McCamey-to-Sand Lake transmission line addition. The Delaware Basin study and Permian Basin study served as the foundations for ERCOT's independent review.

69. ERCOT's independent review found that the addition is needed and critical to the reliability of the ERCOT transmission system. ERCOT's independent review recommended that the Bearkat-to-North McCamey-to-Sand Lake 345-kV transmission line addition be in-service by summer of 2026.

70. ERCOT's board of directors formally endorsed the Bearkat-to-North McCamey-to-Sand Lake 345-kV transmission line addition as a tier 1 project and designated it as critical to ERCOT system reliability under 16 Texas Administrative Code § 25.101(b)(3)(D).

71. DELETED.

72. Without the transmission line addition, capacity would not exist to serve further oil and gas development and load in the general project area.

73. The Delaware Basin study prioritized certain alternative project options while considering the Delaware Basin area's estimated load growth and recommended transmission system upgrades in five stages. The trigger levels of these five stages range from stage 1's trigger level of 3,052 MW to stage 5's trigger level of 5,972 MW. The Bearkat-to-North McCamey-to-Sand Lake 345-kV transmission line addition is ERCOT's recommended Stage 2 upgrade whose need is triggered when the Delaware Basin area load level reaches 4,022 MW.

74. ERCOT's independent review identified the Bearkat-to-North McCamey-to-Sand Lake 345-kV transmission line addition as necessary to resolve potential voltage collapse and other reliability violations during an N-1 condition—that is, the unexpected failure or outage of a transmission system component—relating to certain North American Electric Reliability Corporation (NERC) Category P7 contingencies by the summer of 2026.

75. Under NERC Reliability Standard TPL-001-5.1, with certain exceptions, a Category P7 contingency includes the loss of any two vertically or horizontally adjacent circuits on a common structure. The Bearkat-to-North McCamey-to-Sand Lake 345-kV transmission line addition will address these NERC reliability standard violations.

76. ERCOT's independent review recommended the Bearkat-to-North McCamey-to-Sand Lake 345-kV transmission line addition to reliably serve the Delaware Basin area once the peak

demand level of this area exceeds 4,022 MW. Load growth in the Delaware Basin area is expected to exceed 4,022 MW no later than summer of 2026 but has the potential to surpass this level sooner.

77. The Bearkat-to-North McCamey-to-Sand Lake 345-kV transmission line addition will address reliability and load growth issues by providing additional, new 345-kV outlets to, and improving the capability to import power into, the Delaware Basin area. The addition of new 345-kV outlets to the area will improve system strength by reducing overall system impedances and reactive losses, resulting in improved dynamic stability of the existing system in the area around LCRA TSC's North McCamey station.

78. The Bearkat-to-North McCamey-to-Sand Lake 345-kV transmission line addition will result in transmission system improvements such as: (1) providing increased operational flexibility during emergency conditions; (2) enhancing voltage support for joint applicants' service areas in the Delaware Basin area by creating a more integrated 345-kV transmission system; (3) providing transformer redundancy in the project area; and (4) allowing for future expansion in the project area.

79. ERCOT's independent review considered numerous other alternatives to the Bearkat-to-North McCamey-to-Sand Lake 345-kV transmission line addition, including those submitted by Garland Power and Light and Texas-New Mexico Power Company, before recommending the transmission line addition as the stage 2 upgrade.

80. Distribution alternatives to the proposed transmission line project are not practical because they would not improve the reliability and operational capability of the transmission system in the area, cannot adequately serve all of the increasing oil and gas load, and cannot address the voltage stability requirements in this area.

81. Upgrading the voltage of existing facilities, bundling of conductors, and adding transformers would not resolve the reliability issues identified in ERCOT's independent review. Likewise, these types of alternatives would neither provide the necessary level of service to meet oil and gas customers' needs nor improve the import capability of the transmission system serving many of these loads.

82. The Bearkat-to-North McCamey-to-Sand Lake 345-kV transmission line addition is needed to address critical reliability issues resulting from rapid load growth in an area of oil and gas development. This project will address reliability violations under NERC reliability standards and improve the transmission system's import capability to support future load growth in the area, all of which will improve service for new and existing customers as swift economic expansion occurs in the Delaware Basin area.

83. On July 19, 2023, Commission Staff filed recommendations in consolidated Docket Nos. 55120 and 55121, concluding that the Bearkat-to-North McCamey-to-Sand Lake 345-kV transmission line addition is the best option: (i) for efficiency, reliability, costs, and benefits; and (ii) when compared to employing distribution facilities to meet the specified need.

84. No party challenged the need for the transmission facilities.

Effect of Granting the Application on Joint Applicants and Other Utilities and Probable Improvement of Service or Lowering of Cost

85. Joint applicants are the only electric utilities involved in the construction of the proposed transmission facilities.

86. It is unlikely that the construction of the transmission line along any proposed alternative route will adversely affect service by other utilities in the area.

87. It is likely that the construction of the transmission facilities will enhance the reliability of the transmission system and facilitate robust wholesale competition.

88. The proposed transmission facilities' approved route will run adjacent to Oncor's planned Catclaw Switch station. ERCOT ratepayers will realize cost savings and reliability benefits from this route by minimizing the time and transmission line costs associated with interconnecting that station to the ERCOT grid.

Routing of the Transmission Facilities

89. The POWER Engineers project team included professionals with expertise in different environmental and land use disciplines who were involved in data acquisition, routing analysis, and environmental assessment of the transmission facilities.

90. To identify preliminary alternative route segments for the transmission facilities, POWER Engineers delineated a study area, sought public official and agency input, gathered data regarding the study area, and performed constraints mapping.

91. Of the 50 routes initially filed with the application to allow for an adequate number of alternative routes to conduct a proper evaluation, joint applicants identified route NM29 as the route that best addresses the routing criteria in PURA and the Commission's rules.

92. Commission Staff identified route NM19 as the route that best addresses the routing criteria in PURA and the Commission's rules.

93. Route NM19-OXY is comprised of segments 1, 2, 5, 11, 13, 15, 16B, 22, 30, 45, 58, 59, 60, 62, 84, 85, 90, 99, 104, 106, 112, 134, 138, 140, 146, 153, 155, 157, 158, 176, and 177.

94. Route NM19-OXY is approximately 68.08 miles in length.

95. Route NM19-OXY presents an appropriate balance of routing factors, and there were no negative attributes that could not be addressed with mitigation and the application of best-practice engineering design and construction methods.

Estimated Costs

96. The estimated construction costs for the 50 filed routes plus the five routes developed after the application was filed range from $323.7 million (route NM19) to $410.4 million (route NM40), exclusive of station costs.

97. The total estimated construction cost for NM19-OXY is $334.95 million, exclusive of station costs.

98. The estimated construction cost for the modifications to LCRA TSC's North McCamey station is $11.8 million and the estimated construction cost for the modifications to WETT's Bearkat station is $22.8 million.

99. The cost of route NM19-OXY is reasonable considering the range of the cost estimates for the proposed transmission facilities' proposed routes.

100. LCRA TSC's portion of transmission facilities may be financed through a combination of tax-exempt commercial paper, tax-exempt private revolving note, or taxable commercial paper, and, after completion of the proposed transmission facilities, fixed-rate debt. WETT

intends to finance its portion of the transmission facilities through a combination of debt and equity.

Prudent Avoidance

101. Prudent avoidance, as defined in 16 Texas Administrative Code § 25.101(a)(6), is the "limiting of exposures to electric and magnetic fields that can be avoided with reasonable investments of money and effort."

102. All of the routes presented in the application conform to the Commission's policy of prudent avoidance in that they reflect reasonable investments of money and effort to limit exposure to electric and magnetic fields.

103. The number of habitable structures within 500 feet of the centerline of the 55 alternative routes range from four to 35.

104. Route NM19-OXY has ten habitable structures within 500 feet of its centerline.

105. The construction of transmission facilities along route NM19-OXY complies with the Commission's policy of prudent avoidance.

Community Values

106. Information regarding community values was received from the January 2023 public participation meetings and from local, state, and federal agencies. This information was incorporated into POWER Engineers' routing analysis and joint applicants' eventual selection of the alternative routes included in the application.

107. The responses received from the public participation meetings indicated a preference for minimizing route length through residential areas, using existing transmission line corridors, maintaining reliable electric service, minimizing impacts to lands with drip irrigation, minimizing impacts to farms and agricultural activities, using tubular steel poles instead of steel lattice towers, avoiding placing the proposed transmission facilities along county roads, and avoiding orchards.

108. Route NM19-OXY adequately addresses the expressed community values.

Using or Paralleling Compatible Rights-of-Way and Paralleling Property Boundaries

109. Joint applicants evaluated the use and paralleling of existing compatible rights-of-way and apparent property boundaries when developing their alternative routes.

110. The proposed transmission facilities' 55 alternative routes use or paralleling of existing compatible rights-of-way and apparent property boundaries ranges from 27% to 58% of the length of the route.

111. Route NM19-OXY parallels existing compatible corridors for approximately 40% of its length.

112. Route NM19-OXY uses or parallels existing compatible rights-of-way to a reasonable extent.

Engineering Constraints

113. Joint applicants evaluated engineering and construction constraints when developing the alternative routes. There are no significant engineering constraints along any of the alternative routes that cannot be adequately addressed by using design and construction practices and techniques usual and customary in the electric utility industry.

114. All alternative routes presented are viable, feasible, and reasonable from an engineering perspective.

115. Joint applicants did not identify any engineering constraints that would prevent the construction of transmission facilities along route NM19-OXY.

Other Comparisons of Land Uses and Land Types

a. ***Radio Towers and Other Electronic Installations***

116. No commercial AM radio transmitters were identified within 10,000 feet of route NM19-OXY's centerline.

117. Four FM radio transmitters, microwave towers, or other electronic installations were identified within 2,000 feet of route NM19-OXY's centerline.

118. It is unlikely that the presence of transmission facilities along route NM19-OXY will adversely affect any communication operations in the proximity of the route.

b. *Airstrips and Airports*

119. There are no airports registered with the Federal Aviation Administration equipped with a runway only 3,200 feet or shorter in length and within 10,000 feet of route NM19-OXY's centerline.

120. There are no airports registered with the Federal Aviation Administration equipped with at least one runway longer than 3,200 feet in length and within 20,000 feet of route NM19-OXY's centerline.

121. There are three private airstrips within 10,000 feet of route NM19-OXY's centerline.

122. There are no heliports within 5,000 feet of route NM19-OXY's centerline.

123. It is unlikely that the presence of transmission facilities along route NM19-OXY will adversely affect any airports, airstrips, or heliports.

c. *Irrigation Systems*

124. Route NM19-OXY does not cross agricultural lands with known mobile irrigation systems.

125. It is unlikely that the presence of transmission facilities along route NM19-OXY will adversely affect any agricultural lands with known mobile irrigation systems.

d. *Pipelines*

126. Route NM19-OXY crosses metallic pipelines transmitting hydrocarbons 149 times and parallels such existing pipelines for 2.06 miles.

Recreational and Park Areas

127. Route NM19-OXY does not cross park or recreational areas.

128. No park or recreational areas are located within 1,000 feet of route NM19-OXY's centerline.

129. It is unlikely that the presence of transmission facilities along route NM19-OXY will adversely affect the use and enjoyment of any recreational and park areas.

Historical and Archaeological Values

130. Route NM19-OXY does not cross any recorded cultural sites.

131. There are two recorded cultural sites within 1,000 feet of the centerline of route NM19-OXY.

132. Route NM19-OXY crosses areas with a high potential for historical or archeological sites for 25.15 miles.

133. It is unlikely that the presence of transmission facilities along route NM19-OXY will adversely affect historical or archaeological resources.

Aesthetic Values

134. An estimated 7.75 miles of route NM19-OXY's right-of-way is within the foreground visual zone of United States or state highways.

135. An estimated 10.77 miles of route NM19-OXY's right-of-way is within the foreground visual zone of farm-to-market roads.

136. None of route NM19-OXY's right-of-way is within the foreground visual zone of park or recreational areas.

137. It is unlikely that the presence of transmission facilities along route NM19-OXY will adversely affect the aesthetic quality of the surrounding landscape.

Environmental Integrity

138. The environmental assessment analyzed the possible effects of the transmission facilities on numerous environmental factors.

139. Joint applicants and POWER Engineers evaluated the effects of the transmission facilities on the environment, including endangered and threatened species.

140. Joint applicants and POWER Engineers evaluated potential consequences for soil and water resources, the ecosystem (including endangered and threatened vegetation and fish and wildlife), and land use within the study area. It is unlikely that constructing the transmission facilities approved by this Order will significantly affect wetland resources, ecological resources, endangered and threatened species, or land use.

141. Route NM19-OXY crosses upland woodland or brushland area for approximately 32.40 miles.

142. Route NM19-OXY crosses bottomland or riparian area for approximately 3.58 miles.

143. Route NM19-OXY does not cross the known habitat of any federally listed endangered or threatened species of plant or animal.

144. Joint applicants will cooperate with the United States Fish and Wildlife Service to the extent that field studies identify threatened or endangered species' habitats.

145. Joint applicants will mitigate any effect on federally listed plant or animal species according to standard practices and measures taken in accordance with the Endangered Species Act.

146. It is appropriate for joint applicants to minimize the amount of flora and fauna disturbed during construction of the transmission facilities.

147. It is appropriate for joint applicants to re-vegetate cleared and disturbed areas using native species and consider landowner preferences and wildlife needs in doing so.

148. It is appropriate for joint applicants to avoid, to the maximum extent reasonably possible, causing adverse environmental effects on sensitive plant and animal species and their habitats as identified by the United States Fish and Wildlife Service and Texas Parks and Wildlife Department.

149. It is appropriate for joint applicants to implement erosion control measures and return each affected landowner's property to its original contours and grades unless the landowners agree otherwise. However, it is not appropriate for joint applicants to restore original contours and grades where different contours and grades are necessary to ensure the safety or stability of any transmission line's structures or the safe operation and maintenance of any transmission line.

150. It is appropriate for joint applicants to exercise extreme care to avoid affecting non-targeted vegetation or animal life when using chemical herbicides to control vegetation within rights-of-way. The use of chemical herbicides to control vegetation within rights-of-way is required to comply with the rules and guidelines established in the Federal Insecticide, Fungicide, and Rodenticide Act and with the Texas Department of Agriculture regulations.

151. It is appropriate for joint applicants to protect raptors and migratory birds by following the procedures outlined in the following publications: *Reducing Avian Collisions with Power Lines.- State of the Art in 2012,* Edison Electric Institute and Avian Power Line Interaction Committee, Washington, D.C. 2012; *Suggested Practices for Avian Protection on Power Lines: The State of the Art in 2006,* Edison Electric Institute, Avian Power Line Interaction Committee, and California Energy Commission, Washington, D.C. and Sacramento, CA 2006; and the *Avian Protection Plan Guidelines,* Avian Power Line Interaction Committee and United States Fish and Wildlife Service, April 2005. It is appropriate for joint applicants to take precautions to avoid disturbing occupied nests and take steps to minimize the burden of construction on migratory birds during the nesting season of the migratory bird species identified in the area of construction.

152. It is appropriate for joint applicants to use best management practices to minimize any potential harm that route NM19-OXY presents to migratory birds and threatened or endangered species.

153. It is unlikely that the presence of transmission facilities along route NM19-OXY will adversely affect the environmental integrity of the surrounding landscape.

Texas Parks and Wildlife Department

154. On August 18, 2023, the Texas Parks and Wildlife Department (TPWD) filed a comment letter making various comments and recommendations regarding the transmission facilities, but it did not become a party to this proceeding.

155. TPWD's comment letter addressed issues relating to effects on ecology and the environment but did not consider the other factors the Commission and utilities must consider in CCN applications.

156. TPWD recommended alternative route NM29 as the route that best minimizes adverse effects on natural resources.

157. Before beginning construction, it is appropriate for joint applicants to undertake appropriate measures to identify whether a potential habitat for endangered or threatened species exists and to respond as required.

158. Joint applicants will comply with all applicable environmental laws and regulations, including those governing threatened and endangered species.

159. Joint applicants will comply with all applicable regulatory requirements in constructing the transmission facilities, including any applicable requirements under section 404 of the Clean Water Act.

160. If construction affects federally listed species or their habitat or affects water under the jurisdiction of the United States Army Corps of Engineers or the Texas Commission on Environmental Quality, joint applicants will cooperate with the United States Fish and Wildlife Service, the United States Army Corps of Engineers, and the Texas Commission on Environmental Quality as appropriate to coordinate permitting and perform any required mitigation.

161. POWER Engineers relied on habitat descriptions from various sources, including the Texas Natural Diversity Database, other sources provided by TPWD, and observations from field reconnaissance to determine whether habitats for some species are present in the area surrounding the transmission facilities.

162. Joint applicants will cooperate with the United States Fish and Wildlife Service and TPWD if field surveys identify threatened or endangered species' habitats.

163. The standard mitigation requirements included in the ordering paragraphs of this Order, coupled with joint applicants' current practices, are reasonable measures for a transmission service provider to undertake when constructing a transmission line and sufficiently address TPWD's comments and recommendations.

164. This Order addresses only those recommendations by TPWD for which there is record evidence.

165. The recommendations and comments made by TPWD do not necessitate any modifications to the proposed transmission facilities.

Permits

166. Before beginning construction of the proposed transmission facilities, joint applicants will obtain any necessary permits from the Texas Department of Transportation or any other

applicable state agency if the facilities cross state-owned or -maintained properties, roads, or highways.

167. Before beginning construction of the proposed transmission facilities, joint applicants will obtain a miscellaneous easement from the General Land Office if the transmission line crosses any state-owned riverbed or navigable stream.

168. Before beginning construction of the proposed transmission facilities, joint applicants will obtain any necessary permits or clearances from federal, state, or local authorities.

169. It is appropriate for joint applicants, before commencing construction, to obtain a general permit to discharge under the Texas pollutant discharge elimination system for stormwater discharges associated with construction activities as required by the Texas Commission on Environmental Quality. In addition, before commencing construction, it is appropriate for joint applicants to prepare a stormwater pollution prevention plan if required, to submit a notice of intent to the Texas Commission on Environmental Quality if required, and to comply with all other applicable requirements of the general permit.

170. It is appropriate for joint applicants to conduct a field assessment of route NM19-OXY before beginning construction of the transmission facilities approved by this Order to identify water resources, cultural resources, potential migratory bird issues, and threatened and endangered species' habitats disrupted by the transmission line. As a result of these assessments, joint applicants will identify all necessary permits from counties and federal and state agencies. Joint applicants will comply with the relevant permit conditions during construction and operation of the transmission facilities along route NM19-OXY.

171. After designing and engineering the alignments, structure locations, and structure heights, joint applicants will determine the need to notify the Federal Aviation Administration based on the final structure locations and designs. If necessary, joint applicants will use lower-than-typical structure heights, line marking, or line lighting on certain structures to avoid or accommodate requirements of the Federal Aviation Administration.

Coastal Management Program

172. Under 16 TAC § 25.102(a), the Commission may grant a certificate for the construction of transmission facilities within the coastal management program boundary only when it finds

that the proposed facilities comply with the goals and applicable policies of the coastal management program or that the proposed facilities will not have any direct and significant effect on any of the applicable coastal natural resource areas as defined under Texas Natural Resources Code § 33.203(1) and 31 TAC § 26.3(8).

173. No part of the proposed transmission facilities is located within the coastal management program boundary as defined in 31 TAC § 27.1(a).

Limitation Of Authority

174. It is reasonable and appropriate for a CCN order not to be valid indefinitely because it is issued based on the facts known at the time of issuance.

175. Seven years is a reasonable and appropriate limit to place on the authority granted in this Order to construct the transmission facilities.

Other Issues

176. LCRA TSC will own the southwestern half of the transmission line connecting to its North McCamey station, and WETT will own the northeastern half of the transmission line connecting to its Bearkat station. The ownership division point on route NM19-OXY will be located at latitude 31.478080 and longitude -101.848316, and WETT will own this structure, which will establish a new interconnection between LCRA TSC and WETT.

177. There is no expectation that any generator will be precluded or limited from generating or delivering power during the construction process.

178. The parties have not reached a complete or partial agreement on a route that relies on modifications to the route segments as noticed in joint applicants' application.

II. Conclusions of Law

The Commission adopts the following conclusions of law.

1. LCRA TSC is a public utility as defined in PURA § 11.004 and an electric utility as defined in PURA § 31.002(6).

2. WETT is a public utility as defined in PURA § 11.004 and an electric utility as defined in PURA § 31.002(6).

3. The Commission has authority over this matter under PURA §§ 14.001, 32.001, 37.051, 37.053, 37.054, and 37.056.

4. LCRA TSC and WETT each must obtain the approval of the Commission to construct the proposed transmission line and to provide service to the public using the facilities.

5. PURA § 37.0541 required the consolidation of Docket No. 55120 (the application to amend LCRA TSC's and WETT's CCNs for construction of the Bearkat-to-North McCamey double-circuit 345-kV transmission line) with Docket No. 55121 (the application to amend LCRA TSC's and Oncor's CCNs for construction of the North McCamey-to-Sand Lake double-circuit 345-kV transmission line) because the two lines share a common point of interconnection.

6. SOAH exercised jurisdiction over this proceeding under PURA § 14.053 and Texas Government Code §§ 2003.021 and 2003.049.

7. The application is sufficient under 16 TAC § 22.75(d).

8. The Commission processed this docket in accordance with the requirements of PURA, the Administrative Procedure Act,[3] and the Commission's rules.

9. LCRA TSC and WETT provided notice of the application in compliance with PURA § 37.054(a) and (b)and 16 TAC § 22.52(a).

10. Additional notice of the approved route is not required under 16 TAC § 22.52(a)(2) because it consists entirely of properly noticed segments contained in the application.

11. LCRA TSC and WETT held three public meetings and provided proper notice of those public meetings in compliance with 16 Texas Administrative Code § 22.52(a)(4).

12. The hearing on the merits was set, and notice of the hearing was provided, in compliance with PURA § 37.054 and Texas Government Code §§ 2001.051 and 2001.052.

13. The transmission facilities using route NM19-OXY are necessary for the service, accommodation, convenience, or safety of the public within the meaning of PURA § 37.056(a).

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[3] Tex. Gov't Code §§ 2001.001–.903.

14. The Texas coastal management program does not apply to any of the transmission facilities proposed in the application, and the requirements of 16 TAC § 25.102 do not apply to the application.

15. Under PURA § 37.057, the Commission is required to approve or deny the application not later than the 180th day after it was filed.

III. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following orders.

1. The Commission adopts the proposal for decision, including findings of fact and conclusions of law, except as discussed in this Order.

2. The Commission amends WETT's CCN number 30043 and LCRA TSC's CCN number 30110 to include the construction and operation of the transmission facilities, including a 345-kV double-circuit transmission line along Route NM19-OXY (comprising route segments 1, 2, 5, 11, 13, 15, 16B, 22, 30, 45, 58, 59, 60, 62, 84, 85, 90, 99, 104, 106, 112, 134, 138, 140, 146, 153, 155, 157, 158, 176, 177). LCRA TSC will own the southwestern half of the transmission line connecting to its North McCamey station, and WETT will own the northeastern half of the transmission line connecting to its Bearkat station. The ownership division point on Route NM19-OXY will be located at latitude 31.478080 and longitude -101.848316, and WETT will own this structure, which will establish a new interconnection between LCRA TSC and WETT.

3. LCRA TSC and WETT must conduct surveys, if not already completed, to identify pipelines that could be affected by the transmission line approved by this Order and cooperate with pipeline owners in modeling and analyzing potential hazards because of alternating-current interference affecting pipelines being paralleled.

4. LCRA TSC and WETT must obtain all permits, licenses, plans, and permission required by state and federal law that are necessary to construct the transmission facilities approved by this Order, and if WETT or LCRA TSC fail to obtain any such permit, license, plan, or permission, must notify the Commission immediately.

5. LCRA TSC and WETT must identify any additional permits that are necessary, consult any required agencies (such as the United States Army Corps of Engineers and United States Fish and Wildlife Service), obtain all necessary environmental permits, and comply with the relevant conditions during construction and operation of the transmission facilities approved by this Order.

6. If LCRA TSC or WETT encounter any archaeological artifacts or other cultural resources during construction, work must cease immediately in the vicinity of the artifact or resource, and LCRA TSC or WETT must report the discovery to, and act as directed by, the Texas Historical Commission.

7. Before beginning construction, LCRA TSC and WETT must undertake appropriate measures to identify whether a potential habitat for endangered or threatened species exists and must respond as required.

8. LCRA TSC and WETT must use best management practices to minimize the potential impacts to migratory birds and threatened or endangered species that is presented by the approved route.

9. LCRA TSC and WETT must follow the procedures to protect raptors and migratory birds as outlined in the following publications: Reducing Avian Collisions with Power Lines: State of the Art in 2012, Edison Electric Institute and Avian Power Line Interaction Committee, Washington, D.C. 2012; *Suggested Practices for Avian Protection on Power Lines: The State of the Art in 2006*, Edison Electric Institute, Avian Power Line Interaction Committee, and the California Energy Commission, Washington, D.C. and Sacramento, CA, 2006; and the *Avian Protection Plan Guidelines, Avian Power Line Interaction Committee and the United States Fish and Wildlife Service*, April 2005. LCRA TSC and WETT must take precautions to avoid disturbing occupied nests and take steps to minimize the burden of the construction on migratory birds during the nesting season of the migratory bird species identified in the area of construction.

10. LCRA TSC and WETT must exercise extreme care to avoid affecting non-targeted vegetation or animal life when using chemical herbicides to control vegetation within the rights-of-way. LCRA TSC and WETT must ensure that the use of chemical herbicides to

control vegetation with the rights-of-way complies with the rules and guidelines established in the Federal Insecticide, Fungicide, and Rodenticide Act and with Texas Department of Agriculture regulations.

11. LCRA TSC and WETT must minimize the amount of flora and fauna disturbed during construction of the transmission line, except to the extent necessary to establish appropriate right-of-way clearance for the transmission line. In addition, LCRA TSC and WETT must re-vegetate using native species and must consider landowner preferences and wildlife needs in doing so. Furthermore, to the maximum extent practicable, LCRA TSC and WETT must avoid adverse environmental influence on sensitive plant and animal species and their habitats, as identified by the United States Fish and Wildlife Service and Texas Parks and Wildlife Department.

12. LCRA TSC and WETT must implement erosion control measures as appropriate. Erosion control measures may include inspection of the rights-of-way before and during construction to identify erosion areas and implement special precautions as determined necessary. LCRA TSC and WETT must return each affected landowner's property to its original contours and grades unless otherwise agreed to by the landowner or the landowner's representative. However, the Commission does not require WETT or LCRA TSC to restore original contours and grades where a different contour or grade is necessary to ensure the safety or stability of the transmission facilities' structures or the safe operation and maintenance of the line.

13. LCRA TSC and WETT must cooperate with directly affected landowners to implement minor deviations in the approved route to minimize the burden of the proposed transmission line approved by this Order. Any minor deviations from the approved route must only directly affect landowners who were sent notice of the transmission line in accordance with 16 TAC § 22.52(a)(3) and have agreed to the minor deviation.

14. LCRA TSC and WETT must report the transmission line approved by the Commission on its monthly construction progress reports before the start of construction to reflect the final estimated cost and schedule in accordance with 16 TAC § 25.83(b). In addition, LCRA

TSC and WETT must provide final construction costs, with any necessary explanation for cost variance after completion of construction when all costs have been identified.

15. The Commission does not permit WETT or LCRA TSC to deviate from the approved route in any instance in which the deviation would be more than a minor deviation without first further amending the relevant CCN.

16. If possible, and subject to the other provisions of this Order, LCRA TSC and WETT must prudently implement appropriate final design for the transmission line to avoid being subject to the Federal Aviation Administration's notification requirements. If required by federal law, LCRA TSC and WETT must notify and work with the Federal Aviation Administration to ensure compliance with applicable federal laws and regulations. The Commission does not authorize WETT or LCRA TSC to deviate materially from this Order to meet the Federal Aviation Administration's recommendations or requirements. If a material change would be necessary to meet the Federal Aviation Administration's recommendations or requirements, then LCRA TSC and WETT must file an application to amend their CCNs as necessary.

17. The Commission limits the authority granted by this Order to a period of seven years from the date this Order is signed unless the transmission line is commercially energized before that time.

18. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

Signed at Austin, Texas the 14th day of December 2023.

PUBLIC UTILITY COMMISSION OF TEXAS

KATHLEEN JACKSON, INTERIM CHAIR

WILL MCADAMS, COMMISSIONER

LORI COBOS, COMMISSIONER

JIMMY GLOTFELTY, COMMISSIONER

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