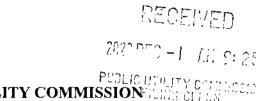


Control Number: 55172



Item Number: 109

## PUC DOCKET NO. 55172 SOAH DOCKET NO. 473-23-23817



APPLICATION OF ONCOR ELECTRIC	8	PUBLIC UTILI
DELIVERY COMPANY LLC TO	§	
AMEND ITS CERTIFICATE OF	§	OF '
CONVENIENCE AND NECESSITY FOR	§	
THE REDLAND SWITCH-TO-LUFKIN	§	
SWITCH 345-KV TRANSMISSION	§	
LINE IN ANGELINA COUNTY	§	

## OF TEXAS

#### ORDER

This Order addresses the application of Oncor Electric Delivery Company LLC to amend its certificate of convenience and necessity (CCN) to construct, own, and operate the Redland switch-to-Lufkin switch 345-kilotvolt (kV) transmission line in Angelina County. The Electric Reliability Council of Texas, Inc. (ERCOT) has not deemed this transmission line as critical to the reliability of the ERCOT system.

The signatories filed a unanimous agreement to route the line along route 3. The Commission approves the agreed route and amends Oncor's CCN number 30043 to the extent provided by this Order.

### I. Findings of Fact

The Commission makes the following findings of fact.

### **Applicant**

- Oncor is a Delaware limited liability company registered with the Texas secretary of state under filing number 800880712.
- Oncor 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.
- 3. Oncor holds CCN number 30043 to provide service to the public.

### **Application**

4. On July 13, 2023, Oncor filed an application to amend its CCN for the proposed construction of a new transmission line.

- 5. Oncor retained AECOM Technical Services, Inc. to prepare an environmental assessment and routing analysis, which Oncor attached to the application.
- 6. In the application, Oncor stated that route 6 best addressed the requirements of PURA<sup>1</sup> and the Commission's rules.
- 7. On August 8, 2023, Commission Staff recommended that the application be found sufficient.

### Description of the Transmission Facilities

- 8. Oncor proposes to construct a new 345-kV single-circuit transmission line on double-circuit-capable structures in Angelina County. The transmission line will connect Oncor's existing Lufkin switch and Redland switch stations. Construction of the new 345-kV transmission line will require station work at Lufkin switch and Redland switch stations and the rebuilding and relocation of a portion of the existing Stryker Creek switch-to-Lufkin switch 345-kV transmission line paralleled by the proposed transmission line.
- 9. In this Order, the term *transmission facilities* includes the proposed transmission line, station work, and the rebuilding and relocation of a portion of the existing Stryker Creek switch-to-Lufkin switch 345-kV transmission line.
- 10. Oncor's Lufkin switch station is an existing electric utility facility.
- 11. Oncor's Redland switch station is an existing electric utility facility.
- 12. Oncor plans to construct the transmission line mainly on double-circuit-capable lattice steel towers between 110 and 190 feet tall. Oncor may use double-circuit-capable steel monopole structures in certain constrained areas, including portions of segment HH1. The structures will be located in a typical right-of-way approximately 160 feet wide, although right-of-way widths may vary depending on, structure type, existing constraints, and whether existing transmission-line right-of-way can be used. No new right-of-way has been acquired for the transmission facilities.

<sup>&</sup>lt;sup>1</sup> Public Utility Regulatory Act, Tex. Util. Code §§ 11.001–66.016.

- 13. Oncor plans to use 1,926.9-kilocircular-mil aluminum conductor steel supported, trapezoidal-shaped wire conductors, with two conductors per phase, having a continuous summer static current rating of 5,138 amperes and a continuous static line capacity of 3,070 megavolt-amperes. While the line capacity will be 3,070 megavolt-amperes, the line will be operated at 1,912 megavolt-amperes due to the limitations of terminal equipment at the Lufkin switch.
- 14. The proposed station work will include terminating the new lines and establishing facilities for future lines. All work on Oncor's existing Lufkin switch and Redland switch stations will occur within the existing station footprints.
- 15. Oncor proposes modifying the Lufkin switch station to add a 345-kV six-breaker (initially three breakers), ring-bus switchyard, with two 345-kV line terminations on A-frame dead end towers. Other 345-kV equipment includes disconnect switches for circuit breaker isolation, voltage transformers for relay input, surge arresters for lightning protection, and all associated tubular aluminum bus, insulators, and steel support structures. A new 24-foot-by-60-foot control center will be added to house the relay panels, supervisory control and data acquisition, and controls for the 345-kV switchyard equipment.
- 16. Oncor proposes modifying the Redland switch to add breaker equipment and use an A-frame dead end tower to terminate the transmission line at the station.
- 17. The proposed modifications to the Redland switch station are in addition to the modifications to the Redland switch approved in Docket No. 54524<sup>2</sup> and will primarily occur in conjunction with the modifications that were already approved. Modifications relating to that earlier CCN amendment include adding the following 345-kV equipment: disconnect switches for circuit breaker isolation, voltage transformers for relay input, surge arresters for lighting protection, and all associated tubular aluminum bus, insulators, and steel support structures. Other modifications associated with that earlier CCN amendment entail adding a 345-kV two-rung, five-breaker, breaker-and-a-half switchyard, with two

<sup>&</sup>lt;sup>2</sup> Application of Oncor Electric Delivery Company LLC to Amend its Certificate of Convenience and Necessity for the Nacogdoches Southeast Switch – Redland Switch 345-kV Transmission Line in Nacogdoches and Angelina Counties, Docket No. 54524, Notice of Approval (Apr. 5, 2023).

345 kV line terminations on A-frame dead end towers, and one 345 kV-138 kV autotransformer.

### Routes

- 18. The application included 56 alternative routes based on 51 routing segments.
- 19. The 56 alternative routes range in length from approximately 7.76 to 11.43 miles.
- 20. All alternative routes are viable and constructible.

### Schedule

21. Oncor estimated that it would finalize engineering and design by September 2024, acquire all rights-of-way and land by March 2025, procure material and equipment by December 2024, complete construction by December 2025, and energize the transmission facilities approved by this Order by December 2025.

### Public Input

- 22. To develop information on community values for the transmission facilities, Oncor held a public meeting in Lufkin, Texas on February 28, 2023.
- 23. Oncor directly mailed 656 individual written notices of the public meeting to landowners who own property located within 500 feet of the proposed routes' centerlines. Oncor obtained the landowners' names and addresses from Angelina County's tax rolls database. The notice included a map of the study area depicting the preliminary route segments, a brochure on landowners and transmission line cases at the Commission, a request-to-intervene form, a comment form, and a landowners' bill of rights brochure.
- 24. Oncor sent written notice of the public meeting by mail to the Military Aviation and Installation Assurance Siting Clearinghouse, formerly known as the Department of Defense Siting Clearinghouse.
- 25. A total of 72 people signed in as attending the public meeting.
- 26. Oncor received completed questionnaires providing feedback from 42 people at the public meeting. Oncor received eight additional questionnaires or letters by mail after the meeting.

27. Information from the public meeting and from local, state, and federal agencies was evaluated and incorporated into the selection of recommended and alternative routes by Oncor.

### Notice of Application

- On July 13, 2023, Oncor sent written notice of the application by priority mail to municipal officials of the City of Lufkin, which is a municipality within five miles of the proposed routes.
- 29. On July 13, 2023, Oncor sent written notice of the application by priority mail to county officials in Angelina County.
- 30. On July 13, 2023, Oncor sent written notice of the application by first-class mail to each landowner, as stated on current county tax rolls, who could be directly affected if the requested certificate amendment is granted for any of the proposed routes.
- 31. On July 13, 2023, Oncor sent notice of the application by overnight delivery to the Office of Public Utility Counsel.
- 32. On July 13, 2023, Oncor sent written notice of the application by email and overnight delivery to the Military Aviation and Installation Assurance Siting Clearinghouse.
- 33. On July 13, 2023, Oncor sent a copy of the environmental assessment and routing analysis by overnight delivery to the Texas Parks and Wildlife Department.
- 34. On July 19, 2023, Oncor sent written notice of the application by first-class mail to certain pipeline associations and pipeline owners or operators identified in the study area.
- 35. On August 2, 2023, Oncor filed the affidavit of Miguel Alvarado, regulatory manager for Oncor, attesting to the provision of notice to municipalities within five miles, Angelina County officials, the Office of Public Utility Counsel, the Military Aviation and Installation Assurance Siting Clearinghouse, the Texas Parks and Wildlife Department, and directly affected landowners.
- 36. Oncor did not send written notice of the application by first-class mail to neighboring utilities because there are none within five miles of the proposed routes that provide similar utility service.

- 37. On July 19, 2023, Oncor published notice of the application in *The Lufkin Daily News*, which has general circulation in Angelina County.
- 38. On August 2, 2023, Oncor filed the affidavit of Mr. Alvarado and a publisher's affidavit attesting to the publication of notice of the application.
- 39. On August 18 and September 14, 2023, Oncor filed supplemental affidavits of Mr. Alvarado, each of which attested to notices of the application that were re-sent to certain landowners after notices originally mailed were returned to Oncor.
- 40. No party challenged the sufficiency of notice of the application.

#### Intervenors

- 41. In State Office of Administrative Hearings (SOAH) Order No. 2 filed August 8, 2023, the SOAH administrative law judges (ALJs) granted the motions to intervene filed by the following parties: Gary Frost; James D. Day; Leonard Latham; Winston Land & Cattle; Eugene or Melinda Tapia; Richard Roby; George and Traci Hawes; Robert Bowers; Dan Bowers; Casey Bowers; and SueAnn and Rusten Brockett.
- 42. In SOAH Order No. 3 filed on August 18, 2023, the SOAH ALJs granted motions to intervene filed by the following: Pamela Garcia Thomas; Deborah Collins; Hiram Blake; Michael Simpson; Gloria Purvis; Curtis and Lauren Strock; Garland Hawk; Arthur Cox; James Anderson c/o Melanie Charanza; Sedulous Investments Robert Nathan Pegram; Robert Holcombe Trustee for Holcombe Testamentary Trust; Charles D. Brazil; Walter Keen; Warren and Calianne McKenney; Anthony Taylor; Belisha Turner; Victor and Gail Denning; Dee & Simon Partnership, Ltd.; Winston Rentals, Inc.; Inetta Coleman; and Kelby McCall.
- 43. In SOAH Order No. 3, the SOAH ALJs denied motions to intervene filed by the following because the requestors filed their motions confidentially and therefore the filings could not be reviewed: Limbrick Garrett, III; Linda Garcia Royal; Caldonia Pratt-Falls; Cynthia Bolen; Majed Jaarah; Harry Lance St. Clair; and Filing No. 77, a filing that does not have a party name listed on the Commission's interchange.

- 44. In SOAH Order No. 4 filed on August 29, 2023, the SOAH ALJs dismissed the following intervenors for failure to file direct testimony or a statement of position by the August 21, 2023 deadline: Pamela Garcia Thomas; Deborah Collins; Hiram Blake; Curtis and Lauren Strock; Garland Hawk; Arthur Cox; James Anderson c/o Melanie Charanza; Sedulous Investments Robert Nathan Pegram; Robert Holcombe Trustee for Holcombe Testamentary Trust; Walter Keen; Warren and Calianne McKenney; Anthony Taylor; Belisha Turner; Victor and Gail Denning; Inetta Coleman; Kelby McCall; James D. Day; Leonard Latham; Eugene or Melinda Tapia; Richard Roby; George and Traci Hawes; Robert Bowers; Dan Bowers; Casey Bowers; and SueAnn and Rusten Brockett.
- 45. The intervenor parties to this proceeding are Gary Frost; Winston Land & Cattle; Winston Rentals, Inc.; Dee & Simon Partnership, Ltd.; Michael Simpson; Gloria Purvis; and Charles D. Brazil.

## Alignment of Intervenors

46. No parties provided notice of a voluntary alignment, nor was any alignment requested or ordered.

#### Route Adequacy

- 47. No party contested whether the application provided an adequate number of reasonably differentiated routes to conduct a proper evaluation.
- 48. Given the distance between the transmission-line endpoints and the nature of the area in which the alternative routes are located, the application provided an adequate number of reasonably differentiated routes to conduct a proper evaluation.

### Statements of Position and Testimony

- 49. On July 13, 2023, Oncor filed the direct testimonies of Melinda L. Jensen, senior environmental program manager for AECOM; Jared N. Lee, line and structural standards manager for Oncor; Casey D. Petty, senior CCN project manager for Oncor; and Charles D. Saker, consulting engineer in Oncor's assets planning group.
- 50. On August 20, 2023, Gloria Purvis and Michael Simpson filed statements of position.
- 51. On August 21, 2023, Charles Brazil filed a statement of position.

- 52. On August 21, 2023, Gary Frost filed direct testimony on behalf of himself. Benjamin Dee Winston II filed direct testimony on behalf of Winston Land & Cattle; Winston Rentals, lnc.; and Dee & Simon Partnership, Ltd.
- 53. On September 12, 2023, Commission Staff filed the direct testimony of its witness Sherryhan Ghanem recommending approval of route 3.
- 54. On September 19, 2023, Oncor filed the rebuttal testimony of its witnesses Ms. Jensen, Mr. Lee, and Ms. Petty.

### Referral to SOAH for Hearing

- 55. On July 20, 2023, the Commission referred this docket to SOAH and filed a preliminary order specifying issues to be addressed in this proceeding.
- 56. In SOAH Order No. 4 filed on August 29, 2023, the SOAH ALJs provided notice of a hearing on the merits set for 9:00 a.m. on October 3 through October 5, 2023 by videoconference.
- 57. In a SOAH order filed on September 19, 2023, the SOAH ALJs abated the procedural schedule and canceled the hearing on the merits because the parties reached an agreement in principle.
- 58. On September 27, 2023, the parties filed a unanimous agreement agreeing on route 3.
- 59. In a SOAH order filed on October 4, 2023, the SOAH ALJs admitted the following into the evidentiary record: (a) Oncor's application, including attachments, filed on July 13, 2023; (b) the direct testimonies and exhibits of Oncor witnesses Ms. Jensen, Mr. Lee, Ms. Petty, and Mr. Saker, filed on July 13, 2023; (c) Oncor's response to standard Order No. 1 issues filed on July 14, 2023; (d) Oncor's affidavit attesting to the provision of notice to cities, counties, Office of Public Utility Counsel, Texas Parks and Wildlife Department, Military Aviation and Installation Assurance Siting Clearinghouse, and landowners, including attachments, filed on August 2, 2023; (e) Oncor's affidavit attesting to the provision of newspaper notice, including attachments, filed on August 2, 2023; (f) Commission Staff's recommendations or comments on Oncor's responses to questions regarding alternatives to the project and on sufficiency of the application and notice, filed

on August 8, 2023; (g) Oncor's first supplemental affidavit attesting to the provision of notice to landowners filed on August 18, 2023; (h) the direct testimony of Benjamin Dee Winston II on behalf of Winston Land & Cattle, Winston Rentals, Inc., and Dee & Simon Partnership, Ltd., including exhibits, filed on August 21, 2023; (i) the direct testimony of Gary Frost on behalf of himself, including exhibits, filed on August 21, 2023; (j) the direct testimony of Commission Staff witness Ms. Ghanem, including attachments, filed on September 12, 2023; (k) Oncor's second supplemental affidavit attesting to the provision of notice to landowners filed on September 14, 2023; (l) Oncor's letter to the SOAH ALJs regarding an agreement between the parties, filed on September 18, 2023; (m) the rebuttal testimonies of Oncor witnesses Ms. Jensen, Mr. Lee, and Ms. Petty, with exhibit, filed on September 19, 2023; and (n) the agreement and exhibit filed on September 27, 2023.

60. In a SOAH order filed on October 4, 2023, the SOAH ALJs dismissed the proceeding from SOAH's docket and remanded it to the Commission.

### Adequacy of Existing Service and Need for Additional Service

- 61. The proposed Redland Switch-to-Lufkin Switch transmission facilities, as part of the overall Nacogdoches Southeast switch Redland switch Lufkin switch 345-kV loop, is needed to address thermal violations under various contingencies, improve operational flexibility, and increase system capacity for load growth in Angelina and surrounding counties.
- 62. Currently, the Oncor transmission system in Angelina, Cherokee, Nacogdoches, and Rusk counties in East Texas is supported by two radial 345-kV lines. Simulations of a local autotransformer outage found post-contingency thermal violations. Oncor is currently limited in its ability to perform maintenance on the existing 345-kV transmission system due to the present configuration and the limited ability to take clearances under ERCOT's guidelines.
- 63. Oncor submitted the Nacogdoches Southeast switch-Redland switch-Lufkin switch 345-kV loop to ERCOT's regional planning group on October 21, 2020 (RPG submittal). ERCOT evaluated the RPG submittal and on April 11, 2022 issued its

- independent review of the Nacogdoches Southeast switch-Redland switch-Lufkin switch 345-kV loop project.
- 64. ERCOT's independent review identified reliability criteria violations, such as an overload of 118.2% of the thermal rating of the Nacogdoches Southeast switch-Redland switch 138-kV line. ERCOT's independent review recommended the Nacogdoches Southeast switch-Redland switch-Lufkin switch 345-kV loop as the preferred solution.
- 65. ERCOT's independent review endorsed the Nacogdoches Southeast switch-Redland switch-Lufkin switch 345-kV loop as a Tier 2 transmission project under ERCOT Nodal Protocol § 3.11.4.3.
- 66. The transmission facilities represent ERCOT's recommended solution to reliability issues in the Angelina and surrounding counties.
- 67. On April 5, 2023 in Docket No. 54524, the Commission approved the Nacogdoches Southeast switch-to-Redland switch 345-kV transmission facilities, which are one of two components of the overall Nacogdoches Southeast switch-Redland switch-Lufkin switch 345 kV loop. Construction of the proposed transmission facilities will complete the Nacogdoches Southeast switch Redland switch-Lufkin switch 345-kV loop endorsed by ERCOT, creating a loop for the three major 345/138-kV switching stations in Angelina and Nacogdoches counties. This 345-kV loop will provide a more stable and reliable transmission system in the area.
- 68. Distribution alternatives to the proposed transmission facilities are not practical because they would not resolve the thermal violations seen on the transmission system when simulating certain North American Electric Reliability Corporation and ERCOT contingencies.
- 69. Oncor proposes not to add the 345-kV circuit associated with the proposed transmission facilities to its existing transmission-line structures. Doing so would not provide a vacant position for a second 345-kV circuit in the future, and failing to provide this vacant position would be inconsistent with Oncor's RPG submittal and ERCOT's independent review.

70. No party challenged the need for the transmission facilities, and Commission Staff recommended that the proposed transmission facilities are the best option to meet the needs identified by ERCOT.

## Routing of the Transmission Facilities

- 71. The agreed route 3 consists of the following segments: A, B, E, H, N, Z, HH1, RR, and QQ.
- 72. The agreed route consists entirely of noticed segments that were not changed or modified from the segments proposed in the application.
- 73. The agreed route is 8.59 miles in length.
- 74. The rebuilding and relocation of a portion of Oncor's single-circuit Stryker Creek switch-to-Lufkin switch 345-kV transmission line paralleling segment HH1 may occur within Oncor's existing right-of-way or within right-of-way acquired for the proposed transmission facilities.

# Effect of Granting the Application on Oncor and Other Utilities and Probable Improvement of Service or Lowering of Cost

- 75. Oncor is the only electric utility involved in the construction of the transmission facilities, and no other electric utility's existing facilities will be used.
- 76. The proposed transmission line will not serve another electric utility or connect with the facilities owned by another electric utility.
- 77. The agreed route begins at the existing Lufkin switch station and terminates at the Redland switch station, both owned by Oncor.
- 78. It is likely that construction of the transmission facilities will result in a more reliable transmission system.
- 79. It is unlikely that the construction of the transmission facilities will adversely affect service by other utilities in the area.

#### Estimated Costs

- 80. The estimated construction costs of the 56 filed routes range from \$29,250,000 to \$41,448,000, excluding station costs.
- 81. The estimated cost to construct the agreed route is \$30,266,000, excluding substation costs.

- 82. The estimated cost of substation work for any route, including the agreed route, is \$8,251,445, which includes \$1,662,648 in costs associated with modifications of the Redland switch and \$6,588,797 in costs associated with modifications of the Lufkin switch. These station costs include labor, material, and equipment procurement costs.
- 83. The estimated cost of the agreed route includes the cost to rebuild and relocate a portion of Oncor's existing single-circuit Stryker Creek switch-to-Lufkin switch 345 kV transmission line parallel to segment HH1 of the agreed route.
- 84. The cost of the agreed route is reasonable considering the range of the cost estimates for the routes.
- 85. The transmission facilities will be financed through a combination of debt and equity.

### Prudent Avoidance

- 86. Prudent avoidance, as defined in 16 Texas Administrative Code (TAC) § 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."
- 87. The number of habitable structures within 500 feet of the application routes' centerlines ranges from 61 to 146.
- 88. The agreed route has 69 habitable structures within 500 feet of its centerline.
- 89. The construction of transmission facilities along the agreed route complies with the Commission's policy of prudent avoidance.

#### Community Values

- 90. The principal concerns expressed in the questionnaire responses from the public meeting included minimizing the transmission line's length across residential areas, maximizing distance along existing transmission corridors, and maximizing distance from residences.
- 91. The agreed route adequately addresses the expressed community values.

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

92. When developing routes, Oncor evaluated the use of existing compatible rights-of-way and paralleling of existing compatible rights-of-way and apparent property boundaries.

- 93. The routes in the application use or parallel existing compatible rights-of-way or parallel apparent property boundaries for 6% to 48% of the length of the route depending on the route selected.
- 94. The agreed route uses or parallels existing compatible rights-of-way or parallels apparent property boundaries for 48% of its length.
- 95. The routes in the application parallel and are adjacent to existing transmission lines for 0% to 16.9% of the length of the route depending on the route selected.
- 96. The agreed route parallels and is adjacent to existing transmission lines for 1.3 miles, or 15.6% of its length, and uses 0.64 miles of existing transmission-line easement.
- 97. The agreed route uses or parallels existing compatible rights-of-way and apparent property boundaries to a reasonable extent.

### **Engineering Constraints**

- 98. Oncor evaluated engineering and construction constraints when developing routes.
- 99. Oncor did not identify any engineering constraints that would prevent the construction of transmission facilities along the agreed route.

#### Land Uses and Land Types

- 100. The study area is situated across approximately 44 square miles in northern Angelina County, Texas. While the study area includes the northern city limits of the City of Lufkin, the majority of the study area is located in rural, undeveloped lands. In the northern portion of the study area, residential development is generally limited to scattered rural properties, with the exceptions of concentrations of residences within the unincorporated town of Redland, located off United States highway 59 north of the City of Lufkin. Dense residential and commercial development is otherwise present throughout the southern portion of the study area within the city limits of the City of Lufkin.
- 101. The majority of the agricultural activities within the study area consist of pine plantations. Lumber is the primary agricultural commodity within Angelina County. Commercially important plant species including loblolly and shortleaf pine exist within the study area and have the potential to be temporarily impacted; however, upon completion of the

- construction phase of the proposed transmission facilities, a full resumption of pine plantation production is expected, with the exception of areas within the proposed transmission line right-of-way. Effects to timber production are anticipated to be negligible.
- 102. The study area is located within the Interior Coastal Plains physiographic region of Texas. Elevations within the study area range between approximately 173 to 422 feet above mean sea level.
- 103. All the routing segments proposed by Oncor in this proceeding can be safely and reliably constructed and operated without significant adverse effects on uses of property.

### Radio Towers and Other Electronic Installations

- 104. Two commercial AM radio transmitters were identified within 10,000 feet of the agreed route's centerline.
- 105. Five FM radio transmitters, microwave relay stations, or other electronic installations were identified within 2,000 feet of the agreed route's centerline.
- 106. The agreed route will not have a significant effect on electronic communication facilities or operations in the study area.

### Airstrips and Airports

- 107. There are no airports registered with the Federal Aviation Administration and equipped with runways shorter than or exactly 3,200 feet within 10,000 feet of the agreed route's centerline.
- 108. There are no airports registered with the Federal Aviation Administration and equipped with at least one runway longer than 3,200 feet within 20,000 feet of the agreed route's centerline.
- 109. There are no private airstrips within 10,000 feet of the agreed route's centerline.
- 110. There are no heliports within 5,000 feet of the agreed route's centerline.
- 111. It is unlikely that the transmission facilities will adversely affect any airports, airstrips, or heliports.

### Irrigation Systems

- 112. The agreed route, like all the proposed routes, does not cross agricultural lands with known mobile irrigation systems.
- 113. It is unlikely that the transmission facilities will adversely affect any agricultural lands with known mobile irrigation systems.

### **Pipelines**

- 114. The agreed route does not parallel metallic pipelines transmitting hydrocarbons.
- 115. It is unlikely that the transmission facilities will adversely affect any crossed or paralleled metallic pipelines that transport hydrocarbons.

### Other Route Attributes

116. One habitable structure, number 2873, is within the right-of-way of the existing single-circuit Stryker Creek switch-to-Lufkin switch 345-kV transmission line paralleled by segment HH1, but the structure is movable. Oncor will coordinate with the landowner to relocate the structure outside of existing right-of-way to accommodate rebuilding that portion of the existing 345-kV line.

### Recreational and Park Areas

- 117. The agreed route, like all the proposed routes, does not cross recreational and park areas.
- 118. There are between zero and one additional recreational or park areas within 1,000 feet of the respective centerlines of the proposed routes, depending on the route selected.
- 119. There are no additional recreational or park areas within 1,000 feet of the agreed route's centerline.
- 120. It is unlikely that the transmission facilities will adversely affect the use and enjoyment of any recreational or park areas.

#### Historical and Archaeological Values

- 121. The agreed route crosses no recorded historical or archaeological sites.
- 122. There are no recorded historical or archaeological sites within 1,000 feet of the agreed route's centerline.

- 123. There are no properties listed on or determined eligible for listing on the National Register of Historic Places within 1,000 feet of the agreed route's centerline.
- 124. The routes in the application cross areas with a high potential for historical or archeological sites for 190 feet to 1.3 miles, depending on the route selected.
- 125. The agreed route crosses areas with a high potential for historical or archeological sites for 190 feet.
- 126. It is unlikely that the transmission facilities will adversely affect historical or archeological resources.

### Aesthetic Values

- 127. The agreed route is located within the foreground visual zone of United States or state highways for 2.3 miles.
- 128. The routes in the application are within the foreground visual zone of parks or recreational areas for zero to 2.7 miles, depending on the route selected.
- 129. No part of the agreed route is located within the foreground visual zone of recreational or park areas.
- 130. It is unlikely that the presence of transmission facilities along the agreed route will adversely affect the aesthetic quality of the surrounding landscape.

#### Environmental Integrity

- 131. The environmental assessment and routing analysis analyzed the possible effects of the transmission facilities on numerous environmental factors.
- 132. AECOM evaluated the effects of the transmission facilities on the environment, including endangered and threatened species.
- 133. AECOM 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.

- 134. It is unlikely that there will be significant effects on wetland resources, ecological resources, endangered and threatened species, or land use as a result of constructing the transmission line approved by this Order.
- 135. The agreed route crosses upland woodlands for 2.8 miles.
- 136. The agreed route does not cross bottomland or riparian woodlands.
- 137. The agreed route does not cross wetlands mapped by the National Wetland Inventory.
- 138. The agreed route does not cross the known habitat of a federally listed endangered or threatened species of plant or animal.
- 139. It is unlikely that there will be any significant adverse consequences for populations of any federally listed endangered or threatened species.
- 140. Oncor 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.
- 141. It is appropriate for Oncor to minimize the amount of flora and fauna disturbed during construction of the transmission facilities.
- 142. It is appropriate for Oncor to re-vegetate cleared and disturbed areas using native species and consider landowner preferences and wildlife needs in doing so.
- 143. It is appropriate for Oncor 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 Texas Parks and Wildlife Department and the United States Fish and Wildlife Service.
- 144. It is appropriate for Oncor 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 Oncor 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.

- 145. It is appropriate for Oncor 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 Texas Department of Agriculture regulations.
- 146. It is appropriate for Oncor 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 Oncor 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.
- 147. It is appropriate for Oncor to use best management practices to minimize any potential harm that the agreed route presents to migratory birds and threatened or endangered species.
- 148. It is unlikely that the transmission facilities will adversely affect the environmental integrity of the surrounding landscape.

### Texas Parks and Wildlife Department's Written Comments and Recommendations

- 149. On September 7, 2023, the Texas Parks and Wildlife Department filed a letter making various comments and recommendations regarding the transmission facilities.
- 150. The Texas Parks and Wildlife Department's 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.
- 151. The Texas Parks and Wildlife Department identified route 3 as the route that best minimizes adverse effects on natural resources.

- 152. Before beginning construction, it is appropriate for Oncor to undertake appropriate measures to identify whether a potential habitat for endangered or threatened species exists and to respond as required.
- 153. Oncor will comply with all applicable environmental laws and regulations, including those governing threatened and endangered species.
- 154. Oncor will comply with all applicable regulatory requirements in constructing the transmission facilities, including any applicable requirements under section 404 of the Clean Water Act.
- 155. 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, Oncor will cooperate with the United States Fish and Wildlife Service, United States Army Corps of Engineers, and the Texas Commission on Environmental Quality as appropriate to coordinate permitting and perform any required mitigation.
- 156. AECOM relied on habitat descriptions from various sources, including the Texas Natural Diversity Database, other sources provided by the Texas Parks and Wildlife Department, and observations from field reconnaissance to determine whether habitats for some species are present in the area surrounding the transmission facilities.
- 157. Oncor will cooperate with the United States Fish and Wildlife Service and the Texas Parks and Wildlife Department to the extent that field surveys identify threatened or endangered species' habitats.
- 158. The standard mitigation requirements included in the ordering paragraphs of this Order, coupled with Oncor's current practices, are reasonable measures for a transmission service provider to undertake when constructing a transmission line and sufficiently address the Texas Parks and Wildlife Department's comments and recommendations.
- 159. The Commission does not address the Texas Parks and Wildlife Department's recommendations for which there is not record evidence to provide sufficient justification,

- adequate rationale, or an analysis of any benefits or costs associated with the recommendation.
- 160. This Order addresses only those recommendations by the Texas Parks and Wildlife Department for which there is record evidence.
- 161. The recommendations and comments made by the Texas Parks and Wildlife Department do not necessitate any modifications to the transmission facilities.

### **Permits**

- 162. Before beginning construction of the transmission facilities approved by this Order, Oncor 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.
- 163. Before beginning construction of the transmission facilities approved by this Order, Oncor will obtain a miscellaneous easement from the General Land Office if the transmission line crosses any state-owned riverbed or navigable stream.
- 164. Before beginning construction of the transmission facilities approved by this Order, Oncor will obtain any necessary permits or clearances from federal, state, or local authorities.
- 165. It is appropriate for Oncor, 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, because more than five acres will be disturbed during construction of the transmission facilities, it is appropriate for Oncor, before commencing construction, to prepare the necessary stormwater-pollution-prevention plan, to submit a notice of intent to the Texas Commission on Environmental Quality, and to comply with all other applicable requirements of the general permit.
- 166. It is appropriate for Oncor to conduct a field assessment of the agreed route 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

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assessments, Oncor will identify all necessary permits from Angelina County and federal and state agencies. Oncor will comply with the relevant permit conditions during construction and operation of the transmission facilities along the agreed route.

167. After designing and engineering the alignments, structure locations, and structure heights, Oncor will determine the need to notify the Federal Aviation Administration based on the final structure locations and designs. If necessary, Oncor 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

168. No part of the transmission facilities approved by this Order is located within the coastal management program boundary as defined in 31 TAC § 503.1(b).

### Limitation of Authority

- 169. It is not reasonable and appropriate for a CCN order to be valid indefinitely because it is issued based on the facts known at the time of issuance.
- 170. Seven years is a reasonable and appropriate limit to place on the authority granted in this Order to construct the transmission facilities.

#### Good-Cause Exception

- 171. In Order No. 1 filed on June 27, 2023, in light of an amendment to PURA § 37.057 shortening the deadline, from one year to the 180th day, to approve or deny CCN applications for new transmission facilities,<sup>3</sup> the Commission ALJ modified the deadline to file a motion to intervene in this proceeding from 45 days to 30 days after the application is filed.
- 172. Because of the new deadline of the 180th day after filing to approve or deny CCN applications for new transmission facilities, good cause exists to grant an exception to the requirement in 16 TAC § 22.52(a)(1)(A) that the notice state the deadline to intervene is 45 days from the date the application is filed.

<sup>&</sup>lt;sup>3</sup> Tex. S.B. 1076, 88th Leg., R.S. (2023), eff. June 2, 2023.

### Informal Disposition

- 173. More than 15 days have passed since the completion of notice provided in this docket.
- 174. The only parties to this proceeding are Oncor; Commission Staff; Winston Land & Cattle; Winston Rentals, Inc.; Dee & Simon Partnership, Ltd.; Gary Frost; Michael Simpson; Gloria Purvis; and Charles D. Brazil.
- 175. All the parties to this proceeding are signatories to the agreement
- 176. No hearing is necessary.
- 177. Commission Staff recommended approval of the application.
- 178. This decision is not adverse to any party.

#### II. Conclusions of Law

The Commission makes the following conclusions of law.

- 1. Oncor is a public utility as defined in PURA § 11.004 and an electric utility as defined in PURA § 31.002(6).
- 2. Oncor is required to obtain the Commission's approval to construct the proposed transmission line and to provide service to the public using the line.
- 3. The Commission has authority over this matter under PURA §§ 14.001, 32.001, 37.051, 37.053, 37.054, and 37.056.
- 4. SOAH exercised jurisdiction over the proceeding under PURA § 14.053 and Texas Government Code §§ 2003.021 and 2003.049.
- 5. The application is sufficient under 16 TAC § 22.75(d).
- Oncor provided notice of the application in accordance with PURA § 37.054 and 16 TAC § 22.52(a).
- 7. The Commission ALJ modified the deadline to file a motion to intervene in this proceeding from 45 days to 30 days after the application is filed, in compliance with 16 TAC § 22.104(b).

- 8. There is good cause under 16 TAC § 22.5(b) to modify the requirement in 16 TAC § 22.52 that the notice of the application state that the intervention deadline is 45 days from the date the application is filed.
- 9. 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 original CCN application.
- 10. Oncor held a public meeting and provided notice of that public meeting in compliance with 16 TAC § 22.52(a)(4).
- 11. 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.
- 12. The Commission processed this docket in accordance with the requirements of PURA, the Administrative Procedure Act, 4 and Commission rules.
- 13. The transmission facilities using the agreed route are necessary for the service, accommodation, convenience, or safety of the public within the meaning of PURA § 37.056(a).
- 14. The Texas Coastal Management Program does not apply to any of the transmission facilities approved by this Order, and the requirements of 16 TAC § 25.102 do not apply to the application.
- 15. The proceeding meets the requirements for informal disposition under 16 TAC § 22.35.

#### III. Ordering Paragraphs

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

- The Commission approves the agreed route and amends Oncor's CCN number 30043 to the extent provided by this Order.
- 2. The Commission amends Oncor's CCN number 30043 to include the construction and operation of the transmission facilities, including a new single-circuit 345-kV transmission

<sup>&</sup>lt;sup>4</sup> Administrative Procedure Act, Tex. Gov't Code §§ 2001.001–.902.

line on double-circuit-capable structures along the agreed route (segments A, B, E, H, N, Z, HH1, RR, and QQ), modifications to the existing Lufkin switch and existing Redland switch stations, and rebuilding and relocating portions of Oncor's single-circuit Stryker Creek switch-to-Lufkin switch 345-kV transmission line within Oncor's existing right-of-way or right-of-way acquired for the transmission facilities approved by this Order.

- Oncor must consult with pipeline owners or operators in the vicinity of the approved route regarding the pipeline owners' or operators' assessment of the need to install measures to mitigate the effects of alternating-current interference on existing pipelines that are paralleled by the electric transmission facilities approved by this Order.
- 4. Oncor must conduct surveys, if not already completed, to identify metallic 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 metallic pipelines being paralleled.
- 5. Oncor 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 Oncor fails to obtain any such permit, license, plan, or permission, it must notify the Commission immediately.
- 6. Oncor 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.
- 7. If Oncor encounters any archaeological artifacts or other cultural resources during construction, work must cease immediately in the vicinity of the artifact or resource, and Oncor must report the discovery to, and act as directed by, the Texas Historical Commission.
- Before beginning construction, Oncor must undertake appropriate measures to identify whether a potential habitat for endangered or threatened species exists and must respond as required.

- 9. Oncor must use best management practices to minimize the potential harm to migratory birds and threatened or endangered species that is presented by the agreed route.
- Oncor 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 Avian Protection Plan Guidelines, Avian Power Line Interaction Committee and the United States Fish and Wildlife Service, April 2005. Oncor must take precautions to avoid disturbing occupied nests and take steps to minimize the burden of the construction of the transmission facilities on migratory birds during the nesting season of the migratory bird species identified in the area of construction.
- 11. Oncor 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. Herbicide use must comply with rules and guidelines established in the Federal Insecticide, Fungicide, and Rodenticide Act and with Texas Department of Agriculture regulations.
- 12. Oncor must minimize the amount of flora and fauna disturbed during construction of the transmission facilities, except to the extent necessary to establish appropriate right-of-way clearance for the transmission line. In addition, Oncor must re-vegetate using native species and must consider landowner preferences and wildlife needs in doing so. Furthermore, to the maximum extent practicable, Oncor must avoid adverse environmental effects on sensitive plant and animal species and their habitats, as identified by the Texas Parks and Wildlife Department and the United States Fish and Wildlife Service.
- 13. Oncor 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 reasonable to minimize the effect of vehicular traffic over the areas. Also, Oncor 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 Oncor to restore original contours and grades where a different contour or grade is necessary to ensure the safety or stability of the structures or the safe operation and maintenance of the line.

- 14. Oncor must cooperate with directly affected landowners to implement minor deviations in the approved route to minimize the disruptive effect of the 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.
- 15. Oncor must coordinate with the landowner or landowners to relocate habitable structure number 2873 from within Oncor's existing right-of-way located west of segment HH1 to outside of Oncor's right-of-way to accommodate the approved transmission facilities.
- 16. The Commission does not permit Oncor 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.
- 17. If possible, and subject to the other provisions of this Order, Oncor 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, Oncor must notify and work with the Federal Aviation Administration to ensure compliance with applicable federal laws and regulations. The Commission does not authorize Oncor 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 Oncor must file an application to amend its CCN as necessary.
- 18. Oncor must include the transmission facilities approved by this Order 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, Oncor must provide final construction costs, with any necessary explanation for cost variance, after the completion of construction when Oncor identifies all charges.

- 19. Entry of this Order does not indicate the Commission's endorsement or approval of any principle or methodology that may underlie the agreement and must not be regarded as precedential as to the appropriateness of any principle or methodology underlying the agreement.
- 20. 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.
- 21. The Commission denies all other motions and any other requests for general or specific relief that the Commission has not expressly granted.

Signed at Austin, Texas the 31 th day of Meember 2023.

### **PUBLIC UTILITY COMMISSION OF TEXAS**

KATHLEEN JACKSON, INTERIM CHAIR

WILL MCADAMS, COMMISSIONER

LORI COBOS, COMMISSIONER

JEAMY GLOTFELTY, COMMISSIONER