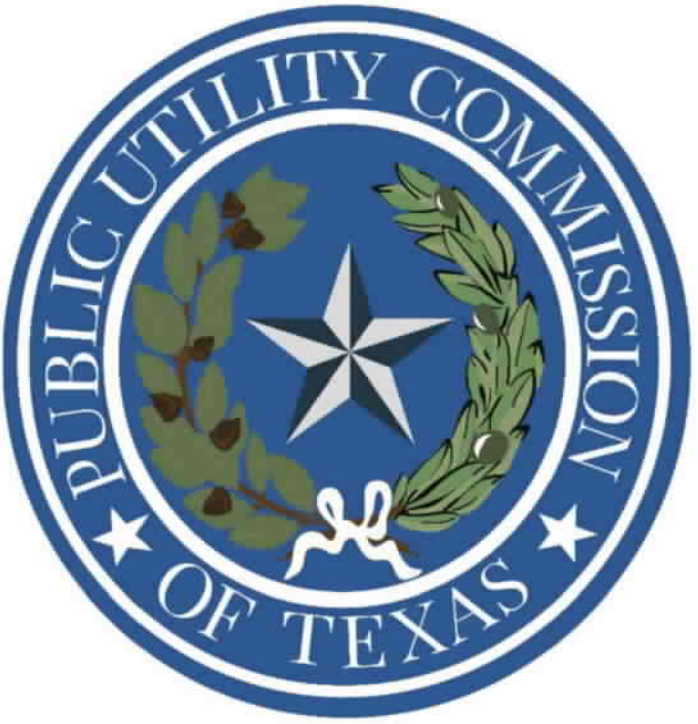

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Item Number - 85

PROJECT NO. 55718

RELIABILITY PLAN FOR THE PERMIAN BASIN UNDER PURA 39.167	§ § §	**PUBLIC UTILITY COMMISSION OF TEXAS**

RESPONSE OF CPS ENERGY TO COMMISSION STAFF'S REQUEST FOR INFORMATION TO TRANSMISSION SERVICE PROVIDERS

COMES NOW, the City of San Antonio, acting by and through the City Public Service Board (CPS Energy) and files this Response to the Staff of the Public Utility Commission of Texas' (Commission) Request for Information (RFI). Consistent with the deadline presented in the RFI, this Response is timely filed by March 27, 2025.

Respectfully submitted,

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ATTORNEYS FOR CPS ENERGY

CERTIFICATE OF SERVICE

I certify that a copy of this document was served on all parties of record on this date, via the Commission's Interchange, in accordance with the Commission's Second Order in Docket No. 50664 suspending the PUC Procedural Rule 22.74.

Craig R. Bennett

PROJECT NO. 55718

RELIABILITY PLAN FOR THE PERMIAN BASIN UNDER PURA 39.167	§ § §	**PUBLIC UTILITY COMMISSION OF TEXAS**

RESPONSE OF CPS ENERGY TO COMMISSION STAFF'S REQUEST FOR INFORMATION TO TRANSMISSION SERVICE PROVIDERS

STAFF 1-1: Provide documentation related to cost estimate information for any import path to which the TSP has been assigned. The cost estimate information should be consistent with the format and categories of data provided to ERCOT in March 2025.

RESPONSE: See attached documents labeled "Attachment Staff 1-1."

CPS Energy has prepared only high-level cost estimates. The import paths identified for CPS Energy will require an amendment to CPS Energy's certificate of convenience and necessity (CCN), which will begin with the filing of a detailed CCN application containing many alternative routes having different costs associated with them. While CPS Energy has begun the process of preparing for such CCN applications, detailed routing and costs have not yet been determined. Thus, at this point, CPS Energy has only high-level costs calculated on a simple cost per mile basis, which is typically how CPS Energy responds to ERCOT requests for high level order of magnitude cost estimates. However, CPS Energy will develop a more in-depth cost estimate for each route to be submitted in any subsequent CCN application.

For the 765kV import path, CPS Energy used an estimated $6.1 million per mile (which was an "all-in" cost) as recommended by the MISO guide. CPS Energy increased the straight-line length by 20% to account for expected routing variations.

For the 345kV import path, CPS Energy did not have a base "all-in cost" like it used with the 765kV import path, so it started with an estimated $3.7 million per mile for engineering, materials and construction, and an estimated $0.45 million per mile for easement acquisition. CPS Energy then increased these values to account for legal fees and contingencies. CPS Energy also increased the straight-line length by 20% to account for expected routing variations.

ATTACHMENT:

Response to Staff 1-1 – Permian Basin Reliability Plan Study - Cost Estimates Request for 765-kV Plan_CPSE and Permian Basin Reliability Plan Study - Updated Cost Estimates for 345-kV Import Paths.

Prepared By: Daniel T. Otto
Title: Manager of Substation & Transmission Regulatory Support

PROJECT NO. 55718

RELIABILITY PLAN FOR THE PERMIAN BASIN UNDER PURA 39.167	§ § §	**PUBLIC UTILITY COMMISSION OF TEXAS**

RESPONSE OF CPS ENERGY TO COMMISSION STAFF'S REQUEST FOR INFORMATION TO TRANSMISSION SERVICE PROVIDERS

STAFF 1-2: To the extent available, provide any vendor commitment letters related to long lead technical equipment, such as autotransformers or circuit breakers, needed to construct and operate the import path.

RESPONSE: At this time, CPS Energy has not obtained vendor commitment letters related to the projects in issue.

Prepared By: Daniel T. Otto
Title: Manager of Substation & Transmission Regulatory Support

PROJECT NO. 55718

RELIABILITY PLAN FOR THE PERMIAN BASIN UNDER PURA 39.167	§ § §	**PUBLIC UTILITY COMMISSION OF TEXAS**

RESPONSE OF CPS ENERGY TO COMMISSION STAFF'S REQUEST FOR INFORMATION TO TRANSMISSION SERVICE PROVIDERS

STAFF 1-3: To the extent available, provide any vendor commitment letters related to engineering, procurement, and construction or other labor agreements associated with construction of the import path.

RESPONSE: At this time, CPS Energy has not obtained vendor commitment letters related to the projects in issue.

Prepared By: Daniel T. Otto
Title: Manager of Substation & Transmission Regulatory Support

PROJECT NO. 55718

RELIABILITY PLAN FOR THE PERMIAN BASIN UNDER PURA 39.167	§ § §	**PUBLIC UTILITY COMMISSION OF TEXAS**

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STAFF 1-4: Provide current import path construction timeline estimates necessary to meet the forecasted load requirements documented in the Permian Basin Reliability Plan. If the TSP intends to construct the import path faster than what would be required under the Permian Basin Reliability Plan, please provide the relevant information.

RESPONSE: CPS Energy has developed a preliminary high level 765kV import path timeline as follows:

File CCN application	January 2026
Receive PUC final order	July 2026
ROW survey/procurement	August 2026 – July 2028
Engineering	May 2025 – November 2028
Material Procurement	May 2025 – July 2029
Construction	February 2027 – January 2031

It is worth noting that the 765kV import path assigned jointly to CPS Energy and AEP Texas is the single longest project among the projects identified for transmission service providers. This length results in a longer construction timeline, which also leaves open a greater window of risk of disruption or contingencies that could impact project completion. Accordingly, CPS Energy would break construction into 2-3 break-out sections for construction. The 345kV import path would follow a similar schedule but would likely utilize fewer contractors and construction crews to accomplish construction in a similar time period.

Prepared By: Daniel T. Otto
Title: Manager of Substation & Transmission Regulatory Support

PROJECT NO. 55718

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STAFF 1-5: If the TSP does not have responsive information to Staff 1-2 through Staff 1-4, provide an affidavit or sworn statement by the TSP's highest level official attesting to the TSP's preparedness to design, build, and energize the import path in time to meet the Permian Basin Reliability Plan load forecast irrespective of voltage level.

RESPONSE: CPS Energy's highest level official is Rudy Garza, the President and Chief Executive Officer of CPS Energy. However, his responsibilities encompass all elements of CPS Energy's business as a municipally-owned utility, including generation and distribution in addition to transmission. Because the request focuses on the TSP function, CPS Energy is providing an affidavit from LeeRoy Perez, Vice President for Transmission & Distribution Engineering & Grid Transformation, the member of CPS Energy's executive management team with responsibility primarily over the provision of transmission service by CPS Energy.

ATTACHMENT:

Response to Staff 1-5 – Affidavit of LeeRoy Perez

Prepared By: Daniel T. Otto
Title: Manager of Substation & Transmission Regulatory Support

PROJECT NO. 55718

RELIABILITY PLAN FOR THE PERMIAN BASIN UNDER PURA 39.167	§ § §	**PUBLIC UTILITY COMMISSION OF TEXAS**

RESPONSE OF CPS ENERGY TO COMMISSION STAFF'S REQUEST FOR INFORMATION TO TRANSMISSION SERVICE PROVIDERS

STAFF 1-6: Provide any new data or information related to cost or timelines the TSP believes would assist the Commission's final determination on the Permian Basin import paths.

RESPONSE: At this time, CPS Energy has no additional information to provide.

Prepared By: Daniel T. Otto
Title: Manager of Substation & Transmission Regulatory Support

Project ID	Transmission Upgrades	Voltage	From Bus	To Bus	*Minimum Summer Normal and Emergency Ratings (RATE A/B) (MVA) Modeled in Study Case	**Assumed Miles	New or Existing	Year of Study Case with Reliability Need	Estimated Cost ($M)			From TSP***	To TSP***
									Transmission Line	Substation	Total (Approximate Value)		
765-kV Import 3	Construct a new 765/345-kV Howard substation near the existing Howard substation and install two new 765/345-kV transformers	765	665231	5231	2403/2772		New	2038	10	230	$240	CPS	CPS
765-kV Import 3	Two shunt reactors at the new 765-kV Howard substation, each with -300 MVAr	765	665231		-600 MVAr		New	2038	0	26	$26	CPS	CPS
765-kV Import 3	Add a new Howard – Solstice 765-kV single-circuit line	765	665231	660404	7602/7602	370.0	New	2038	1130	0	$1,130	CPS	AEP

Note:
* These are the minimum MVA ratings or MVAR that ERCOT considered and modeled for each upgrade in the study case.
** For new transmission line proposed by ERCOT, ERCOT assumed a routing adder of 20% to the straight distance between two end points.
*** The TSP name is for the purpose of providing cost estimate. It may not represent the actual ownership.

Project ID in Report	Transmission Upgrades	Voltage	From Bus	To Bus	*Minimum Summer Normal and Emergency Ratings (RATE A/B) (MVA) Modeled in Study Case	**Assumed Miles	New or Exisiting	Year of Study Case with Reliability Need Starting to Appear	Estimated Cost ($M)			From TSP***	To TSP***
									Transmission Line	Substation	Total (Approximate Value)		
Import 1	Construct a new 345-kV New Substation 2, about 2 miles southeast of the existing Comanche Peak Switch, cutting into the existing Comanche Peak - WolfHollow (Mitchell Road) 345-kV double-circuit line and	345	91900				New	2030			0.0	ONCOR	
Import 1	Add a new New Substation 2 – Comanche Switch 345-kV double-circuit line	345	91900	1440	2988/2988	58.0	New	2030			0.0	ONCOR	ONCOR
Import 1	Add a new New Substation 2 – Central Bluff 345-kV double-circuit line	345	91900	11406	2988/2988	167.0	New	2038			0.0	ONCOR	ONCOR
Import 1	Add a new Central Bluff - Longshore 345-kV double-circuit line	345	11406	1058	2988/2988	91.0	New	2038			0.0	ONCOR	ONCOR
Import 1	Add a new Longshore - Rockhound 345-kV double-circuit line	345	1058	10062	2988/2988	31.0	New	2030			0.0	ONCOR	ONCOR
Import 1	Add a new Moss - Border 345-kV double-circuit line	345	1018	93716	2988/2988	82.0	New	2038			0.0	ONCOR	ONCOR
Import 2	Add a new Sam Switch - Comanche Switch 345-kV double-circuit line	345	68090	1440	2988/2988	108.0	New	2030			0.0	LST	ONCOR
Import 2	Add a new Comanche Switch - Twin Buttes 345-kV double-circuit line	345	1440	76009	2988/2988	147.0	New	2030			0.0	ONCOR	LCRA TSC
Import 2	Add a new Twin Buttes - King Mountain 345-kV double-circuit line	345	76009	842	2988/2988	110.0	New	2030			0.0	LCRA TSC	GRLND
Import 3	Add a new Bell East - Buckhorn 345-kV double-circuit line	345	3687	3424	2988/2988	97.0	New	2038			0.0	ONCOR	ONCOR
Import 3	Establish a new New Substation 1 345-kV substation cutting into the existing Big Hill - Twin Butte 345-kV line, about 16 miles away from Big Hill	345	888888				New	2038			0.0	LCRA TSC	
Import 3	Add a new Buckhorn - New Substation 1 345-kV double-circuit line	345	3424	888888	2988/2988	149.0	New	2038			0.0	ONCOR	LCRA TSC
Import 3	Add a new New Substation 1 - Nevil Road 345-kV double-circuit line	345	888888	844	2988/2988	120.0	New	2038			0.0	LCRA TSC	GRLND
Import 3	Construct a new Lynx 345-kV substation at the existing Lynx 138-kV substation, cutting into the existing Bakersfield – Solstice 345-kV double-circuit line	345	860400	60400			New	2038			0.0	LCRA TSC	
Import 3	Add a new Nevil Road - Lynx 345-kV double-circuit line	345	844	860400	2988/2988	8.0	New	2038			0.0	GRLND	LCRA TSC
Import 4	Establish a new 345-kV New Substation 3 substation	345	888889				New	2030		50.7	50.7	CPS, TNMP	
Import 4	Add a new Howard – New Substation 3 345-kV double-circuit line	345	5709	888889	2988/2988	155.0	New	2030	872.3	7.1	879.4	CPS	CPS, TNMP
Import 4	Add a new New Substation 3 – Bottlebrush 345-kV double-circuit line	345	888889	38441	2988/2988	155.0	New	2030			0.0	CPS, TNMP	TNMP
Import 4	Add a new Bottlebrush - Solstice 345-kV double-circuit line	345	38441	60404	2988/2988	62.0	New	2030			0.0	TNMP	AEP
Import 4	Add dynamic reactive devices (e.g., Synchronous Condenser) at Substation 3	345			350 Mvar		New	2030		150	150.0	CPS, TNMP	
Import A2	Add a new White River - Long Draw 345-kV double-circuit line	345	23922	59900	2988/2988	115.0	New	2038			0.0	ONCOR	WETT
Import A1	Bypass the series capacitors at Edison and add dynamic reactive devices (e.g., Synchronous Condenser) at Edison	345	60618		175 Mvar		New	2030			0.0	AEP	
Import A1	Bypass the series capacitors at Edison and add dynamic reactive devices (e.g., Synchronous Condenser) at Edison	345	60619		175 Mvar		New	2030			0.0	AEP	

Note:

*** These are the minimum MVA ratings or MVAR that ERCOT considered and modeled for each upgrade in the study case. TSPs should provide cost estimates based on the rating/spec that TSPs typically use as long the rating is higher than the one ERCOT considered/studied.**

**** For new transmission lines provided by TSPs, the impedances and mileage from TSPs were assumed. For new transmission line proposed by ERCOT, ERCOT assumed a routing adder of 20% to the straight distance between two end points.**

***** The TSP name is for the purpose of providing cost estimate. It may not represent the actual ownership.**

PROJECT NO. 55718

RELIABILITY PLAN FOR THE PERMIAN BASIN UNDER PURA 39.167	**§**	**PUBLIC UTILITY COMMISSION**
	§	
	§	**OF TEXAS**

AFFIDAVIT OF LEEROY PEREZ

STATE OF TEXAS	**§**
	§
COUNTY OF BEXAR	**§**

BEFORE ME, the undersigned authority, on this day personally appeared LeeRoy Perez, and being by me duly sworn, upon oath declared that the statements and capacity acted in are true and correct:

1. My name is LeeRoy Perez. I am over the age of 18 and am otherwise competent to make this affidavit. My business address is CPS Energy, 500 McCullough Avenue, San Antonio, Texas, 78215. I have personal knowledge of the facts herein and those facts are true and correct.

2. CPS Energy is a municipally owned utility (MOU) as defined in PURA §11.003(11), as well as a Transmission Service Provider (TSP) as defined in 16 TAC § 25.5(143). Established in 1860, CPS Energy is the nation's largest municipally owned provider of electric and natural gas services, providing safe, reliable, and competitively priced services to nearly a million electric customers in San Antonio and portions of seven adjoining counties. In addition to providing such service, CPS Energy is also one of the larger TSPs in the State of Texas, with approximately 1,555 miles of transmission lines throughout the state. CPS Energy holds Certificate of Convenience and Necessity (CCN) No. 30146 and is authorized by the Commission under the Public Utility Regulatory Act (PURA) to build, acquire, own, and operate needed transmission facilities statewide.

3. I am employed by CPS Energy as Vice President of Transmission & Distribution Engineering & Grid Transformation. In that position, I have primary responsibility for overseeing the transmission services provided by CPS Energy. I have over 22 years of experience in the electric utility industry.

4. I am part of the executive leadership team that provides oversight in the development and execution of CPS Energy's capital budget plan and ensures the successful implementation of transmission projects. In that role, I am qualified and able to offer this testimony to show CPS Energy's preparedness to design, build, and energize the transmission projects that the Electric Reliability Council of Texas (ERCOT) and the Public Utility Commission of Texas (Commission) have recommended be assigned to CPS Energy in time to meet the Permian Basin Reliability Plan load forecast.

5. On October 18, 2024, ERCOT filed its report in Project No. 57152, identifying CPS Energy as the appropriate TSP to own, construct, and operate the following projects:

   a. Reliability Plan ID 345-kV Import 4, Upgrade ID 4A (Construct a new New Substation 3 345-kV substation; CPS Energy, TNMP).

   b. Reliability Plan ID 345-kV Import 4, Upgrade ID 4B (Add a new Howard - New Substation 3 345-kV Double-Circuit Transmission Line; CPS Energy 50 percent ownership).

   c. Reliability Plan ID 345-kV Import 4, Upgrade ID 4C (Add a new New Substation 3 - Bottlebrush 345-kV Double-Circuit Transmission Line; CPS Energy 50 percent ownership).

   d. Reliability Plan ID 345-kV Import 4, Upgrade ID 4E (Add dynamic reactive devices (e.g., Synchronous Condenser) at New Substation 3; CPS Energy, TNMP).

   e. Reliability Plan ID 765-kV Import 3, Upgrade ID 3A (Construct a new 765/345-kV Howard Substation near the existing Howard Substation and install two new 765/345-kV transformers; CPS Energy 100 percent ownership).

   f. Reliability Plan ID 765-kV Import 3, Upgrade ID 3C (Add a new Howard – Solstice 765-kV Single-Circuit Transmission Line; CPS Energy 50 percent ownership).

6. CPS Energy is prepared to design, build, and energize the transmission projects identified above consistent with the schedule it is providing in its RFI response filed along with this affidavit. CPS Energy has a well-established history of efficiently and timely building and operating reliable transmission facilities in the State.

7. CPS Energy has engaged in planning and scheduling discussions with TNMP and AEP Texas (the other TSPs that have ownership rights in the projects in which CPS Energy also has an ownership interest), and CPS Energy has reached agreement with both of those TSPs regarding the ownership of the joint projects shared with those TSPs and on coordination of the schedule necessary to complete those projects in a timely manner.

8. CPS Energy has worked closely with AEP Texas regarding the engineering and construction of a 765-kV import path and does not currently anticipate that the selection of a 765-kV import path would present any materials or engineering issues that would lead to a significant delay in the design, construction, and energization of such project. Similarly, CPS Energy does not currently anticipate any materials or engineering issues that would lead to a significant delay in the design, construction, and energization of CPS Energy's joint 345-kV project with TNMP. CPS Energy is prepared to build either import path project assigned to it and currently anticipates doing so within the timelines set out in its RFI response filed along with this affidavit.

"Further, affiant sayeth not."

LeeRoy Perez
Affiant

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas, this 27 day of March 2025.

Notary Public

NORMA PATRICIA VILLARREAL
Notary Public-State of Texas
Notary ID #12510878-3
Commission Exp. OCT. 21, 2025
Notary without Bond