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# SOAH DOCKET NO. 473-25-02531 PUC DOCKET NO. 57115

JOINT APPLICATION OF THE CITY OF § SAN ANTONIO, ACTING BY AND ş THROUGH THE CITY PUBLIC § SERVICE BOARD (CPS ENERGY), AND § SOUTH TEXAS ELECTRIC ş § **COOPERATIVE, INC. (STEC) TO** AMEND THEIR CERTIFICATES OF § CONVENIENCE AND NECESSITY FOR § **§** THE PROPOSED HOWARD ROAD-TO-§ SAN MIGUEL 345 KV TRANSMISSION LINE IN BEXAR AND ATASCOSA § **COUNTIES** §

**BEFORE THE STATE OFFICE** 

OF

#### **ADMINISTRATIVE HEARINGS**

#### JOINT APPLICANTS' POST-HEARING REPLY BRIEF

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|----------------------------------|----------|-------------------------|
| SAN ANTONIO, ACTING BY AND       | ş        |                         |
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| SERVICE BOARD (CPS ENERGY), AND  | §        |                         |
| SOUTH TEXAS ELECTRIC             | <b>§</b> |                         |
| COOPERATIVE, INC. (STEC) TO      | §        |                         |
| AMEND THEIR CERTIFICATES OF      | §        | OF                      |
| CONVENIENCE AND NECESSITY FOR    | §        |                         |
| THE PROPOSED HOWARD ROAD-TO-     | §        |                         |
| SAN MIGUEL 345 KV TRANSMISSION   | §        |                         |
| LINE IN BEXAR AND ATASCOSA       | §        |                         |
| COUNTIES                         | §        | ADMINISTRATIVE HEARINGS |

#### JOINT APPLICANTS' POST-HEARING REPLY BRIEF

# TO THE HONORABLE ADMINISTRATIVE LAW JUDGES:

COMES NOW the City of San Antonio, acting by and through the City Public Service Board (CPS Energy), and South Texas Electric Cooperative, Inc. (STEC) (collectively, Joint Applicants) and file this Post-Hearing Reply Brief, respectfully showing as follows.

#### I. INTRODUCTION AND SUMMARY

On October 4, 2024, Joint Applicants filed an application (Joint Application) to amend their certificates of convenience and necessity (CCN) to construct, own, operate, and maintain the Howard Road to San Miguel 345 kV Transmission Line Project in Bexar and Atascosa Counties, Texas (Project). CPS Energy and STEC will each own 50 percent of the Project.<sup>1</sup> The hearing on the merits in this case took place on December 9, 2024, and initial closing briefs were filed by 14 parties, including Joint Applicants, on December 20, 2024.

In closing briefing, no parties challenged the completeness of the Joint Application, the sufficiency of notice, or any other procedural matters. Nor have any parties challenged the need

<sup>&</sup>lt;sup>1</sup> Joint Application of the City of San Antonio, Acting by and Through the City Public Service Board (CPS Energy), and South Texas Electric Cooperative, Inc. (STEC) to amend Their Certificates of Convenience and Necessity for the Proposed Howard Road-to-San Miguel 345 kV Transmission Line in Bexar and Atascosa Counties, CPS Energy–STEC Exhibit 1 at 7 (Joint Application).

for the Project. Rather, all initial briefing focused on the routing to be selected for the Project and, more specifically, the parties generally focused on one or more of six "focus routes"—Routes M, N, U, U ALT 2, Y, and N-AB.<sup>2</sup>

Accordingly, it is clear and undisputed that the Application should be granted. While Joint Applicants are required by the Public Utility Commission of Texas (Commission) to identify in the Joint Application a route that best meets the Commission's routing requirements,<sup>3</sup> Joint Applicants have no preferred route and take no position on which route the Administrative Law Judges (ALJs) should recommend for the Project. At the time they filed the application, Joint Applicants identified Route U as the route that best meets the Commission's routing requirements.<sup>4</sup> However, Joint Applicants support all routes in the Joint Application, as well as the two additional routes developed during the course of this proceeding (Route U ALT 2 and Route N-AB).

Notwithstanding their general agreement with the routes supported by intervening parties in their initial closing briefs, Joint Applicants are filing this reply brief to ensure the accuracy of the record and to address limited aspects of the filed initial post-hearing briefs.

## II. DISCUSSION

#### A. Rips Ranch

Without support or citation to the evidentiary record, Rips Ranch LLC (Rips Ranch) critically describes the Joint Application as "based upon a narrow north-to-south Study Area, which held the potential to cause inadequate diversity of routes."<sup>5</sup> The study area is approximately 40 miles long, 15 miles wide, and encompasses approximately 613 square miles, which was large enough that 36 reasonably differentiated and geographically diverse alternative routes have been identified between the Howard Road and San Miguel Stations.<sup>6</sup> The procedural schedule established for this proceeding clearly provided an opportunity for parties to address the adequacy

<sup>&</sup>lt;sup>2</sup> See CPS Energy–STEC Exhibit 14 (Routes of Interest). Note particularly, however, the discussion in Section C, below, regarding the views of Texas Parks and Wildlife Department regarding Route Y.

<sup>&</sup>lt;sup>3</sup> CPS Energy–STEC Exhibit 1 at 20 (Joint Application).

<sup>&</sup>lt;sup>4</sup> CPS Energy–STEC Exhibit 1 at 20 (Joint Application).

<sup>&</sup>lt;sup>5</sup> Initial Post-Hearing Brief of Rips Ranch LLC at 8.

<sup>&</sup>lt;sup>6</sup> CPS Energy–STEC Exhibit 4 at 8 (Direct Testimony of Denise M. Williams).

of routes presented in the Joint Application.<sup>7</sup> No party made such a challenge, including Rips Ranch. The Rips Ranch briefing criticism of both the dimension of the study area and the diversity of routing is untimely and wholly unsupported by any record evidence in this proceeding and should be disregarded.

# B. Capital Aggregates

Capital Aggregates, Inc. (Capital Aggregates) presented closing arguments aggressively advocating against approval of a route that utilizes Segment 38.<sup>8</sup> In general, Joint Applicants do not dispute that a route utilizing Segment 38 will impact the Capital Aggregates property and the mining operations that take place on that property. It is not accurate, however, that no party contradicted or contested Mr. Gerbes's testimony. Joint Applicants provided the rebuttal testimony of Mr. Scott Lyssy (CPS Energy–STEC Exhibit 10 at 9-10) directly responding to various aspects of Mr. Gerbes's testimony. Further, while Joint Applicants agree that no *intervening* party has advocated for a route that utilizes Segment 38, Joint Applicants have presented significant record evidence that all 36 routes presented for the Commission's consideration in this proceeding are viable and constructible, including routes using Segment 38.<sup>9</sup>

#### C. Texas Parks and Wildlife

In accordance with the Commission's procedural rules, on the date the Joint Application was filed, a complete copy of the Joint Application was hand delivered to Ms. Laura Zebehazy at Texas Parks and Wildlife Department (TPWD).<sup>10</sup> Although TPWD has chosen to intervene and present testimony in <u>other</u> CCN dockets at the Commission,<sup>11</sup> in this proceeding, TPWD did <u>not</u> seek to intervene and did <u>not</u> file direct testimony. On December 2, 2024, TPWD submitted

<sup>9</sup> CPS Energy–STEC Exhibit 8 (Otto Rebuttal) at 4; CPS Energy–STEC Exhibit 9 (Williams Rebuttal) at 14; CPS Energy–STEC Exhibit 10 (Lyssy Rebuttal) at 3; see also CPS Energy–STEC Exhibit 1 (Joint Application) at 18-20.

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See SOAH Order No. 2 at 3-4 (Oct. 25, 2024).

<sup>&</sup>lt;sup>8</sup> Initial Brief of Capital Aggregates, Inc. at 1-4.

<sup>&</sup>lt;sup>10</sup> CPS Energy–STEC Exhibit 1 (Joint Application) at Attachment 11; CPS Energy–STEC Exhibit 2 (Otto Direct) at 10.

<sup>&</sup>lt;sup>11</sup> See, e.g., Application of LCRA Transmission Services Corporation to Amend a Certificate of Convenience and Necessity for the Route Rock-Leander 138-kV Transmission line in Williamson County, Docket No. 45866 (Interchange Filing Nos. 591 and 1179); Application of LCRA Transmission Services Corporation to Amend its Certificate of Convenience and Necessity for the Mountain Home 138-kV Transmission line in Gillespie, Kerr, and Kimble Counties, Docket No. 49523 (Interchange Filing Nos. 108 and 181)

comments in the docket. No party offered the TPWD comments into evidence and, accordingly, the TPWD comments should not be considered as either testimony or part of the evidentiary record.

# D. Route N-AB

Several of the intervening parties expressed explicit support for Route N-AB in their initial briefing.<sup>12</sup> As discussed more fully in Joint Applicants' Initial Post-Hearing Brief, Route N-AB is comprised of segments included in the Joint Application, meets the need for the Project, and is an acceptable route for construction and operation of the Project.<sup>13</sup> Joint Applicants support Route N-AB as one of 36 viable routes for the Commission's approval in this docket.<sup>14</sup> However, a careful review of the record evidence and filed initial post-hearing briefing reveals that it is not accurate for any party to argue that Route N-AB is supported by, or has the consensus of all or the vast majority of, the intervening parties to this proceeding.<sup>15</sup>

# E. Clarifying Comments

Joint Applicants provide the following clarifying points to ensure the accuracy of the record in this proceeding.

- The cost difference between Route U and Route N is \$18.775 Million;<sup>16</sup>
- TPWD did not file testimony in this proceeding,<sup>17</sup> and
- Route M would not reasonably be considered as a "Settlement Route."<sup>18</sup>

- <sup>16</sup> Post-Hearing Initial Brief of Frank Allen Ranch, LLC and the Terri Lynn Luensmann Spousal GST Trust at 3.
- <sup>17</sup> Commission Staff Initial Brief at 4.

<sup>&</sup>lt;sup>12</sup> See Perry Feeders, Inc., Charles Ertel, Linda Ertel and Charlene Staha ("Perry Feeders Intervenors") Initial Post-Hearing Brief at 1; Southwest Landowners' Initial Brief at 1; Post-Hearing Initial Brief of Frank Allen Ranch, LLC and the Terri Lynn Luensmann Spousal GST Trust at 2; Initial Brief of Teixeira at 1; Initial Post-Hearing Brief (of The Farmacy) at 2; MW Coalition's Initial Post-Hearing Brief at 1; and Initial Post-Hearing Brief of Rips Ranch LLC at 6.

 <sup>&</sup>lt;sup>13</sup> CPS Energy–STEC Exhibit 9 (Williams Rebuttal) at 13-14; CPS Energy–STEC Exhibit 10 (Lyssy Rebuttal) at
3; CPS Energy–STEC Exhibit 11 (Person Rebuttal) at 5-7; CPS Energy–STEC Exhibit 3 (Bowen Direct) at 8

<sup>&</sup>lt;sup>14</sup> Joint Applicants' Initial Post-Hearing Brief at 15.

<sup>&</sup>lt;sup>15</sup> For example, the Coble Rd. Group does not advocate for any particular route, is not opposed to any of the Interest Routes, and opposes any route that utilizes Segment 50 (Initial Post-Hearing Brief of the Coble Rd. Group Intervenors at 3); the Mitchell Family Alliance does not oppose any of the routes of interest (The Mitchell Family Alliance's Initial Brief at 2); JJJBAK, Ltd. and Dos Mavericks, LLC recommend one of the routes of interest (JJJBAK, Ltd. and Dos Mavericks, LLC's Initial Brief at 2); the Steinle Group has no preference for any particular Focus Route (Initial Post-Hearing Brief of the Steinle Group at 2); Capital Aggregates recommends Routes M, N, or U (Initial Brief of Capital Aggregates, Inc. at 3); and Commission Staff supports Route M for approval of the Project (Commission Staff's Initial Brief at 3).

<sup>&</sup>lt;sup>18</sup> Commission Staff Initial Brief at 22.

## III. CONCLUSION

Joint Applicants presented significant and uncontroverted evidence about the need for the Project to address critical reliability issues. This need is supported by the Electric Reliability Council of Texas and Staff and has not been challenged by any of the parties.

In total, 36 routes have been proposed for consideration in this proceeding. All of these routes address the need for the Project and are viable and constructible. All the routes comply with PURA § 37.056 and 16 TAC § 25.101(b)(3)(B), including the Commission's policy of prudent avoidance. Accordingly, the ALJs should recommend approval of, and the Commission should approve, Joint Applicants' application to amend their CCNs to construct the Project as soon as reasonably possible.

Respectfully submitted,

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Attorneys for STEC

# **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.

Rasmussen

# **EXHIBIT** A

#### SOAH DOCKET NO. 473-25-02531 PUC DOCKET NO. 57115

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# JOINT PROPOSED FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDERING PARAGRAPHS

#### I. Findings of Fact

The Commission makes the following findings of fact.

#### Joint Applicants

- 1. The City of San Antonio, acting by and through the City Public Service Board (CPS Energy), is a municipally owned utility providing electric service under CCN number 30031.
- CPS Energy provides transmission and distribution electric service in the Electric Reliability Council of Texas (ERCOT) region.
- 3. South Texas Electric Cooperative, Inc. (STEC) is a Texas non-profit corporation registered with the Texas secretary of state under file number 8314701.
- 4. STEC provides transmission service within the ERCOT region as an electric cooperative organized under chapter 161 of the Texas Utilities Code.
- 5. STEC is a member-owned electric cooperative providing service under certificate of convenience and necessity (CCN) number 30146.

# Joint Application

- 6. On October 4, 2024, CPS Energy and STEC (joint applicants) filed with the Commission a joint CCN application (application) with the Public Utility Commission of Texas (Commission) to build and operate a new double circuit 345 kV transmission line and associated facilities in Bexar and Atascosa counties, Texas, connecting CPS Energy's Howard Road station to STEC's San Miguel station.
- 7. Joint applicants retained POWER Engineers, Inc. (POWER) to prepare an environmental assessment and route analysis for the proposed transmission line, which was included as part of the application.
- 8. No party challenged the sufficiency of the application.
- 9. On November 1, 2024, Commission Staff recommend that the application be found sufficient.
- In State Office of Administrative Hearings (SOAH) Order No. 3, issued on November 7, 2024, the SOAH administrative law judge (ALJs) found the application sufficient.

#### **Description of the Proposed Transmission Line**

- Joint applicants propose a new 345 kV transmission line in Bexar and Atascosa counties, Texas, which will connect CPS Energy's Howard Road station to STEC's San Miguel station.
- 12. Joint applicants will hold separate 50 percent ownership interests in the proposed transmission line.
- 13. CPS Energy will construct, own, operate, and maintain all the transmission facilities on the northern half of the proposed Howard Road to San Miguel 345 kV transmission line.
- STEC will construct, own, operate, and maintain all the transmission facilities on the southern half of the proposed Howard Road to San Miguel 345 kV transmission line.
- 15. The application included 34 alternative routes, and two additional alternative routes were developed after the application was filed, for a total of 36 alternative routes.
- 16. The transmission line proposed in the application will be approximately 45 to 59 miles in length, depending on the route selected.

- Joint applicants identified alternative route U as the route that best addresses the applicable routing criteria of PURA<sup>1</sup> and the Commission's rules.
- 18. The proposed transmission facilities will use 345 kV double circuit steel monopole structures.
- 19. The heights of the typical structures that will be used for the proposed transmission facilities range from approximately 120 to 170 feet.
- 20. The proposed transmission facilities will be located within right-of-way that is typically 150 feet. However, different right-of-way width or alternate structures may be required for design, construction, and terrain related constraint considerations.
- 21. The proposed transmission line will use 1272 ACSS/TW with 2-OPGW 'Pheasant' conductor with two conductors per phase and will be rated for operation at 3,838 amperes, yielding a nominal 2,293 megavolt-ampere capacity.

#### <u>Schedule</u>

22. Joint applicants estimate that they will (1) finalize engineering and design by May 2026; (2) acquire right-of-way and land by July 2026; (3) procure materials and equipment by December 2026; and (4) complete construction and energize the facilities by June 2027.

#### Public Input

- 23. Joint applicants held two public participation meetings. The first meeting was held on April 2, 2024, from 6:00 p.m. to 8:00 p.m. at Southside High School in San Antonio, Texas. The second was held on April 4, 2024, from 6:00 p.m. to 8:00 p.m. at Pleasanton High School in Pleasanton, Texas.
- 24. Joint applicants mailed approximately 2,700 individual written notices of the public participation meeting to all owners of property within 500 feet of the centerline of the preliminary alternative route segments for the proposed transmission line and to elected officials and other interested parties. The notice included a map of the study area depicting the preliminary route segments.

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

- 25. Joint applicants notified the Military Aviation and Installation Assurance Siting Clearinghouse (formerly the Department of Defense Siting Clearinghouse) on the public participation meeting by mail and email on March 19, 2024.
- 26. Joint applicants published notice of the public participation meetings in the *San Antonio Express News* and *La Prensa Texas* on March 24 and March 31, 2024, and in the *Pleasanton Express* on March 27 and April 3, 2024.
- 27. A total of 192 people signed in at the public participation meetings.
- 28. Joint applicants received feedback from the attendees of the public participation meetings in the form of 99 questionnaire responses submitted either at or following the public participation meetings.
- 29. The principal concern expressed in the respondents' returned questionnaires was impacts to residences; however, other concerns included impacts to trees and other vegetation; visibility of the structures; paralleling existing roadways and highways; historical sites; health issues; floodplains, flooding and erosion; property crossings; wildlife and agriculture; water wells; water features; future development; and property values.
- 30. After the public participation meetings, joint applicants and POWER modified seven preliminary alternative route segments and deleted four others.

#### Notice of the Application

31. On October 4, 2024, joint applicants sent written notice of the application as follows: (1) by first-class mail to directly affected landowners as identified in county tax rolls; (2) by first-class mail to Bexar and Atascosa county officials and municipal authorities for the City of San Antonio, the City of Jourdanton, the City of Poteet, the City of Christine, the City of Sandy Oaks, the City of Somerset, the City of Von Ormy, the City of Charlotte, and the City of Pleasanton, the municipalities within five miles of the proposed transmission line; (3) by first-class mail to American Electric Power Texas, Inc., Brazos Electric Power Cooperative, Inc., Electric Transmission Texas, Karnes Electric Cooperative, Inc., and Medina Electric Cooperative, Inc., the neighboring utilities within five miles of the proposed transmission line; (4) by first-class mail to the Military Aviation and Installation Assurance Siting Clearinghouse (formerly the Department of Defense Siting Clearinghouse); (5) by hand delivery to the Texas

Parks and Wildlife Department; and (6) by hand delivery to the Office of Public Utility Counsel.

- 32. On October 9, 2024, joint applicants published notice of the application in the *Pleasanton Express*, a newspaper of general circulation in Atascosa County. On October 10, 2024, joint applicants published notice of the application in the *San Antonio Express News*, a newspaper of general circulation in Bexar County.
- 33. On October 22, 2024, joint applicants filed the affidavit of Daniel Otto, manager of Substation and Transmission Regulatory Support for CPS Energy, attesting to the provision of notice of the application in accordance with PURA and Commission rules.
- 34. On October 22, 2024, joint applicants filed publishers' affidavits attesting that publication notice was provided in the *Pleasanton Express* and the *San Antonio Express News* as described above and in accordance with PURA and Commission rules.
- 35. On November 1, 2024, Commission Staff recommend that joint applicants' notice of the application be found sufficient.
- 36. In SOAH Order No. 3, issued on November 7, 2024, the SOAH ALJs found that joint applicants' notice of the application was sufficient.

# Referral to SOAH for Contested Case Hearing

- 37. On October 7, 2024, the Commission referred this docket to SOAH and issued a preliminary order identifying specific issues to be addressed and not to be addressed in the proceeding and establishing a deadline of April 2, 2024, for the Commission to render a decision in the proceeding.
- 38. On October 18, 2024, the SOAH ALJs convened a prehearing conference, which was memorialized in SOAH Order No. 2, issued on October 25, 2024.
- 39. In SOAH Order No. 2, the SOAH ALJs adopted a procedural schedule and set the hearing on the merits for December 9 to 11, 2024.

#### <u>Intervenors</u>

40. In SOAH Order No. 2, issued on October 25, 2024, the SOAH ALJs granted the following motions to intervene: Frank Allen Ranch LLC; Andrew T. Moody, Joe M. Moody, Jr., Joe M.

Moody, III, and Leah Good; 5M Cattle Co., Ltd, Bret Dale Mitchell, Bret D. Mitchell GST Trust, Jacqueline Mitchell, Jacqueline Mitchell as trustee of the Billy T. Mitchell Family Trust, Jacqueline Mitchell as trustee of the Billy T. Mitchell Non-Exempt Marital Trust, Julie Gail Mitchell Marble, Julie Gail Mitchell Marble as trustee of the Julie Gail Mitchell Marble GST Trust, Janet Corn Ivy individually and as trustee of the Janet Ivy Corn GST Trust, and Venetia Mitchell ("Mitchell Family Alliance"); Earl Hammond; Robert and Glenda Gossett; Ricardo Rios; The Farmacy LLC; Orlando Torres; Charles and Linda Ertel, Charles J. Ertel and Charlene Staha, and Perry Feeders, Inc. ("Perry Feeders Intervenors"); Abram Camero; and JTR Farms, LLC.

- 41. In SOAH Order No. 3, issued on November 7, 2024, the SOAH ALJs granted the following motions to intervene: William Sibley (Sibley Land & Cattle Co. LLC); Waylon Aldrich; Brazos Electric Power Cooperative, Inc.; James Russell Wilson; Ryan Martin; Alex Afshari (c/o Saya Investment Group, LP); Jane Steinle Andrus, James R. Andrus, Glenn N. Steinle, Jr., and Donald William Steinle ("Steinle Group"); Rips Ranch LLC; Charles A. Toudouze, Jr.; Billie Miller; CCS Ranch Properties, LLC; Gerald Nix; Capitol Aggregates, Ltd.; Terri Lynn Luensmann Spousal GST Trust; Joel H. McDaniel and Debra W. McDaniel, Co-Trustees of the Joel Howard McDaniel and Debra Waynell McDaniel Revocable Living Trust; and Jon and Kelly Springer.
- 42. In SOAH Order No. 4, issued on December 5, 2024, the SOAH ALJs granted the following motions to intervene: Mark and Janice Jones; Clay Teixeira; Robert A. Hoffman and Hoffman Growers, LLC; Andrea L. Barlow; Teixeria Holdings, LLC; Tyler Nicholson and Megan Nicholson (aka Megan Seaton); Patrick Scott, Rachel Scott, Doris A. Kosub, Kay Kosub Theeck, and David L. Domsch ("Coble Rd. Group"); Michael Wittler, David Wittler, Joan White, Mary Wittler, and Anne Woods, trustee for the Woods Family Trust of Atascosa County ("Wittler Intervenors"); Pat and Suzanne Schuchart, Running V Land LP, Wayne Schuchart, Atascosa Land & Cattle, Ltd., Jeffrey and Melodie Beyer, 4000 FM140W LLC, Bill Kaiser, Jr., and Kari Kiser Vickers ("Southwest Landowners Group"); Melissa Broussard; JJJBAK, Ltd.; and Dos Mavericks, LLC. The SOAH ALJs also struck the following intervenors from the proceeding for failure to file direct testimony or a statement of position: Earl Hammond; Ricardo Rios; Orlando Torres; William Sibley (Sibley Land & Cattle Co. LLC); Waylon Aldrich; Ryan Martin; Alex Afshari (c/o Saya Investment Group, LP); and Billie Miller; Gerald

Nix; and Joel H. McDaniel and Debra W. McDaniel, Co-Trustees of the Joel Howard McDaniel and Debra Waynell McDaniel Revocable Living Trust. Further, the SOAH ALJs denied the following non-admitted parties' motions to intervene for failure to file direct testimony or a statement of position: Norbert and Martha Pekar; Kent Hamilton; Betty Gorden; Texas Hay Farms, LLC; Tessia Waitz; Richard Waitz; Martin Dennis; Rebecca G. Meurer (c/o Ray Terry Vrana); Brenda Johnson; Ernesto Rocha; Hector Moreno; Theodore Nicholson; Mark Zaiontz; Lowell K. and Dwayne P. Paul; Charles Stanley; Michael D. and Marie B. Korus; Bob Mutz; Joesph F. McCarty Trust; Katherine Korus Beard; Carl James Weyrich, Jr.; Tristan Ferris; Katherine, Michael D., and Walker Korus (Trust for Benefit of Walker Korus); Michael Olle; Therresa Hurd Shelton; Leonard Olle; and Daniel Korus. Finally, the SOAH ALJs denied the following non-admitted parties' motions to intervene because they were untimely filed and for failure to file direct testimony or a statement of position: David Littlepage; Edward C. Aniol; Cheryl L. Aniol; Nicholas and Hope Berg; Bladerunner Farms, Inc.; and Gilbert and Margaret Mulholland Revocable Trust.

#### **Testimony and Statements of Position**

- 43. On October 4, 2024, joint applicants filed the direct testimony of witnesses: Mr. Daniel T. Otto, manager of Substation and Transmission Regulatory Support for CPS Energy; Mr. Kenneth Bowen, manager of Transmission Planning and Operations Engineering for CPS Energy; Ms. Denise M. Williams, a project manager in the Environmental Division for POWER; Mr. Scott D. Lyssy, manager of Civil Engineering for CPS Energy; Mr. Paul G. Person, manager of Engineering for STEC; and Mr. Ethan J. Fholer, a department manager and senior project engineer in the Transmission Line unit within the Power Delivery Division for POWER.
- 44. On November 12, 2024, direct testimony was filed by or on behalf of the following parties: Mitchell Family Alliance; Clay Teixeira and Teixeira Holdings, LLC; Robert A. Hoffman and Hoffman Growers, LLC; CCS Ranch Properties, LLC; James Russell Wilson; JTR Farms, LLC; Mark and Janice Jones; The Farmacy LLC; Terri Lynn Luensmann Spousal GST Trust; Frank Allen Ranch LLC; Capitol Aggregates, Ltd.; Andrew T. Moody, Joe M. Moody, Jr., Joe M. Moody, III, and Leah Good; Southwest Landowners Group; Rips Ranch LLC; Perry Feeder Intervenors; Tyler Nicholson and Megan Nicholson; Wittler Intervenors; Coble Rd. Group; and Steinle Group.

- 45. On November 12, 2024, a statement of position was filed by or on behalf of the following parties: Brazos Electric Power Cooperative, Inc.; Abram Camero; Jon and Kelly Springer; Andrea L. Barlow; Charles A. Toudouze, Jr.; and Robert and Glenda Gossett.
- On November 15, 2024, direct testimony was filed on behalf of JJJBAK, Ltd. and Dos Mavericks, LLC.
- 47. On November 21, 2024, Commission Staff filed the direct testimony of John Poole, P.E.
- 48. On November 21, 2024, Clay Teixeira and Teixeira Holdings, LLC and Rips Ranch LLC filed cross-rebuttal testimony.
- 49. On November 27, 2024, joint applicants filed the rebuttal testimony of Mr. Otto, Ms. Williams, Mr. Lyssy, and Mr. Person.
- 50. On December 6, 2024, modified direct testimony was filed on behalf of the Steinle Group retracting its opposition to Segments 77 and 87.

#### **Route Adequacy**

- 51. The application presented 34 geographically diverse alternative routes, and two additional alternative routes were developed after the application was filed.
- 52. No party filed testimony or a statement of position challenging whether the application presented an adequate number of reasonably differentiated routes to conduct a proper evaluation, and no party requested a hearing on route adequacy.
- 53. The application provided an adequate and sufficiently delineated and geographically diverse routes to conduct a proper evaluation.

#### Adequacy of Existing Service and Need for the Proposed Transmission Line

- 54. The proposed transmission line is one of a suite of projects that constitute the San Antonio South Reliability Project.
- 55. The San Antonio South Reliability Project was submitted by CPS Energy to ERCOT's Regional Planning Group to address thermal overloads south of San Antonio because of new generation south and east of the city, new 345 kV transmission lines going to the Lower Rio Grande Valley, and generation retirements in the area.

- 56. ERCOT conducted an independent review of the proposed transmission line and selected it from among the alternative projects presented as the preferred solution to address the identified violations of North American Electric Reliability Corporation (NERC) and ERCOT planning criteria.
- 57. ERCOT's independent evaluation concluded that without the proposed transmission line, multiple violations of NERC and ERCOT criteria will occur under various planning contingencies.
- 58. ERCOT's Board of Directors endorsed the proposed transmission line and designated it as critical to the reliability of the ERCOT transmission system under 16 TAC § 25.101(b)(3)(D).
- 59. Commission Staff testified that the proposed transmission line is necessary for the service, accommodation, convenience, and safety of the public.
- 60. Joint applicants have demonstrated that the Howard Road to San Miguel 345 kV transmission line addition is needed to address critical reliability concerns.
- 61. ERCOT fully evaluated five other system-improvement projects to address the identified violations of NERC and ERCOT planning criteria and endorsed the proposed transmission line as one of a suite of projects that constitute the San Antonio South Reliability Project, because it improves long-term load serving capability, performance in the summer peak operations, and operational flexibility; provides an additional transfer path from southern Texas into the San Antonio area; and is significantly less expensive than other projects that were considered and performed well from a reliability standpoint.
- 62. Distribution alternatives were not identified because the distribution system is not capable of addressing the thermal overloads that the proposed transmission line was designed to address.
- 63. Distributed generation is not capable of meeting NERC and ERCOT planning standards and would not address the thermal and voltage violations that the proposed transmission line was designed to address.
- 64. Commission Staff testified that the proposed transmission line is the best option to meet the identified need when compared to other alternatives.
- 65. No party challenged the need for the proposed transmission line.

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

- 66. Joint applicants are the only electric utilities involved in the construction of the proposed transmission facilities.
- 67. Construction of the transmission line along any proposed alternative route will not adversely affect service by other utilities in the area.
- 68. Construction of the transmission facilities will enhance the reliability of the transmission system.
- 69. The proposed transmission line will not be directly connected to any other electric utility. No other electric utility is involved with the construction of the proposed transmission line. The proposed transmission line does not use existing facilities owned by any other electric utility.
- 70. The proposed transmission line will not adversely affect service by other utilities in the area.
- 71. The proposed transmission line will improve the long-term load serving capability in the area, improve performance during summer peak operations, and improve operational flexibility.
- 72. The proposed transmission line will ensure that the interconnected transmission system has sufficient transmission capacity to provide service to both existing and new customers.
- 73. It is likely that the proposed transmission line will facilitate robust wholesale competition as generation is both retired and added in the region, and without the proposed transmission line, it is likely that the transmission of electricity in south Texas will come at significantly increased costs.

# **Routing of the Transmission Facilities**

- 74. The POWER project team included professionals with expertise in different environmental and land use disciplines who were involved in data acquisition, routing analysis, an environmental assessment of the transmission facilities.
- 75. To identify preliminary alternative route segments for the transmission facilities, POWER delineated a study area, sought public official and agency input, gathered data regarding the study area, and performed constraints mapping.

- 76. Of the 34 routes initially filed with the application to allow for an adequate number of alternative routes to conduct a proper evaluation, joint applicants identified Route U as the route that best addresses the routing criteria established in PURA and the Commission's rules.
- 77. Commission Staff identified Route M as the route that best addresses the routing criteria established in PURA and the Commission's rules.
- 78. Route \_\_\_\_\_ is comprised of segments \_\_\_\_\_\_.
- 79. Route is approximately miles in length.
- 80. Route \_\_\_\_\_ 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

- 81. The estimated costs of the 34 filed routes and the two routes developed after the application was filed range from \$251,333,000 (Route N) to \$361,087,000 (Route B), exclusive of station costs.
- 82. The estimated costs for Route \_\_\_\_ are \$\_\_\_\_\_, exclusive of station costs.
- 83. The estimated costs for the modifications to CPS Energy's Howard Road station are \$3,480,000, and the estimated costs for the modifications to STEC's San Miguel station are \$5,000,000.
- 84. The cost of Route \_\_\_\_\_ is reasonable considering the range of the cost estimates for the proposed transmission facilities' proposed routes.
- 85. CPS Energy and STEC will each finance their respective portions of the proposed transmission line and associated facilities with debt.

#### **Prudent** Avoidance

86. Commission rules define *prudent avoidance* under 16 Texas Administrative Code (TAC) § 25.101(a)(6) as the "limiting of exposures to electric and magnetic fields that can be avoided with reasonable investments of money and effort."

- 87. All of the alternative routes 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.
- 88. The number of habitable structures within 500 feet of the centerline of the 36 alternative routes range from 41 (Routes X and Y) to 179 (Route AF).
- 89. Route has habitable structures within 500 feet of its centerline.
- 90. The construction of transmission facilities along Route \_\_\_\_ complies with the Commission's policy of prudent avoidance.

#### Engineering Constraints

- 91. Joint applicants evaluated engineering and construction constraints, reliability issues, and estimated costs 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.
- 92. All alternative routes are viable, feasible, and reasonable from an engineering perspective.
- 93. No engineering constraints that would prevent the construction of transmission facilities were identified along Route \_\_\_\_.

#### **Community Values**

- 94. Information regarding community values was received from the April 2 and April 4, 2024, public participation meetings and from local, state, and federal agencies and incorporated in the environmental assessment and selection of the alternative routes included in the application.
- 95. The responses received from the public participation meetings primarily expressed concerns regarding: impacts to residences; impacts to trees and other vegetation; visibility of the structures; and paralleling existing roadway and highways; and also concerns for: historical sites; health issues; floodplains, flooding and erosion; property crossings; trees and other vegetation, wildlife, and agriculture; water wells; water features; future development; and property values.

96. Route <u>adequately addresses the expressed community values</u>.

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

- 97. Joint applicants evaluated the use and paralleling of existing compatible rights-of-way and apparent property boundaries when developing the alternative routes presented in the application.
- 98. The proposed transmission facilities' 36 alternative routes use or paralleling of existing compatible rights-of-way and apparent property boundaries ranges from 37 percent (Route AD) to 58 percent (Routes L and U ALT 2) of the length of the route.
- 99. Route \_\_\_\_\_uses or parallels existing compatible corridors and apparent property boundaries for approximately \_\_\_\_\_percent of its length.
- 100. Route \_\_\_\_\_uses or parallels existing compatible right-of-way or apparent property boundaries to a reasonable extent.

# Other Comparisons of Land Uses and Land Types

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

- 101. \_\_\_\_ commercial AM radio transmitters were identified within 10,000 feet of Route \_\_\_`s centerline.
- 102. \_\_\_\_FM radio transmitters, microwave towers, or other electronic communications towers were identified within 2,000 feet of Route \_\_\_\_'s centerline.
- 103. It is unlikely that the presence of transmission facilities along Route \_\_\_\_ will adversely affect any communication operations in the proximity of the route.

# b. <u>Airstrips and Airports</u>

- 104. There are \_\_\_\_ FAA registered public or military airports with a runway longer than 3,200 feet within 20,000 feet of Route \_\_\_\_'s centerline.
- 105. There are \_\_\_\_ FAA registered public or military airports with runways shorter than 3,200 feet within 10,000 feet of Route \_\_\_\_'s centerline.
- 106. There are \_\_\_\_\_ private airstrips within 10,000 feet of Route \_\_\_\_'s centerline.

- 107. There are \_\_\_\_ private heliports within 5,000 feet of Route \_\_\_'s centerline.
- 108. It is unlikely that the presence of transmission facilities along Route \_\_\_\_\_ will adversely affect any airports, airstrips, or heliports.

#### c. Irrigation Systems

- 109. Route <u>crosses</u> miles of agricultural lands with known mobile irrigation systems.
- 110. It is unlikely that the presence of transmission facilities along Route \_\_\_\_ will adversely affect any agricultural land with known mobile irrigations systems.

#### d. Pipelines

- 111. Route \_\_\_\_ crosses metallic pipelines transmitting hydrocarbons \_\_\_\_ times and parallels such pipelines for \_\_\_\_ miles.
- 112. It is unlikely that the presence of transmission facilities along Route \_\_\_\_ will adversely affect any crossed or paralleled metallic pipelines that transport hydrocarbons.

#### **Recreational and Park Areas**

- 113. Route \_\_\_\_ crosses a park or recreational area owned by a governmental body or an organized group, club, or church for a total of \_\_\_ miles.
- 114. There are \_\_\_\_\_ parks or recreational areas owned by a governmental body or an organized group, club, or church within 1,000 feet of Route \_\_\_\_'s centerline.
- 115. It is unlikely that the presence of transmission facilities along Route \_\_\_\_ will adversely affect the use and enjoyment any park or recreational area.

#### Historical and Archeological Areas

- 116. There are <u>recorded archeological sites within 1,000 feet of Route</u>'s centerline.
- 117. Route crosses recorded archeological sites.
- 118. Route \_\_\_\_ crosses through areas of high archeological site potential for a total of \_\_\_\_ miles.
- 119. It is unlikely that the presence of the transmission facilities along Route \_\_\_\_\_ will adversely affect historical or archeological resources.

#### Aesthetic Values

- 121. An estimated \_\_\_\_\_ of Route \_\_\_\_'s right-of-way is within the foreground visual zone of park or recreational areas.
- 122. It is unlikely that the transmission facilities along Route \_\_\_\_ will adversely impact the aesthetic quality of the surrounding landscape.

#### Environmental Integrity

- 123. The environmental assessment analyzed the possible effects of the proposed transmission line on numerous environmental factors, including endangered and threatened species.
- 124. Construction and operation of the proposed transmission line is expected to have negligible effects on physiographic features, geologic features, and natural resources of the study area.
- 125. Construction and operation of the proposed transmission line is not expected to have significant adverse impacts on surface water, groundwater, floodplains, nor wetlands within the study area.
- 126. Route \_\_\_\_ crosses upland woodland or brushland area for approximately \_\_\_ miles.
- 127. Route \_\_\_\_\_ does not cross the critical habitat of any federally listed endangered or threatened species.
- 128. After Commission approval of a route, field surveys may be performed, if necessary, to identify potential suitable habitat for federally and state-listed animal species and determine the need for any additional species-specific surveys. If potential suitable habitat is identified or federally or state-listed animal species are observed during a field survey of the Commission-approved route, joint applicants may further coordinate with the Texas Parks and Wildlife Department and United States Fish and Wildlife Service to determine avoidance and/or mitigation strategies.
- 129. Joint applicants can construct the proposed transmission line in an ecologically sensitive manner on the proposed route.

- 130. 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.
- 131. 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: The 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 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.
- 132. It is appropriate for joint applicants to minimize the amount of flora and fauna disturbed during construction of the transmission facilities.
- 133. 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.
- 134. 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 Texas Parks and Wildlife Department and the United States Fish and Wildlife Service.
- 135. 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 landowner agrees otherwise. However, it is not appropriate for joint applicants to restore original contours and grades where different contours or grades are necessary to ensure the safety or stability of any transmission line.
- 136. 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 right-of-way. The use of chemical herbicides to control vegetation within right-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.

- 137. It is appropriate for joint applicants to use best management practices to minimize the potential burdens on migratory birds and threatened or endangered species.
- 138. It is unlikely that the presence of transmission facilities along Route \_\_\_\_ will adversely affect the environmental integrity of the surrounding landscape.

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

- 139. The Texas Parks and Wildlife Department's (TPWD) Wildlife Habitat Assessment Program provided information and recommendations regarding the project to POWER on January 25, 2024. This letter was included in Appendix A of the environmental assessment.
- 140. TPWD was provided a complete copy of the application, which includes the environmental assessment, for the proposed transmission line.
- 141. On December 2, 2024, TPWD filed a comment letter making various comments and recommendations regarding the transmission facilities, but it did not become a party to this proceeding.
- 142. 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.
- 143. The Commission does not address the TPWD'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.
- 144. POWER 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.
- 145. Before beginning construction, it is appropriate for joint applicants to undertake appropriate measures to identify whether a habitat for potential endangered or threatened species exists and to respond appropriately.

- 146. Joint applicants will re-vegetate right-of-way as necessary and according to joint applicants' respective vegetation management practices, the storm water pollution prevention plan developed for construction of the transmission line, and in many instances, landowner preferences or requests.
- 147. Joint applicants' respective standard vegetation removal, construction, and maintenance practices adequately mitigate concerns expressed by TPWD.
- 148. Joint applicants will use appropriate avian protection procedures.
- 149. Joint applicants will comply with all environmental laws and regulations, including those governing threatened and endangered species.
- 150. Joint applicants will comply with all applicable regulatory requirements in constructing the proposed transmission line, including any applicable requirements under section 404 of the Clean Water Act.
- 151. Joint applicants will cooperate with the United States Fish and Wildlife Service and TPWD if threatened or endangered species' habitats are identified during field surveys.
- 152. 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 (TCEQ), joint applicants will cooperate with the United States Fish and Wildlife Service, the United States Army Corps of Engineers, and TCEQ, as appropriate, to coordinate permitting and perform any required mitigation.
- 153. The standard mitigation requirements included in the ordering paragraphs in this CCN order, coupled with joint applicants' respective current practices, are reasonable measures for a utility to undertake when constructing a transmission line and are sufficient to address TPWD's comments and recommendations.
- 154. This Order addresses only those recommendations by TPWD for which there is record evidence.
- 155. The recommendations and comments made by TPWD do not necessitate any modifications to the proposed transmission facilities.

# <u>Permits</u>

- 156. Before beginning construction of the transmission line approved by this CCN order, it is appropriate for joint applicants to obtain any necessary permits or clearances from federal, state, or local authorities.
- 157. Before beginning construction of the transmission line approved by this CCN order, it is appropriate for joint applicants to conduct a field assessment of Route \_\_\_\_\_\_ to identify water resources, cultural resources, potential migratory bird issues, and threatened and endangered species' habitats disrupted by the transmission facilities. As a result of these assessments, joint applicants will identify all necessary permits from Bexar County, Atascosa County, and federal and state agencies. Joint applicants will comply with the relevant permit conditions during construction and operation of the transmission line.
- 158. 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**

159. No part of the proposed transmission line is located within the Coastal Management Program boundary as defined in 31 TAC § 27.1.

#### Limitation on Authority

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

# **Other Issues**

162. CPS Energy will own the northern half of the transmission line connecting to its Howard Road station, and STEC will own the southern half of the transmission line connecting to its San Miguel station. As agreed upon by CPS Energy and STEC, the ownership division point on

route \_\_\_\_\_will be located at the structure closest to the middle of the approved route, which will be a dead-end structure owned and maintained by CPS Energy..

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

#### II. Conclusions of Law

The Commission makes the following conclusions of law.

- CPS Energy is a municipally owned utility as defined in PURA § 11.003(11) and 16 TAC § 25.5(71), as well a transmission service provider as defined in 16 TAC § 25.5(141), and a distribution service provider as defined in 16 TAC § 25.5(33).
- 2. STEC is an electric cooperative as defined in PURA § 11.003(9) and an electric utility for purposes of this application as defined in PURA § 37.001(2), as well a transmission service provider as defined in 16 TAC § 25.5(141).
- The Commission has jurisdiction over this matter under PURA §§ 37.051, 37.053, 37.054, 37.056, and 37.057.
- 4. CPS Energy is required to obtain the Commission's approval to construct the proposed transmission facilities located outside the municipal boundaries of the City of San Antonio and to provide service to the public using those facilities under PURA § 37.051(g).
- 5. STEC is required to obtain the Commission's approval to construct the proposed transmission facilities and to provide service to the public using those facilities under PURA § 37.051(a).
- SOAH exercised jurisdiction over the proceeding under PURA § 14.053 and Texas Government Code §§ 2001.058, 2003.021, and 2003.049.
- 7. The application is sufficient under 16 TAC § 22.75(d).
- 8. The application complies with the requirements of 16 TAC § 25.101.
- CPS Energy and STEC provided notice of the application in accordance with PURA § 37.054 and 16 TAC § 22.52(a).

- 10. Additional notice of the approved route is not required under 16 TAC § 22.52(a)(2) because the approved route consists entirely of properly noticed segments contained in the application.
- 11. CPS Energy and STEC held two public meetings and provided notice of those public meetings in compliance with 16 TAC § 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.
- The Commission processed this docket in accordance with the requirements of PURA, the Administrative Procedure Act,<sup>2</sup> and Commission rules.
- The transmission facilities using the Route \_\_\_\_\_ are necessary for the service, accommodation, convenience, or safety of the public within the meaning of PURA § 37.056(a) and 16 TAC § 25.101.
- 15. Route \_\_\_\_\_ complies with PURA § 37.056(c)(4) and 16 TAC § 25.101(b)(3)(B), including the Commission's policy of prudent avoidance, to the extent reasonable to moderate the impact on the affected community and landowners.
- 16. The Texas Coastal Management Program does not apply to any of the proposed transmission facilities approved by this CCN order, and the requirements under 16 TAC § 25.102 do not apply to this application.

#### 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, to the extent provided in this order.
- 2. The Commission amends CPS Energy's CCN number 30031 and STEC's CCN number 30146 to include the construction and operation of the Howard Road to San Miguel 345 kV transmission line in Bexar County and Atascosa County using Route \_\_ (comprising segments \_\_\_\_\_) to the extent necessary and provided in this order. CPS Energy will own the

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Tex. Gov't Code §§ 2001.001-.903.

northern half of the transmission line connecting to its Howard Road station, and STEC will own the southern half of the transmission line connecting to its San Miguel station. The ownership division point will be the structure closest to the middle of the approved route, which will be a dead-end structure owned and maintained by CPS Energy.

- The Commission further amends CPS Energy's CCN number 30031 and approves the portion of Route \_\_\_\_\_ outside the municipal boundary of the City of San Antonio,
- 4. CPS Energy and STEC must consult with pipeline owners or operators in the vicinity of the 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.
- 5. CPS Energy and STEC must conduct surveys, if not already completed, to identify metallic pipelines that could be affected by the transmission line and cooperate with pipeline owners in modeling and analyzing potential hazards because of alternating-current interference affecting pipelines being paralleled.
- 6. CPS Energy and STEC must comply with all applicable local, state, and federal laws, regulations, and permits.
- 7. CPS Energy and STEC must obtain all permits, licenses, plans, and permissions required by state and federal law that are necessary to construct the transmission facilities approved by this order, and if CPS Energy or STEC fails to obtain any such permit, license, plan, or permission, that entity must notify the Commission immediately.
- 8. CPS Energy and STEC must identify any additional permits that are necessary, consult any required agencies (such as the United States Army Corps of Engineers and the 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.
- 9. If CPS Energy or STEC encounters any archeological artifacts or other cultural resources during construction, work must cease immediately in the vicinity of the artifact or resource, and that entity must report the discovery to, and act as directed by, the Texas Historical Commission.

- 10. Before beginning construction, CPS Energy and STEC must undertake reasonable measures to identify whether a potential habitat for endangered or threatened species exists and must respond as required by applicable law or permit.
- CPS Energy and STEC must take reasonable measures to minimize the potential impact to migratory birds and threatened or endangered species due to the presence of the transmission facilities.
- 12. CPS Energy and STEC 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 United States Fish and Wildlife Service, April 2005.
- 13. CPS Energy and STEC must take reasonable measures to avoid disturbing occupied bird nests and to minimize the burden of construction on migratory birds during the nesting season of the migratory bird species identified in the area of construction.
- 14. CPS Energy and STEC 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.
- 15. CPS Energy and STEC must take reasonable measures to 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 facilities.
- CPS Energy and STEC must take reasonable measures re-vegetate using native species and to consider landowner preferences and wildlife needs in doing so.
- 17. To the maximum extent practical, CPS Energy and STEC 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.

- 18. CPS Energy and STEC must implement reasonable 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 the implementation of special precautions as determined reasonable to minimize the effect of vehicular traffic over the areas.
- 19. CPS Energy and STEC must take reasonable measures to 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, CPS Energy and STEC are not required to restore original contours and grades where a different contour or grade is necessary to ensure the stability of the transmission facilities or the safe construction, operation, and maintenance of the transmission facilities.
- 20. If possible, and subject to the other provisions of this order, CPS Energy and STEC must prudently implement appropriate final design for the transmission facilities to avoid being subject to the Federal Aviation Administration's notification requirements. If required by federal law, CPS Energy and STEC must notify and work with the Federal Aviation Administration to ensure compliance with applicable federal laws and regulations. CPS Energy and STEC are not authorized 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 CPS Energy or STEC must file an application to amend its respective CCN as necessary.
- 21. CPS Energy and STEC must cooperate with directly affected landowners to implement minor deviations in the approved route to minimize the disruptive effect of the transmission facilities. Any minor deviations in the approved route must only directly affect the landowners who were sent notice of the transmission facilities in accordance with 16 TAC § 22.52(a)(3) and landowners that have agreed to the minor deviation.
- 22. The Commission does not permit CPS Energy or STEC to deviate from the approved route in any instance in which the deviation would be more than a minor deviation without first further amending its respective CCN.
- 23. CPS Energy and STEC must include the transmission facilities approved by this order on their respective 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, CPS

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

- 24. The Commission limits the authority granted by this order to a period of seven years from the date this order is signed unless, before that time, the transmission facilities are commercially energized.
- 25. The Commission denies all other motions and any other requests for general or specific relief that have not been expressly granted.