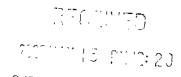


Control Number: 57263

Item Number: 52

# PUC DOCKET NO. 57263 SOAH DOCKET NO. 473-25-11564



APPLICATION OF ONCOR ELECTRIC	§	PUBLIC UTILITY COMMISSION 1153.3N
DELIVERY COMPANY LLC TO	§	
AMEND ITS CERTIFICATE OF	§	OF TEXAS
CONVENIENCE AND NECESSITY FOR	§	
THE HARTRING - UPLAND 138-KV	§	
TRANSMISSION LINE IN REAGAN	§	
AND UPTON COUNTIES	§	
THIS OF FOIL COUNTRIES	3	

#### ORDER

This Order addresses the application of Oncor Electric Delivery Company LLC to amend its certificate of convenience and necessity (CCN) number 30043 for the proposed Hartring-to-Upland 138-kilovolt (kV) transmission line in Reagan and Upton counties. The parties filed a unanimous partial agreement addressing undisputed issues. A proposal for decision filed on April 2, 2025 addresses the Commission's preliminary order issue number 5.c. concerning need and whether the recommendation of the Electric Reliability Council of Texas, Inc. (ERCOT) regarding the proposed transmission facilities should be required for approval. The proposal for decision recommends that, under 16 TAC § 25.101(b)(3)(A)(ii)(II), in evaluating reliability for a proposed transmission line, the Commission may give great weight to both the ERCOT recommendation and the utility's Regional Planning Group (RPG) submittal or to either of those documents individually, notwithstanding the presence or absence of the other. The proposal for decision also recommends that the Commission may determine that Oncor demonstrated need for the proposed transmission facilities even without ERCOT's recommendation, which was not available at the time. Finally, based on the evidentiary record, the proposal for decision recommends that Oncor demonstrated need for the proposed transmission facilities and recommends approval of the facilities along the proposed route.

Because the Commission agrees with the PFD's analysis of the Commission rule, the Commission adopts the PFD's recommendations. The Commission must consider need when granting a CCN under Public Utility Regulatory Act (PURA) § 37.056(c) and (c-1) and the Commission rule. And need is undisputed here. Because the Commission has allowance to give great weight to both or either of the two types of evidence identified by the Commission rule, the

Commission determines that Oncor demonstrated need in this case. The Commission amends Oncor's CCN number 30043 to include the construction, ownership, and operation of the proposed transmission line in Reagan and Upton counties using the proposed route, including station work at the Hartring substation, Upland substation, and Ringo switch.

The Commission adopts the proposal for decision, including findings of fact and conclusions of law, to the extent provided in this Order. The Commission adds findings of fact 129A, 129B, 129C, and 129D under a new subheading to address the effect of the presence of the proposed transmission facilities on pipelines, for completeness. The Commission modifies conclusion of law 17 for consistency with previous Commission orders. The Commission renumbers three conclusions of law after conclusion of law 17 for accuracy. The Commission modifies conclusion of law 19 for accuracy. The Commission adds conclusion of law 20A for completeness. The Commission also makes non-substantive changes for such matters as capitalization, spelling, grammar, punctuation, style, correction of numbering, readability, and conformity with the Commission's order-writing format.

# I. Findings of Fact

The Commission adopts the following findings of fact.

#### Applicant

- 1. 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 Electric Reliability Council of Texas, Inc. (ERCOT) region.
- 3. Oncor provides service under certificate of CCN number 30043.
- 4. Oncor is a transmission service provider (TSP).

#### **Application**

 On November 14, 2024, Oncor filed an application to amend its CCN for a new 138-kV transmission line in Texas.

- 6. Oncor retained Halff Associates, Inc. to prepare an environmental assessment and routing study for the proposed transmission line (routing analysis), which is included as part of the application. After Halff began its routing analysis, the proposed transmission line became a single-route CCN due to the acquisition of necessary right-of-way.
- 7. The application contains a single proposed route to which all owners of directly affected land have consented.
- 8. On December 11, 2024, Commission Staff recommended that the application be found sufficient.
- 9. In Commission Order No. 3 filed on December 19, 2024, the Commission administrative law judge (ALJ) found the application sufficient.

# Description of the Transmission Facilities

- Oncor proposes to construct a new 138-kV transmission line on double-circuit structures in Reagan and Upton counties.
- 11. The transmission line will be located between Oncor's existing Hartring substation in Reagan County and Oncor's existing Upland substation in Upton County.
- 12. The transmission line will loop into Ringo switch, which is located directly east of and adjacent to the Hartring substation.
- 13. The Hartring substation is an existing electric utility facility owned by Oncor.
- 14. The Upland substation is an existing electric utility facility owned by Oncor that Oncor is currently developing under a separate, exempt project.
- 15. The Ringo switch is an electric utility facility owned by Oncor Electric Delivery Company NIU LLC (North Texas Utility), an indirect, wholly owned subsidiary of Oncor.
- North Texas Utility designated Oncor as the electric utility with all rights to construct, own, and operate the proposed transmission line, including any associated station work at Ringo switch.
- 17. The proposed transmission line includes Oncor's construction of the proposed transmission line between Hartring substation and Upland substation, the station work needed to

- terminate the proposed transmission line at the two substations, and the station work needed to loop the proposed transmission line into the nearby Ringo switch.
- 18. The proposed transmission line will primarily be constructed on steel monopole structures, generally within an approximately 70-foot-wide right-of-way, except where width varies due to design considerations.
- 19. All necessary right-of-way for the proposed transmission line has been acquired.
- 20. The route approved in this Order is approximately 8.8 miles in length.
- 21. The typical structure for the transmission line will be approximately 85 to 100 feet in height
- 22. Oncor will own, operate, and maintain the proposed transmission facilities.

#### Schedule

23. Oncor estimates that it will finalize engineering and design by May 2025, procure materials and equipment by May 2025, complete construction of facilities by November 2025, and energize the facilities by November 2025.

# Public Input

- 24. Oncor published notice of the public meeting on July 11, 2024, in the *Big Lake Wildcat*, a newspaper with general circulation in Reagan County, as well as the *Crane News*, a newspaper with general circulation in Upton County.
- 25. Prior to the public meeting, Oncor mailed 131 individual written notices of the public meeting to all owners of property within 300 feet of the alternative route links.
- 26. Oncor sent written notice of the public meeting to the Department of Defense Military Aviation and Installation Assurance Siting Clearinghouse.
- 27. On July 23, 2024, Oncor held a public meeting in Midland, Texas.
- 28. At the public meeting, Oncor provided a questionnaire, which provided a space for participants to include any general comments, remarks, or concerns.

- 29. At the public meeting, four individuals signed in as attendees, and two attendees filled out and submitted questionnaires. Oncor did not receive questionnaires following the public meeting.
- 30. After the public meeting, Oncor and a future interconnecting customer acquired all necessary right-of-way for the proposed transmission line.
- 31. All necessary customer-acquired right-of-way will be assigned to Oncor upon approval of the proposed transmission line by the Commission.

## Notice of the Application

- On November 14, 2024, Oncor sent written notice of the application by first-class mail to directly affected landowners of record; county officials of Reagan County; county officials of Upton County; the Office of Public Utility Counsel; the Department of Defense Military Aviation and Installation Assurance Siting Clearinghouse; Southwestern Electric Public Service Co.; American Electric Power Texas; Lower Colorado River Authority Transmission Services Corporation (LCRA TSC); and certain pipeline owners and operators. Oncor also provided notice of the application to the Department of Defense Military Aviation and Installation Assurance Siting Clearinghouse by email on November 14, 2024.
- 33. There are no municipalities within five miles of the proposed transmission line.
- 34. On November 14, 2024, Oncor mailed a copy of the routing analysis to the Texas Parks and Wildlife Department.
- 35. Oncor published notice of the application on November 21, 2024, in *The Big Lake Wildcat*, a newspaper of general circulation in Reagan County and the *Crane News/McCamey News*, a newspaper of general circulation in Upton County, Texas.
- 36. On December 4, 2024, Oncor filed the affidavit of Justin Stryker, regulatory manager at Oncor, attesting that notice was provided by mail to directly affected landowners, counties, neighboring utilities; the Office of Public Utility Counsel; the Department of Defense Military Aviation and Installation Assurance Siting Clearinghouse; the Texas Parks and Wildlife Department certain pipeline owners, operators, and associations; and by email to

- the Department of Defense Military Aviation and Installation Assurance Siting Clearinghouse on November 14, 2024, as described above.
- 37. On December 4, 2024, Oncor filed another affidavit of Mr. Stryker, which includes the publisher's affidavit of James R. Mankin, attesting to the publication of notice in *The Big Lake Wildcat*, and the publisher's affidavit of Dennis Greer, attesting to the publication of notice in the *Crane News/McCamey News*.
- 38. On December 11, 2024, Commission Staff recommended that notice be found sufficient.
- 39. In Commission Order No. 3 filed December 19, 2024, the Commission ALJ found the notice sufficient.

#### Intervenors

- 40. In Commission Order No. 2 filed on December 4, 2024, the Commission ALJ granted intervention to Shelly Dae Ross, David Matt Armstrong, and Gyla Kim Sexton (collectively, the Armstrong family).
- 41. Commission Staff is also a party to this proceeding.

# Route Adequacy

- 42. Oncor's application presents a single route for the Commission's consideration.
- 43. All directly affected landowners have consented to the proposed route.
- 44. No additional right-of-way is required to build the proposed transmission line along the proposed route.
- 45. No party filed testimony or a position statement challenging whether the application provided an adequate number of reasonably differentiated routes to conduct a proper evaluation. No party raised a route adequacy challenge.
- 46. The application provided an adequate and sufficiently delineated route to conduct a proper evaluation.

## Testimony and Statements of Position

47. On November 14, 2024, Oncor filed the direct testimonies of its witnesses, Claire L. Carlson, Jared Gurley, and Joshua C. Tillery of Oncor, and Russell J. Marusak of Halff.

- 48. No party filed a statement of position.
- On February 21, 2025, Commission Staff filed the direct testimony of its witness, Michael Noth.
- 50. On February 21, 2025, Oncor filed Mr. Gurley's supplemental direct testimony.
- 51. The Armstrong family did not file testimony.

## Referral to SOAH for Hearing

- 52. On February 3, 2025, the Commission referred this docket to the State Office of Administrative Hearings (SOAH) and filed a preliminary order setting forth the issues to be addressed.
- 53. Due to the timing of the referral, the SOAH ALJ found good cause to convene an expedited prehearing conference.
- 54. A prehearing conference convened on February 7, 2025, via Zoom videoconference and Oncor and Commission Staff appeared.
- 55. During the prehearing conference, Oncor and Commission Staff confirmed the sole contested issue was the Commission's preliminary order Issue No. 5.c. concerning need for the proposed transmission line.
- 56. During the prehearing conference, Oncor and Commission Staff agreed that no hearing would be necessary and that the parties would confer with the Armstrong family and propose an agreed procedural schedule that reflected the submission of written briefings in lieu of a hearing. The parties filed a joint proposed briefing schedule on February 12, 2025.
- 57. In SOAH Order No. 2 filed on February 13, 2025, the SOAH ALJ adopted the agreed briefing schedule.

# Briefs Addressing the Contested Issue

58. On March 7, 2025, Oncor, Commission Staff, and the Armstrong family filed a joint partial stipulation agreement (agreement), agreeing that the only contested issue remaining in the case is Issue No. 5.c. from the preliminary order filed by the Commission on February 3, 2025.

59. Issue No. 5.c. concerns whether Oncor demonstrated need for the project and provides as follows:

## Need

5. Taking into account the factors set out in the PURA [Public Utility Regulatory Act] § 37.056(c), are the proposed transmission facilities necessary for the service, accommodation, convenience, or safety of the public within the meaning of PURA § 37.056(a)? In addition, please address the following issues:

<u>. . .</u>

- c. What recommendation, if any, has an independent organization, as defined in PURA § 39.151, [i.e., ERCOT] made regarding the proposed transmission facilities?
- 60. In SOAH Order No. 4 filed on March 10, 2025, the SOAH ALJ granted the parties' joint motion to admit evidence.
- 61. In accordance with the parties' agreement, Oncor and Commission Staff each submitted their respective initial briefs, limited to the remaining issue, on March 12, 2025.
- 62. In accordance with the parties' agreement, the Armstrong family does not contest the application and did not file briefing.
- 63. On March 19, 2025, Oncor and Commission Staff filed their respective reply briefs, and the record closed.

#### Evidentiary Record

- 64. In SOAH Order No. 4 filed on March 10, 2025, the SOAH ALJ admitted the following uncontested evidence into the record of this proceeding:
  - a. Oncor's application, with accompanying attachments, filed on November 14, 2024;
  - the direct testimonies and accompanying exhibits of Oncor witnesses Ms. Carlson,
     Mr. Gurley, and Mr. Tillery of Oncor, and Mr. Marusak of Halff, filed on
     November 14, 2024;
  - c. Oncor's response to standard order no. 1 questions filed on November 14, 2024;

- d. Oncor's affidavit attesting to the provision of notice to cities, counties, the Office of Public Utility Counsel, the Texas Parks and Wildlife Department, the Department of Defense Military Aviation and Installation Assurance Siting Clearinghouse, and landowners, filed on December 4, 2024;
- e. Oncor's affidavit attesting to the provision of newspaper notice filed on December 4, 2024;
- f. Commission Staff's recommendation on administrative completeness and proposed notice filed on December 11, 2024;
- g. Commission Staff's final recommendation filed on January 22, 2025;
- h. Oncor's motion for immediate referral to SOAH with expedited hearing on the merits deadlines filed on January 29, 2025;
- i. the direct testimony of Commission Staff witness Michael (Mike) Noth, P.E., with accompanying attachment, filed on February 21, 2025;
- j. the supplemental direct testimony of Oncor witness Mr. Gurley, with accompanying exhibits, filed on February 21, 2025; and
- k. the parties' agreement, filed on March 12, 2025.

# Adequacy of Existing Service and Need for Additional Service

- 65. The proposed transmission line is a part of the Tier 2 reliability project (joint Tier 2 project) that Oncor and LCRA TSC jointly submitted to ERCOT's regional planning group for review on August 9, 2024 (the regional planning group submittal).
- 66. Oncor and LCRA TSC proposed the joint Tier 2 project as a solution to certain potential North American Electric Reliability Corporation (NERC) reliability standard violations expected to occur due to the load growth in the Permian Basin region.
- 67. The regional planning group submittal describes why the joint Tier 2 project, including Oncor's proposed transmission line, is needed to address customer need for additional service and reliability need in the Permian Basin region.

- 68. Oncor and LCRA TSC performed power flow studies and contingency analysis under NERC Reliability Standard TPL-001-5.1 and the ERCOT Planning Guide and identified post-contingency system performance issues beginning in the summer of 2025, including thermal overloads and voltage violations.
- 69. The proposed transmission line consists of the transmission improvements for which Oncor is responsible under the joint Tier 2 project.
- 70. ERCOT Nodal Protocol § 3.11.4.6(1)(c) states that, when processing Tier 2 projects, "ERCOT will attempt to complete its independent review for a project in 120 days or less."
- 71. Oncor anticipated ERCOT would complete its review and publish its recommendation on the regional planning group submittal by December 7, 2024, which is 120 days after the regional planning group submittal was provided to ERCOT.
- 72. Before filing the application, ERCOT notified Oncor that it would be unable to complete its review of the regional planning group submittal until early 2025.
- 73. After filing the application, ERCOT notified Oncor that the review of the regional planning group submittal would be further delayed until approximately May 2, 2025.
- 74. As of April 3, 2025, no documentation has been presented demonstrating that ERCOT has completed its independent review and made a recommendation on the regional planning group submittal.
- 75. As noted in the agreement, the parties agreed to the following matters regarding need for the proposed transmission line:
  - The proposed transmission line addresses documented customer need and reliability need.
  - New load customers are waiting for service provided by the proposed transmission line.
  - c. Targa Pipeline Mid-Continent WestTex LLC (Targa) is waiting for the proposed transmission line to provide its Pembrook II station retail load facilities with transmission service.

- d. The proposed transmission line will allow Targa to interconnect a large load in the area to the grid.
- e. West Texas, including Reagan and Upton counties, is experiencing rapid and continuous load growth.
- f. The proposed transmission line is the only component of the [joint Tier 2 project] that requires CCN amendment.
- g. If the application is approved, Oncor and LCRA TSC will have authorization to construct the [joint Tier 2 project].
- h. The [joint Tier 2 project's] steady-state assessments identified the proposed transmission line as necessary by summer 2025 to resolve potential reliability issues.
- i. The cases used for the steady-state analysis that identified the proposed transmission line as necessary were the ERCOT steady state working group cases published on October 9, 2023, for 2025, 2026, and 2027 summer on-peak load conditions, with adjustments.
- j. The steady-state contingency assessments identified potential thermal overloads by summer 2025.
- k. The steady-state contingency assessments identified potential voltage violations by summer 2025.
- The proposed transmission line addresses the potential summer 2025 thermal and voltage violations that are expected to occur on Oncor's transmission system in summer 2025.
- m. The proposed transmission line will expand and upgrade Oncor's transmission system in Upton County and Reagan County.
- n. The proposed transmission line plans to improve system operational flexibility in the area.
- o. The proposed transmission line plans to improve load-serving reliability in the area.

- p. The proposed transmission line plans to increase system capacity in the area.
- q. The proposed transmission line plans to improve power quality in the area.
- r. The proposed transmission line plans to mitigate the need for reactive shunt devices by adding a new 138-kV path to allow bidirectional flow.
- s. The proposed transmission line plans to mitigate the need for reactive shunt devices by creating a strong 345-kV source into the center of the 138-kV network.
- 76. The existing transmission system in the Permian Basin area lacks the transmission facilities necessary to handle the substantial load growth the area is experiencing.
- 77. Without transmission system upgrades, the continuation of load growth in the Permian Basin area will increase the likelihood of reliability issues.
- 78. The proposed transmission line is needed to provide additional transmission capacity that will resolve thermal overloads and voltage criteria exceedances in post-contingency conditions, enhance operational flexibility, and address loading limitations that are restricting Oncor's ability to interconnect a new transmission service customer.
- 79. Oncor analyzed alternatives to the proposed transmission line, including constructing a new 138-kV station cutting into AEP Texas' Big Lake-to-LCRA TSC's North McCamey 138-kV line. This alternative would introduce new thermal violations on nearby transmission lines and would not improve post-contingency voltage performance as significantly as the joint Tier 2 project. Additionally, this alternative would require the acquisition of more new right-of-way and construction of a longer and more expensive line.
- 80. Oncor also evaluated rebuilding LCRA TSC's Benedum-to-Oncor's Midkiff 138-kV line and installing an additional reactive device near Oncor's Lonesome Draw station as an alternative. However, this alternative would not fully address the identified post-contingency voltage issues.

- 81. Distribution alternatives to the proposed transmission line would not resolve the identified reliability issues on the transmission system, nor address the large loads and generation seeking interconnection at transmission-level voltage.
- 82. Upgrading voltage or bundling of conductors of existing facilities and adding transformers would not address the identified reliability issues or provide the necessary level of service to meet electric demand in the area.
- 83. The proposed transmission line is necessary to alleviate existing and potential constraints and system needs within the ERCOT transmission system.
- 84. Oncor demonstrated need for the proposed transmission line.

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

- 85. Oncor is the only electric utility involved in the construction of the transmission facilities proposed under the proposed transmission line.
- 86. The proposed transmission line includes station work at Ringo switch, which is owned by North Texas Utility, an indirect, wholly owned subsidiary of Oncor.
- 87. The North Texas Utility designated Oncor as the electric utility with all rights to construct, own, and operate the proposed transmission line.
- 88. Oncor will own the proposed transmission line and both of the proposed transmission line endpoints.
- 89. Aside from the North Texas Utility's ownership of Ringo switch, the only other electric utility that will be connected to and affected by the proposed transmission line is LCRA TSC in association with the joint Tier 2 project.
- 90. Except for the North Texas Utility's Ringo switch, the proposed transmission line will not utilize the facilities of any other electric utility.
- 91. It is unlikely that the construction of the transmission line along the proposed route will adversely affect service by other utilities in the area.

92. Construction of the transmission facilities will enhance the reliability of the transmission system and facilitate robust wholesale competition.

# Routing of the Transmission Facilities

- 93. The Halff project team included professionals with expertise in different environmental and land use disciplines who were involved in data acquisition, routing analysis, and environmental assessment of the transmission facilities.
- 94. To identify alternative route links for the transmission facilities, Halff delineated a study area, sought public official and agency input, gathered data regarding the study area, and performed constraints mapping.
- 95. After presenting the alternative route links at the public participation meeting, Oncor and a future customer acquired all necessary right-of-way for the proposed route, which was one of the routes presented at the public participation meeting.
- 96. Once all necessary right-of-way was acquired, Halff made route modifications to include only the single route proposed in the application in accordance with direction from Oncor.
- 97. The proposed route meets the requirements of PURA and the Commission's substantive rules.
- 98. The proposed route is approximately 8.8 miles in length.
- 99. The proposed transmission line's routing is uncontested.

#### Estimated Costs

- 100. The total estimated cost of the proposed transmission line is approximately \$25,162,000.
- 101. The estimated cost of the transmission line facilities is approximately \$22,295,000. The minimal station work needed to terminate the proposed transmission line at the Hartring and Upland substations is included in the transmission line cost category.
- 102. The estimated cost of the station work at Ringo switch is approximately \$2,867,000.
- 103. The proposed transmission line will be financed through a combination of debt and equity.
- 104. The total estimated cost for the proposed transmission line is reasonable.

## Prudent Avoidance

- 105. 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."
- 106. There is one known habitable structure located approximately 320 feet from the proposed route's centerline. No other known habitable structures were identified within 320 feet of the proposed route's centerline.
- 107. The proposed route complies with the Commission's policy of prudent avoidance.

## Community Values

- 108. Information regarding community values was received from local, state, and federal agencies and incorporated into the routing analysis for development of the filed routes.
- 109. Oncor held a public meeting, which resulted in the submittal of completed questionnaires or other correspondence indicating primary concerns relating to community values.
- 110. Following the public meeting, Oncor and Targa, a future interconnecting customer, acquired all necessary right-of-way for one of the preliminary routes.
- 111. Oncor and Halff modified the preliminary routes to reflect the single proposed route to which all directly affected landowners consented.
- 112. The proposed transmission line adequately addresses the expressed community values.

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

- 113. The proposed route parallels existing compatible right-of-way for approximately 18,629 feet, or 40% of its length.
- 114. The proposed route does not parallel existing electric transmission lines.
- 115. The proposed route parallels existing public roads or highways for approximately 2,243 feet.
- 116. The proposed route parallels apparent property boundaries for approximately 18,629 feet and was developed in coordination with the directly affected landowners, who provided consent for the proposed route.

117. The proposed route uses or parallels existing compatible corridors to a reasonable extent.

# **Engineering Constraints**

- 118. Oncor evaluated engineering and construction constraints when developing the proposed route.
- 119. Oncor did not identify any engineering constraints along the proposed route that cannot be adequately addressed by using design and construction practices and techniques usual and customary in the electric utility industry.

# Other Comparisons of Land Uses and Land Types

# a. Radio Towers and Other Electronic Installations

- 120. No commercial AM radio transmitters were identified within 10,000 feet of the proposed route's centerline.
- 121. No FM radio towers, microwave towers, or other electronic installations were identified within 2,000 feet of the proposed route's centerline.
- 122. It is unlikely that the presence of transmission facilities along the proposed route will adversely affect any communication operations in the proximity of the route.

# b. Airstrips and Airports

- 123. There are no Federal Aviation Administration-registered airports with a least one runway greater than 3,200 feet and within 20,000 feet of the proposed route's centerline.
- 124. There are no Federal Aviation Administration-registered airports with runways shorter than 3,200 feet in length and within 10,000 feet of the proposed route's centerline.
- 125. There are no private airstrips within 10,000 feet of the proposed route's centerline.
- 126. There are no heliports within 5,000 feet of the proposed route's centerline.
- 127. It is unlikely that the presence of transmission facilities along the proposed route will adversely affect any airports, airstrips, or heliports.

#### c. Irrigation Systems

128. The proposed route does not cross agricultural lands with known mobile irrigation systems.

129. It is unlikely that the presence of transmission facilities along the proposed route will adversely affect any agricultural lands with known mobile irrigation systems.

# d. Pipelines

- 129A. A high density of oil and gas pipelines that converge near two regional plants near Upland substation was a prominent routing constraint for the proposed transmission facilities.
- 129B. The proposed route parallels existing pipeline right-of-way for 24,905 feet.
- 129C. The proposed route crosses natural gas pipelines 25 times, crude oil pipelines 5 times, and liquid pipelines 7 times.
- 129D. It has not been determined that the presence of transmission facilities along the proposed route will adversely affect any metallic pipelines that transport hydrocarbons.

## Recreational and Park Areas

- 130. The proposed route does not cross any parks or recreational areas.
- 131. There are no parks or recreational areas located within 1,000 feet of the proposed route's centerline.
- 132. It is unlikely that the presence of transmission facilities along the proposed route will adversely affect the use of parks or recreational areas.

# Historical and Archaeological Areas

- 133. The proposed route does not cross any recorded cultural resource sites.
- 134. There are no recorded cultural resource sites located within 1,000 feet of the proposed route's centerline.
- 135. The proposed route crosses land with high archaeological or historical site potential for 10,631 feet.
- 136. No sites in the study area have been recorded in the National Register of Historic Places or designated as a State Antiquities Landmark.
- 137. It is unlikely that the presence of transmission facilities along route 10 will adversely affect historical or archaeological resources.

# Aesthetic Values

- 138. The proposed route does not cross any United States or state highways.
- 139. An estimated 6,580 feet of the proposed route's right-of-way is within the foreground visual zone a ranch-to-market roads.
- 140. The proposed route's right-of-way is not within the foreground visual zone of a park or recreational area.
- 141. It is unlikely that the presence of transmission facilities along the prosed route will have a significant adverse effect the aesthetic quality of the surrounding landscape.

# **Environmental Integrity**

- 142. The routing analysis analyzed the possible impacts of the transmission line on numerous environmental factors.
- 143. Oncor and Halff evaluated the effects of the transmission facilities on the environment, including endangered and threatened species.
- 144. Oncor and Halff evaluated potential consequences for soil and water resources, the ecosystem (including endangered and threatened vegetation, fish, and wildlife), and land use within the study area.
- 145. Current county listings for federally- and state-listed threatened and endangered species were obtained from the United States Fish and Wildlife Service and Texas Parks and Wildlife Department. Habitat locations designated critical by the United States Fish and Wildlife Service were included in the review.
- 146. Construction and operation of the proposed transmission facilities is expected to have no significant effect on the physiographic or geologic features and resources in the area.
- 147. Construction and operation of the proposed transmission facilities is expected to have no significant impact on the surface water resources of the area.
- 148. Construction and operation of the proposed transmission facilities is not expected to adversely impact on the groundwater resources of the area.

- 149. In light of avoidance measures to be used, construction and operation of the proposed transmission facilities is not anticipated to have a significant impact on the area's aquatic resources.
- 150. There are no federally- or state-listed threatened or endangered plant species with potential to occur within the study area.
- 151. There is one federally listed candidate species of wildlife with potential to occur within the study area.
- 152. There are no federally listed threatened or endangered wildlife species with potential to occur within the study area.
- 153. There are three state-listed threatened species of wildlife with potential to occur within the study area.
- 154. There are no state-listed endangered species of wildlife with potential to occur within the study area.
- 155. After approval of a route, field surveys may be performed, if necessary, to identify potential suitable habitat for federally- or 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 approved route, Oncor may further coordinate with the Texas Parks and Wildlife Department and United States Fish and Wildlife Service to determine avoidance and mitigation strategies.
- 156. Oncor can construct the transmission facilities in an ecologically sensitive manner along the proposed route.
- 157. 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.
- 158. It is appropriate for Oncor to follow the procedures to protect raptors and migratory birds as 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 Oncor to take precautions to avoid disturbing occupied nests and take steps to minimize the burden of construction on migratory birds species identified in the area of construction.

- 159. It is appropriate for Oncor to minimize the amount of flora and fauna disturbed during construction of the transmission line, except to the extent necessary to establish appropriate right-of-way clearance for the proposed transmission line.
- 160. 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.
- 161. It is appropriate for Oncor to avoid, to the maximum extent practical, 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.
- 162. 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 landowner agrees otherwise. However, it is not appropriate for Oncor to restore original contours and grades where different contours or grades are necessary to ensure the safety or stability of any transmission line.
- 163. 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 the 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.
- 164. It is appropriate for Oncor to use best management practices to minimize the potential burden on migratory birds and threatened or endangered species.

165. It is unlikely that the presence of transmission facilities along the proposed route will adversely affect the environmental integrity of the surrounding landscape.

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

- 166. The Texas Parks and Wildlife Department's ecological and environmental planning program provided information and recommendations regarding the preliminary study area for the proposed transmission facilities to Halff on July 1, 2024.
- 167. Texas Parks and Wildlife Department's wildlife habitat assessment program was provided a copy of the routing analysis for the proposed transmission facilities.
- 168. 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.
- 169. Before beginning construction, it is appropriate for Oncor to undertake appropriate measures to identify whether a habitat for potential endangered or threatened species exists and to respond appropriately.
- 170. Oncor will use avoidance or mitigation procedures, as appropriate, to comply with laws protecting federally listed species.
- 171. Oncor will re-vegetate rights-of-way as necessary and according to Oncor's vegetation management practices, the stormwater pollution prevention plan developed for construction of the proposed transmission line, if any, and in many instances, landowner preferences or requests.
- 172. Oncor's standard vegetation removal, construction, and maintenance practices adequately address concerns expressed by the Texas Parks and Wildlife Department.
- 173. Oncor will use appropriate avian protection procedures.
- 174. Oncor will comply with all environmental laws and regulations, including those governing threatened and endangered species.

- 175. Oncor will comply with all applicable regulatory requirements in constructing the transmission facilities, including any applicable requirements under § 404 of the Clean Water Act.
- 176. Oncor will cooperate with the United States Fish and Wildlife Service and the Texas Parks and Wildlife Department if threatened or endangered species' habitats are identified during field surveys.
- 177. If construction impacts federally listed species or their habitat or impacts water under the authority 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 Texas Commission on Environmental Quality, as appropriate, to obtain permitting and perform any required mitigation.
- 178. The standard mitigation requirements included in the ordering paragraphs in this Order, coupled with Oncor's standard practices, are reasonable measures for a transmission service provider to undertake when constructing a transmission line and are sufficient to address the Texas Parks and Wildlife Department's comments and recommendations.

#### Permits

- 179. Before beginning construction of the transmission facilities approved by this Order, it is appropriate for Oncor to obtain any necessary permits or clearances from federal, state, or local authorities.
- 180. Before commencing construction of the transmission facilities approved by this Order, it is appropriate for Oncor to conduct a field assessment of the entire length of the transmission line to identify water resources, cultural resources, potential migratory bird issues, and threatened and endangered species' habitats impacted as a result of the transmission line. As a result of this assessment, Oncor will identify and obtain any additional permits or clearances from federal, state, or local authorities, and will comply with the relevant permit conditions during construction and operation of the transmission line.

181. After designing and engineering the alignments, structure locations, and structure heights, Oncor will make a final determination of the need for Federal Aviation Administration notification 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 Federal Aviation Administration requirements.

## Coastal Management Program

- 182. No part of the proposed transmission facilities is located within the Coastal Management Program as defined in 31 TAC § 27.1.
- 183. Construction of the proposed transmission facilities along the proposed route will not have any effect on any of the applicable coastal natural resource areas as defined under Texas Natural Resources Code § 33.203(1) and 31 TAC § 27.1.

# Probable Improvement to Service or Lowering of Consumer Cost

- 184. The transmission facilities approved by this Order are needed to address reliability issues identified in post-contingency conditions as well as customer requests and will result in an improvement in Oncor's ability to serve its customers.
- 185. The transmission facilities approved by this Order are not being proposed to, and are not expected to, result in a lowering of costs to customers.

# Limitation of Authority

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

#### II. Conclusions of Law

The Commission adopts the following conclusions of law.

- 1. Oncor is a public utility as defined in PURA1 § 11.004(1) and an electric utility as defined in PURA § 31.002(6).
- 2. Oncor is a transmission service provider as defined in 16 TAC § 25.5(141).
- 3. The Hartring substation, Upland substation, and Ringo switch are existing electric utility facilities under PURA § 37.056(e).
- Oncor must obtain the Commission's approval to construct the proposed transmission line and to provide service to the public using the proposed transmission line facilities under PURA § 37.053.
- 5. The proposed transmission line is a "reliability project" as described in 16 TAC § 25.101(b)(3)(A)(ii)(I).
- 6. The Commission has authority over this matter under PURA §§ 14.001, 32.001, 37.051, 37.053, 37.054, and 37.056.
- 7. SOAH exercised authority over this proceeding in accordance with PURA § 14.053 and Texas Government Code §§ 2003.021 and 2003.049.
- 8. The application is sufficient under 16 TAC § 22.75(d).
- 9. The application complies with the requirements of 16 TAC § 25.101.
- 10. The Commission processed this docket in accordance with the requirements of PURA, the Administrative Procedure Act,<sup>2</sup> and the Commission's rules.
- 11. Oncor provided notice of the application in compliance with PURA § 37,054 and 16 TAC § 22.52(a).
- 12. Additional notice of the approved route is not required under 16 TAC § 22.52(a)(2) because it consists entirely of properly noticed links contained in the single route in the application.
- 13. Prior to acquiring all necessary right-of-way, Oncor held a public meeting and provided proper notice of that public meeting in compliance with 16 TAC § 22.52(a)(4).

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

<sup>&</sup>lt;sup>2</sup> Tex. Gov't Code §§ 2001.001–.903.

- 14. There was good cause to convene an expedited prehearing conference on February 7, 2025 under 16 TAC §§ 22.5(b) and 22.54(a).
- 15. The Texas Coastal Management Program does not apply to the transmission facilities, and the requirements of 16 TAC § 25.102 do not apply to the application.
- 16. The application is adequate, sufficient, and materially complete.
- 17. The proposed route complies with PURA § 37.056(c)(4) and 16 TAC § 25.101.
- 18. Per 16 TAC § 25.101(b)(3)(A)(ii)(II), the Commission must give great weight to both or either of the types of evidence identified in subsections (a) and (b) for the purpose of determining the need for a reliability project (i.e., ERCOT's recommendation of the proposed transmission line and the regional planning group submittal).<sup>3</sup>
- 19. The Commission may determine Oncor has demonstrated need for the proposed transmission line and approve the application based on the materials provided by Oncor, including the RPG submittal, even though ERCOT has not yet made a recommendation regarding the proposed transmission line, in accordance with 16 TAC § 25.101(b)(3)(A)(ii)(II)(a)-(b).
- 20. Oncor demonstrated the transmission facilities using the proposed route are necessary for the service, accommodation, convenience, or safety of the public within the meaning of PURA § 37.056(a).
- 20A. Under PURA § 37.057, the Commission must approve or deny the application not later than the 180th day after the date the application was filed.

# III. Ordering Paragraphs

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

<sup>&</sup>lt;sup>3</sup> Horseshoe Bay Resort, Ltd. v. CRVI CDP Portfolio, LLC, 415 S.W.3d 370, 377 (Tex. App.—Eastland 2013, no pet.) ("The literal sense of 'and/or' is 'both or either.""); In re United Scaffolding, Inc., 377 S.W.3d 685, 689 (Tex. 2012); Green v. Lajitas Capital Partners, LLC, No. 08-22-00175-CV, 2023 WL 3153644, at \*9 (Tex. App.—El Paso Apr. 28, 2023, no pet.) (mem. op.).

- 1. The Commission adopts the proposal for decision, including findings of fact and conclusions of law, to the extent provided in this Order.
- The Commission amends Oncor's CCN number 30043 to include the construction, ownership, and operation of the proposed transmission line in Reagan and Upton counties using the proposed route, including station work at the Hartring substation, Upland substation, and Ringo switch.
- 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 metallic 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 comply with all applicable local, state, and federal laws, regulations, and permits.
- 6. Oncor 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 Oncor fails to obtain any such permit, license, plan, or permission, it must notify the Commission immediately.
- 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.
- 8. 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.
- 9. Before beginning construction, Oncor 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.
- 10. Oncor must use best management practices to minimize the potential harm to migratory birds and threatened or endangered species due to the presence of the transmission facilities.
- 11. Oncor must follow the procedures to protect raptors and migratory birds as 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.
- 12. Oncor must take precautions to avoid disturbing occupied nests and take steps to minimize the burden of the construction on migratory birds during the nesting season of the migratory bird species identified in the area of construction.
- 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 the rules and guidelines established in the Federal Insecticide, Fungicide, and Rodenticide Act and with Texas Department of Agriculture regulations.
- 14. Oncor 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.
- 15. Oncor must take reasonable measures to re-vegetate using native species and to consider landowner preferences and wildlife needs in doing so.

- Order
- 16. 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.
- 17. Oncor 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.
- 18. Oncor 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, Oncor is not required to restore the 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 any transmission facilities.
- 19. If possible, and subject to the other provisions of this Order, Oncor must prudently implement appropriate final design for the transmission line so as 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. Oncor is 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 Oncor must file an application to amend its CCN as necessary.
- 20. Oncor must cooperate with directly affected landowners to implement minor deviations from the approved route to minimize the impact of the transmission facilities. Any minor deviations from the approved route must only directly affect landowners who were sent notice of the transmission facilities in accordance with 16 TAC § 22.52(a)(3) and have agreed to the minor deviation.

- 21. Oncor is not authorized 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 CCN.
- 22. 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 completion of construction when all charges have been identified.
- 23. The authority granted by this Order is limited to a period of seven years from the date this Order is signed unless the transmission facilities are commercially energized before that time.
- 24. Entry of this Order does not indicate the Commission's endorsement or approval of any principle or methodology that may underlie any agreement and must not be regarded as precedential as to the appropriateness of any principle or methodology underlying the agreement.
- 25. All other motions and any other requests for general or specific relief that have not been expressly granted in this Order are denied.

Signed at Austin, Texas the	15th	day of	May	<b>Y</b>	2025.
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# PUBLIC UTILITY COMMISSION OF TEXAS

THOMAS J. GLEESON, CHAIRMAN

KATHLEEN JACKSON, COMMISSIONER

COURTNEY K. HJALTMAN, COMMISSIONER

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