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PUBLIC UTILITY COMMISSION
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**JOINT APPLICATION OF AEP TEXAS §
INC. AND ELECTRIC TRANSMISSION §
TEXAS, LLC TO AMEND THEIR §
CERTIFICATES OF CONVENIENCE §
AND NECESSITY FOR THE DEL SOL- §
TO-FRONTERA DOUBLE-CIRCUIT §
345-KV TRANSMISSION LINE IN §
STARR AND HIDALGO COUNTIES §**

**PUBLIC UTILITY COMMISSION
OF TEXAS**

ORDER

This Order addresses the joint application of AEP Texas Inc. and Electric Transmission Texas, LLC (ETT) (collectively, the applicants) to amend their certificates of convenience and necessity (CCN) to construct, own, and operate the double-circuit 345-kilovolt (-kV) Del Sol-to-Frontera transmission line in Starr and Hidalgo counties. The Electric Reliability Council of Texas, Inc. (ERCOT) has deemed this transmission line as critical to the reliability of the ERCOT system.

AEP Texas and ETT filed an unopposed agreement to site the line along route L-1. The Commission approves the agreed route and amends AEP Texas’s CCN number 30028 and ETT’s CCN numbers 30193 and 30194 to the extent provided by this Order.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicant

1. AEP Texas Inc. is a Delaware corporation registered with the Texas secretary of state under filing number 802611352.
2. AEP Texas owns and operates for compensation in Texas facilities and equipment to transmit and distribute electricity in the ERCOT region.
3. AEP Texas holds CCN numbers 30028 and 30170 to provide service to the public.
4. Electric Transmission Texas, LLC is a Delaware limited liability company registered with the Texas secretary of state under filing number 800757205.

5. ETT owns and operates for compensation in Texas facilities and equipment to transmit electricity in the ERCOT region.
6. ETT holds CCN numbers 30193 and 30194 to provide service to the public.

Application

7. On June 2, 2023, AEP Texas and ETT filed a joint application to amend AEP Texas's CCN number 30028 and ETT's CCN numbers 30193 and 30194 for the proposed construction of a new transmission line and associated station termination equipment.
8. AEP Texas and ETT retained POWER Engineers, Inc. to prepare an environmental assessment and routing analysis, which the applicants attached to the application.
9. In the application, AEP Texas and ETT stated that route M best addressed the requirements of PURA¹ and the Commission's rules.
10. On July 20, 2023, the applicants filed errata to the application.
11. In State Office of Administrative Hearings (SOAH) Order No. 2 filed on June 23, 2023, the SOAH administrative law judge (ALJ) found the application sufficient.

Description of the Transmission Facilities

12. AEP Texas and ETT propose to construct a new 345-kV double-circuit transmission line in Starr and Hidalgo counties. The transmission line will connect the existing ETT Del Sol 345-kV substation to the proposed AEP Texas Frontera 345/138-kV substation that will be located adjacent to the existing 138-kV substation.
13. The proposed transmission line begins at ETT's existing Del Sol station located approximately 7.0 miles northeast of Rio Grande City just east of Farm-to-Market Road 755 in Starr County. The transmission line will extend southeast until it reaches the location of the existing AEP Texas Frontera 138-kV station, which will be expanded into a new 345/138-kV station located adjacent to and connected into the existing 138-kV station, located approximately 0.4 miles south-southwest of United States Highway 83

¹ Public Utility Regulatory Act, Tex. Util. Code §§ 11.001–66.016.

Business and approximately 1.9 miles southwest of the City of Palmview in Hidalgo County.

14. In this Order, the term *transmission facilities* includes the new transmission line, the expansion of the existing Del Sol 345-kV substation, the new Frontera 345-kV substation, and the integration of the existing Frontera 138-kV substation.
15. AEP Texas and ETT plan to construct the transmission line on lattice steel towers. The structures will typically be between 125 and 180 feet tall, with an estimated maximum height of 250 feet, and will be located in a 150-foot-wide right-of-way.
16. AEP Texas and ETT plan to use 954-kilocircular-mil 54/7 aluminum-conductor-steel-reinforced conductors, with three conductors per phase, having a continuous summer static current rating of 3,319 amperes and a continuous summer static line capacity of 1,983 megavolt-amperes.
17. ETT plans to add new substation equipment necessary to terminate and integrate the two new 345-kV transmission circuits into the existing Del Sol station including preparing property for construction, laying out the ground mat, cable trays, foundations, drainage, wiring and cable as necessary for power, relaying, supervisory control and data acquisition (SCADA), and other cables necessary for operations, monitoring, and protection; new fencing, security device installations, additional road access; nine 345-kV circuit breakers added and associated disconnect switches, new bus infrastructure, and surge arrestors to cut into the existing station layout; additional 345-kV bus work (4 bus segments) to provide for a breaker-and-half configuration and associated switches for breaker maintenance and bus maintenance; voltage transformers and high voltage station-service voltage transformers installed for SCADA and protection; insulators as required for all equipment and bus work; telecommunication equipment for SCADA and protection; additional panels installed in a new control building, protection and control equipment installed, communication and SCADA equipment installed, and other necessary equipment for operation and maintenance of the new equipment installed in the station; and construction, surveying, engineering cost, and overheads associated with all phases of the project.

18. AEP Texas plans to build the new proposed AEP Texas Frontera 345/138-kV station located immediately adjacent to the existing AEP Texas Frontera 138-kV station to terminate and integrate the two new 345-kV transmission circuits and connect the two new 675-MVA autotransformers to the existing 138-kV Frontera station. To accomplish these interconnections and integration of the new station with the existing station, it will include the following: new substation location work (ground preparation, grounding grid, cable trays and trenching, fencing, lighting, security, etc.); new foundation construction for all equipment, bus work, and a control building for the 345-kV station yard and for the 138-kV station yard; two 675-MVA auto transformers and cabling for SCADA and protection; four 345-kV breakers and associated disconnect switches and surge arrestors; six 138-kV breakers and associated disconnect switches and surge arrestors; five sections of 345-kV bus and associated switches for breaker maintenance and bus maintenance; seven sections of 138-kV bus and associated switches for breaker maintenance and bus maintenance; current transformers and voltage transformers for SCADA and protection; insulators as required for all equipment and bus work; telecommunication equipment for SCADA and protection; control buildings with charger or battery backup for SCADA, protection, and communication equipment (control buildings will have panels installed, protection and control equipment installed, communication and SCADA equipment installed, and other necessary equipment for operation and maintenance of all the equipment installed in the station); and construction, surveying, engineering cost, and overheads associated with all phases of the project.
19. Applicants have agreed to each construct approximately one-half of the transmission line, based on mileage. AEP Texas will construct and own the southeastern portion of the new transmission line terminating into the AEP Texas Frontera 345/138-kV station, and ETT will construct and own the northwestern portion of the new transmission line terminating into the ETT Del Sol 345-kV station. For route L-1 in particular, the ownership dividing point for alternative route L-1 is a dead-end structure owned by AEP Texas and located along primary link 64 approximately 0.69 miles southeast of the intersection of West Mile 7 Road and County Line Road in Starr County at Latitude N 26.340137°, Longitude W 98.540064°. AEP Texas will construct and own 17.95 miles of the southeastern portion

- of the new transmission line terminating into the AEP Texas Frontera 345/138-kV station, and ETT will construct and own 18.11 miles of the northwestern portion of the new transmission line terminating into the ETT Del Sol 345-kV Station, totaling 36.06 miles.
20. The termination equipment to be added to the existing ETT Del Sol 345-kV station will belong to ETT. The proposed AEP Texas Frontera 345/138-kV station will belong to AEP Texas.
 21. Each applicant will own 100 percent of its respective portion of the transmission facilities and will have no ownership interest in the other applicant's portion of the transmission facilities. The applicants will not own any part of the transmission facilities as tenants in common, partners, or any other form of joint ownership.
 22. The application included 24 alternative routes based on 131 routing segments.
 23. Additional routes based on the routing segments included in the application, including route L-1, were identified in the direct testimony of Jason E. Buntz filed on July 21, 2023, on behalf of EIA Properties, Ltd. and Genevieve Tarlton Dougherty Trusts No. 2.
 24. The 24 alternative routes identified in the application range in length from approximately 36.11 to 39.34 miles.
 25. Route L-1 and the alternative routes presented in the application are viable and constructible.

Schedule

26. AEP Texas and ETT estimated that it would finalize engineering and design by April 2024, acquire all rights-of-way and land by March 2025, procure material and equipment by December 2024, complete construction by April 2026, and energize the transmission facilities approved by this Order by May 2026.

Public Input

27. To develop information on community values for the transmission facilities, AEP Texas and ETT held two public meetings in McAllen, Texas on October 24 and 25, 2022 and a public meeting in Rio Grande City, Texas on October 26, 2022.

28. AEP Texas and ETT directly mailed 2,038 individual written notices of the public meeting to landowners who own property located within 500 feet of the proposed routes' centerlines. The notice included a map of the study area depicting the preliminary route segments and a document with additional information about the proposed transmission facilities.
29. A total of 153 people signed in as attending the public meeting.
30. A total of 31 people completed questionnaires and submitted them to AEP Texas and ETT for consideration before, during, or after the public meeting.
31. Information from the public meeting and from local, state, and federal agencies was considered and incorporated into the selection of recommended and alternative routes by AEP Texas and ETT.
32. In response to comments and input from landowners and interested stakeholders, several segments were added or modified to improve the paralleling of apparent property lines or other physical features, improve the paralleling of compatible rights-of-way, and minimize impacts to habitable structures and pipelines.

Notice of Application

33. On June 2, 2023, AEP Texas and ETT sent written notice of the application by first-class mail to municipal officials of Palmview, Peñitas, La Joya, and Sullivan City.
34. On June 2, 2023, AEP Texas and ETT sent written notice of the application by first-class mail to county officials in Starr and Hidalgo counties.
35. On June 2, 2023, AEP Texas and ETT sent written notice of the application by first-class mail to each neighboring utility providing similar utility service within five miles of the proposed routes.
36. On June 2, 2023, AEP Texas and ETT sent written notice of the application by first-class mail to each landowner, as stated on current county tax rolls, who could be directly affected by the transmission facilities on any of the proposed routes.
37. On June 2, 2023, AEP Texas and ETT sent notice of the application by first-class mail to the Office of Public Utility Counsel.

38. On June 2, 2023, AEP Texas and ETT sent written notice of the application by email to the Department of Defense Siting Clearinghouse.
39. On June 2, 2023, AEP Texas and ETT sent a copy of the environmental assessment and routing analysis by first-class mail to the Texas Parks and Wildlife Department.
40. On June 22, 2023, AEP Texas and ETT filed the affidavit of Kensley L. Greuter, regulatory case manager for AEP Texas, attesting to the provision of notice of the application to municipalities within five miles, Starr and Hidalgo county officials, neighboring utilities, OPUC, the Department of Defense Siting Clearinghouse, the Texas Parks and Wildlife Department, and directly affected landowners.
41. On June 8, 2023, AEP Texas and ETT published notice of the application in *The Monitor*, which has general circulation in Starr and Hidalgo counties.
42. On June 22, 2023, AEP Texas and ETT filed a publisher's affidavit attesting to the publication of notice of the application.
43. In SOAH Order No. 2 filed on June 23, 2023, the SOAH ALJ found the notice of the application sufficient.
44. On July 17 and 18, 2023, AEP Texas and ETT mailed to landowners an updated notice correcting an inadvertent omission of segment 29 from the segment combination descriptions for alternative routes W and X. No correction to the notice map was necessary.

Intervenors

45. In SOAH Order No. 2 filed on June 23, 2023, the SOAH ALJ granted the motions to intervene filed by the following parties: Jacinto Garza, Jose and Maria Rodriguez, Ma Avelia Resendiz, Roberto Vargas, Rosalia and Eloy Ochoa, EIA Properties Ltd., and Julia Moreno.
46. In SOAH Order No. 3 filed on July 31, 2023, the SOAH ALJ granted the motions to intervene filed by the following parties: Sharyland Utilities, LLC; Dagoberto Trevino on behalf of the DST Family Limited Partnership; Tiffany Ann Garza; Corona Ranch Legacy Trust; Las Nubes Ranch, Ltd.; Sheerin Real Properties, Ltd., Sheerin Development, Ltd.,

and La Brisa Ranch Partnership; the Hill, LLC; Genevieve Tarlton Dougherty Trusts No. 2; Villanueva Farms; and Alamo Concrete Products Company.

47. In SOAH Order No. 3 filed on July 31, 2023, the SOAH ALJ dismissed the following intervenors for failure to file direct testimony or a statement of position by the July 21, 2023 deadline: Jacinto Garza, Jose and Maria Rodriguez, Ma Avelia Resendiz, Roberto Vargas, Rosalia and Eloy Ochoa, and Julia Moreno.
48. In SOAH Order No. 3 filed on July 31, 2023, the SOAH ALJ denied the motions to intervene of persons who filed requests to intervene but who did not file either direct testimony or a statement of position by the July 21, 2023 deadline for such filing, including Corona Ranch Legacy Trust, Sheerin Real Properties, Ltd., La Brisa Ranch Partnership, Sheerin Development, Ltd., and Las Nubes Ranch, Ltd.
49. In SOAH Order No. 4 filed on August 10, 2023, the SOAH ALJ restored the party status of Corona Ranch Legacy Trust, Sheerin Real Properties, Ltd., La Brisa Ranch Partnership, Sheerin Development, Ltd., and Las Nubes Ranch, Ltd.

Alignment of Intervenors

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

Route Adequacy

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

Statements of Position and Testimony

53. On June 2, 2023, AEP Texas and ETT filed the direct testimonies of Anastacia Santos, project manager in the environmental division for POWER Engineers; Brent W. Harris, project manager principal in the transmission services department for American Electric Power Services Corporation (AEPSC); Wayman L. Smith, director of west transmission

planning for AEPSC; and Rebecca M. Overduyn, transmission line engineering manager for AEPSC.

54. On July 21, 2023, the following parties filed statements of position: Sharyland Utilities, and Dagoberto Trevino on behalf of DST Family Limited Partnership.
55. On July 21, 2023, the following parties filed direct testimony: Genevieve Tarlton Dougherty Trusts No. 2; EIA Properties; Tiffany Ann Garza; Villanueva Farms; The Hill; and Alamo Concrete Products Company.
56. On July 26, 2023, the following parties filed direct testimony: Sheerin Real Properties, Sheerin Development, and La Brisa Ranch; Las Nubes Ranch; and Corona Ranch Legacy Trust.
57. On August 4, 2023, Commission Staff filed the direct testimony of its witness John Poole in support of route L-1.
58. On August 7, 2023, EIA Properties and Genevieve Tarlton Dougherty Trusts No. 2 filed errata to direct testimony filed on July 21, 2023.
59. On August 10, 2023, AEP Texas and ETT filed the rebuttal testimony of their witness Brent W. Harris.

Referral to SOAH for Hearing

60. On June 5, 2023, the Commission referred this docket to SOAH and filed a preliminary order specifying issues to be addressed in this proceeding.
61. In SOAH Order No. 2 filed on June 23, 2023, the SOAH ALJ provided notice of a hearing on the merits set for 9:00 a.m. on August 22, 2023 by videoconference.
62. On August 14, 2023, AEP Texas, ETT, Commission Staff, and the following intervenors filed an unopposed agreement agreeing on route L-1: EIA Properties, Ltd.; the Genevieve Tarlton Dougherty Trusts No. 2; Tiffany Ann Garza; the Hill, LLC; Alamo Concrete Products Company; the DST Family Limited Partnership; Corona Ranch Legacy Trust; Las Nubes Ranch, Ltd.; and Sheerin Real Properties, Ltd., Sheerin Development, Ltd., and La Brisa Ranch Partnership.
63. Villanueva Farms and Sharyland Utilities did not sign, but do not oppose, the agreement.

64. In SOAH Order No. 5 filed on August 15, 2023, the SOAH ALJ admitted the following into the evidentiary record: applicants' application and attachments, filed June 2, 2023, and application errata, filed July 20, 2023; direct testimony of Brent W. Harris filed June 2, 2023; direct testimony of Wayman L. Smith, filed June 2, 2023; direct testimony of Rebecca M. Overduyn, filed June 2, 2023; direct testimony of Anastacia Santos, filed June 2, 2023; applicants' proof of notice and publication, filed June 22, 2023; direct testimony of Ben Vaughn, III on behalf of the Genevieve Tarlton Dougherty Trusts No. 2, filed July 21, 2023; direct testimony of Joe Corso on behalf of EIA Properties, Ltd. and the Genevieve Tarlton Dougherty Trusts No. 2, filed July 21, 2023; direct testimony of Tiffany Ann Garza, filed July 21, 2023; direct testimony of Juan Villanueva, III on behalf of Villanueva Farms, filed July 21, 2023; direct testimony of Lorin L. Runnels on behalf of EIA Properties, Ltd., filed July 21, 2023; direct testimony of Jason E. Buntz on behalf of EIA Properties, Ltd. and the Genevieve Tarlton Dougherty Trusts No. 2, filed July 21, 2023 and errata to the direct testimony of Mr. Buntz, filed August 7, 2023; direct testimony of Steven F. Wood, manager for the Hill, LLC, filed July 21, 2023; direct testimony of James Gary Gentry on behalf of Alamo Concrete Products Company, filed July 21, 2023; direct testimony of Saul Corona, Jr. on behalf of Corona Ranch Legacy Trust, filed July 26, 2023; direct testimony of Mike Hudsonpillar on behalf of Sheerin Real Properties, Ltd., La Brisa Ranch Partnership, and Sheerin Development, Ltd., filed July 21, 2023; direct testimony of Alejandro Villarreal on behalf of Las Nubes Ranch, Ltd., filed July 26, 2023; direct testimony of John Poole, P.E., for Commission Staff, filed August 4, 2023; and rebuttal testimony of Mr. Harris filed August 10, 2023.
65. In SOAH Order No. 5 filed on August 15, 2023, the SOAH ALJ dismissed the proceeding from SOAH's docket and remanded it to the Commission.

Return from SOAH

66. On August 23, 2023, AEP Texas and ETT filed supplemental information regarding station equipment and the ownership dividing point.
67. In Order No. 1 filed on August 31, 2023, the Commission ALJ admitted into the record AEP Texas's and ETT's supplemental information filed on August 23, 2023, regarding station equipment and the ownership dividing point.

Adequacy of Existing Service and Need for Additional Service

68. The Lower Rio Grande Valley area is primarily connected to the ERCOT transmission grid through three long-distance 345-kV circuits. Like other areas close to the Gulf of Mexico, the area is susceptible to high-impact weather conditions such as tropical storms, hurricanes, droughts, and the intermittence of renewable generation. Due to limited local conventional generation and transmission infrastructure, such extreme weather conditions or extended outages of transmission or generation could significantly reduce the load-serving capability and reliability in the Lower Rio Grande Valley area under existing system conditions.
69. ERCOT's independent review evaluated two short-listed options to improve system resiliency and provide long-term transmission capability for future load and generation development in the area. ERCOT based its review on a potential transmission maintenance outage scenario and estimations of load growth up to the year 2040.
70. ERCOT recommended the construction of three new substations, the installation of two new transformers at an existing substation, and the construction of six new double-circuit 345-kV lines. ERCOT's recommendation included the proposed Del Sol-to-Frontera transmission line and the proposed Frontera 345-kV substation at the existing Frontera 138-kV substation at issue in this proceeding.
71. The transmission facilities represent ERCOT's recommended solution to reliability issues in the Lower Rio Grande Valley area.
72. No party challenged the need for the transmission line, and Commission Staff recommended that the proposed transmission facilities are necessary and the best way to address reliability issues in the Lower Rio Grande Valley area.

Routing of the Transmission Facilities

73. The agreed route L-1 consists of the following segments: 2, 3, 5, 13, 20A, 20B, 29, 37, 48, 53, 54, 55, 59, 64, 75, 78, 82, 86, 103, 105, 106, 108, 113, 118, 121, 122, 125, and 126.
74. The agreed route consists entirely of noticed segments that were not changed or modified from the segments proposed in the application.

75. The agreed route is 36.06 miles in length.

Effect of Granting the Application on AEP Texas, ETT, and Other Utilities and Probable Improvement of Service or Lowering of Cost

76. AEP Texas and ETT are the only electric utilities involved in the construction of the transmission facilities.

77. The agreed route begins at the new Frontera 345/138-kV substation owned by AEP Texas and terminates at the existing Del Sol 345-kV substation owned by ETT.

78. It is likely that construction of the transmission facilities will result in a more reliable transmission system.

79. AEP Texas and ETT can address any crossings and paralleling of existing transmission lines by the new transmission facilities along the agreed route through coordination with the applicable utilities and the application of well-established engineering measures.

80. It is unlikely that the construction of the transmission facilities will adversely affect service by other utilities in the area.

Estimated Costs

81. The estimated construction costs of the 24 routes identified in the application range from \$159,026,206 to \$183,355,943, excluding station costs.

82. The estimated cost to construct the agreed route is \$154,246,261, excluding substation costs.

83. The estimated cost of substation work for any route, including the agreed route, is \$27,393,158 for termination equipment at the ETT Del Sol 345-kV substation and \$46,194,268 for construction and termination equipment at the AEP Texas Frontera 345/138-kV substation.

84. The cost of the agreed route is reasonable considering the range of the cost estimates for the routes.

85. AEP Texas and ETT will individually finance their portion of the transmission facilities through a combination of debt and equity.

Prudent Avoidance

86. Prudent avoidance, as defined in 16 Texas Administrative Code (TAC) § 25.101(a)(6), is the “limiting of exposures to electric and magnetic fields that can be avoided with reasonable investments of money and effort.”
87. The number of habitable structures within 500 feet of the application routes’ centerlines ranges from 77 to 524.
88. The agreed route has 105 habitable structures within 500 feet of its centerline.
89. The construction of transmission facilities along the agreed route complies with the Commission’s policy of prudent avoidance.

Community Values

90. The principal concerns expressed in the questionnaire responses from the public meetings included maintaining distance from residences, businesses, and schools; minimizing the loss of trees; and minimizing length through grassland or pasture.
91. The agreed route adequately addresses the expressed community values.

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

92. When developing routes, AEP Texas and ETT evaluated the use of existing compatible rights-of-way and paralleling of existing compatible rights-of-way and apparent property boundaries.
93. The routes in the application use or parallel existing compatible rights-of-way or parallel apparent property boundaries for 43% to 69% of the length of the route depending on the route selected.
94. The agreed route uses or parallels existing compatible rights-of-way or parallels apparent property boundaries for 64% of its length.
95. The agreed route uses or parallels existing compatible rights-of-way and apparent property boundaries to a reasonable extent.

Engineering Constraints

96. AEP Texas and ETT evaluated engineering and construction constraints when developing routes.

97. AEP Texas and ETT did not identify any engineering constraints that would prevent the construction of transmission facilities along the agreed route.

Land Uses and Land Types

98. The study area is primarily rural with industrial development along the northern and central portions and some residential areas scattered throughout the southern portion.
99. The predominant land use within the study area is rangeland and pastureland with some forested land scattered throughout. The majority of the study area has been impacted by land improvements associated with agriculture, roadways, oil and gas activities, residential and commercial development, and industrial wind turbines.
100. The study area is located within the Interior Coastal Plains Physiographic Province. Elevations within the study area range between approximately 200 feet above mean sea level in the southeast to 500 feet above mean sea level in the northwest.
101. All the routing segments proposed by AEP Texas and ETT in this proceeding can be safely and reliably constructed and operated without significant adverse effects on uses of property.

Radio Towers and Other Electronic Installations

102. No commercial AM radio transmitters were identified within 10,000 feet of the agreed route's centerline.
103. No FM radio transmitters, microwave relay stations, or other electronic installations were identified within 2,000 feet of the agreed route's centerline.
104. The agreed route will not have a significant effect on electronic communication facilities or operations in the study area.

Airstrips and Airports

105. There are no airports registered with the Federal Aviation Administration and equipped with runways shorter than or exactly 3,200 feet within 10,000 feet of the agreed route's centerline.

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

Irrigation Systems

110. None of the proposed routes cross agricultural lands with known mobile irrigation systems.
111. It is unlikely that the transmission facilities will adversely affect any agricultural lands with known mobile irrigation systems.

Pipelines

112. The proposed routes cross metallic pipelines transmitting hydrocarbons ranging from 6 to 27 times, and they parallel metallic pipelines transmitting hydrocarbons ranging from 1.07 miles to 6.12 miles.
113. The agreed route crosses metallic pipelines transmitting hydrocarbons 17 times. The agreed route parallels metallic pipelines transmitting hydrocarbons for 1.07 miles.
114. It is unlikely that the transmission facilities will adversely affect any crossed or paralleled metallic pipelines that transport hydrocarbons.

Recreational and Park Areas

115. None of the proposed routes cross recreational and park areas.
116. There are either zero or one additional recreational or park areas within 1,000 feet of the respective centerlines of each of the proposed routes, depending on the route selected.
117. There are no additional recreational or park areas within 1,000 feet of the agreed route's centerline.
118. It is unlikely that the transmission facilities will adversely affect the use and enjoyment of any recreational or park areas.

Historical and Archaeological Values

119. The agreed route crosses five recorded historical or archaeological sites.
120. There are seven recorded historical or archaeological sites within 1,000 feet of the agreed route's centerline.
121. There are no properties listed on or determined eligible for listing on the National Register of Historic Places within 1,000 feet of the agreed route's centerline.
122. The agreed route crosses areas with a high potential for historical or archeological sites for 20.76 miles.
123. It is unlikely that the transmission facilities will adversely affect historical or archeological resources.

Aesthetic Values

124. The agreed route is located within the foreground visual zone of United States or state highways for 1.82 miles.
125. The agreed route is located within the foreground visual zone of farm-to-market or county roads for 6.36 miles.
126. The agreed route is located within the foreground visual zone of a park or recreational area for 0.50 miles.
127. Aesthetic values would be impacted to a minor extent throughout the study area, and these temporary or permanent negative aesthetic effects may occur on any proposed alternative route.

Environmental Integrity

128. The environmental assessment and routing analysis analyzed the possible effects of the transmission facilities on numerous environmental factors.
129. POWER Engineers evaluated the effects of the transmission facilities on the environment, including endangered and threatened species.

130. POWER Engineers evaluated potential consequences for soil and water resources, the ecosystem (including endangered and threatened vegetation and fish and wildlife), and land use within the study area.
131. It is unlikely that there will be significant effects on wetland resources, ecological resources, endangered and threatened species, or land use as a result of constructing the transmission facilities approved by this Order.
132. The agreed route crosses upland woodlands for 13.68 miles.
133. The agreed route crosses bottomland or riparian woodlands for 1.49 miles.
134. The agreed route crosses wetlands mapped by the National Wetland Inventory for 0.11 miles.
135. The agreed route does not cross the known habitat of a federally listed endangered or threatened species of plant or animal.
136. It is unlikely that there will be any significant adverse consequences for populations of any federally listed endangered or threatened species.
137. AEP Texas and ETT 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.
138. It is appropriate for AEP Texas and ETT to minimize the amount of flora and fauna disturbed during construction of the transmission facilities.
139. It is appropriate for AEP Texas and ETT to re-vegetate cleared and disturbed areas using native species and consider landowner preferences and wildlife needs in doing so.
140. It is appropriate for AEP Texas and ETT 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.
141. It is appropriate for AEP Texas and ETT to implement erosion-control measures and return each affected landowner's property to its original contours and grades unless the

- landowners agree otherwise. However, it is not appropriate for AEP Texas and ETT to restore original contours and grades where different contours and grades are necessary to ensure the safety or stability of any transmission line's structures or the safe operation and maintenance of any transmission line.
142. It is appropriate for AEP Texas and ETT to exercise extreme care to avoid affecting non-targeted vegetation or animal life when using chemical herbicides to control vegetation within rights-of-way. The use of chemical herbicides to control vegetation within rights-of-way is required to comply with the rules and guidelines established in the Federal Insecticide, Fungicide, and Rodenticide Act and with Texas Department of Agriculture regulations.
143. It is appropriate for AEP Texas and ETT to protect raptors and migratory birds by following the procedures outlined in the following publications: *Reducing Avian Collisions with Power Lines: State of the Art in 2012*, Edison Electric Institute and Avian Power Line Interaction Committee, Washington, D.C. 2012; *Suggested Practices for Avian Protection on Power Lines: The State of the Art in 2006*, Edison Electric Institute, Avian Power Line Interaction Committee, and California Energy Commission, Washington, D.C. and Sacramento, CA 2006; and the *Avian Protection Plan Guidelines*, Avian Power Line Interaction Committee and United States Fish and Wildlife Service, April 2005. It is appropriate for AEP Texas and ETT 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.
144. It is appropriate for AEP Texas and ETT to use best management practices to minimize any potential harm that the agreed route presents to migratory birds and threatened or endangered species.
145. It is unlikely that the transmission facilities will adversely affect the environmental integrity of the surrounding landscape.
- Texas Parks and Wildlife Department's Written Comments and Recommendations**
146. On July 28, 2023, the Texas Parks and Wildlife Department filed a letter making various comments and recommendations regarding the transmission facilities.

147. The Texas Parks and Wildlife Department's letter addressed issues relating to effects on ecology and the environment but did not consider the other factors the Commission and utilities must consider in CCN applications.
148. The Texas Parks and Wildlife Department identified route T as the route that best minimizes adverse effects on natural resources.
149. Before beginning construction, it is appropriate for AEP Texas and ETT to undertake appropriate measures to identify whether a potential habitat for endangered or threatened species exists and to respond as required.
150. AEP Texas and ETT will comply with all applicable environmental laws and regulations, including those governing threatened and endangered species.
151. AEP Texas and ETT will comply with all applicable regulatory requirements in constructing the transmission facilities, including any applicable requirements under section 404 of the Clean Water Act.
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, AEP Texas and ETT will cooperate with the United States Fish and Wildlife Service, United States Army Corps of Engineers, and the Texas Commission on Environmental Quality as appropriate to coordinate permitting and perform any required mitigation.
153. POWER Engineers relied on habitat descriptions from various sources, including the Texas Natural Diversity Database, other sources provided by the Texas Parks and Wildlife Department, and observations from field reconnaissance to determine whether habitats for some species are present in the area surrounding the transmission facilities.
154. AEP Texas and ETT will cooperate with the United States Fish and Wildlife Service and the Texas Parks and Wildlife Department to the extent that field surveys identify threatened or endangered species' habitats.
155. The standard mitigation requirements included in the ordering paragraphs of this Order, coupled with AEP Texas's and ETT's current practices, are reasonable measures for a

transmission service provider to undertake when constructing a transmission line and sufficiently address the Texas Parks and Wildlife Department's comments and recommendations.

156. 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.
157. This Order addresses only those recommendations by the Texas Parks and Wildlife Department for which there is record evidence.
158. The recommendations and comments made by the Texas Parks and Wildlife Department do not necessitate any modifications to the transmission facilities.

Permits

159. Before beginning construction of the transmission facilities approved by this Order, AEP Texas and ETT will obtain any necessary permits from the Texas Department of Transportation or any other applicable state agency if the facilities cross state-owned or state-maintained properties, roads, or highways.
160. Before beginning construction of the transmission facilities approved by this Order, AEP Texas and ETT will obtain a miscellaneous easement from the General Land Office if the transmission line crosses any state-owned riverbed or navigable stream.
161. Before beginning construction of the transmission facilities approved by this Order, AEP Texas and ETT will obtain any necessary permits or clearances from federal, state, or local authorities.
162. It is appropriate for AEP Texas and ETT, before commencing construction, to obtain a general permit to discharge under the Texas pollutant discharge elimination system for stormwater discharges associated with construction activities as required by the Texas Commission on Environmental Quality. In addition, because more than five acres will be disturbed during construction of the transmission facilities, it is appropriate for AEP Texas and ETT, before commencing construction, to prepare the necessary

stormwater-pollution-prevention plan, to submit a notice of intent to the Texas Commission on Environmental Quality, and to comply with all other applicable requirements of the general permit.

163. It is appropriate for AEP Texas and ETT to conduct a field assessment of the agreed route before beginning construction of the transmission facilities approved by this Order to identify water resources, cultural resources, potential migratory bird issues, and threatened and endangered species' habitats disrupted by the transmission line. As a result of these assessments, AEP Texas and ETT will identify all necessary permits from Starr County, Hidalgo County, and federal and state agencies. AEP Texas and ETT will comply with the relevant permit conditions during construction and operation of the transmission facilities along the agreed route.
164. After designing and engineering the alignments, structure locations, and structure heights, AEP Texas and ETT will determine the need to notify the Federal Aviation Administration based on the final structure locations and designs. If necessary, AEP Texas and ETT 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

165. No part of the transmission facilities approved by this Order is located within the coastal management program boundary as defined in 31 TAC § 27.1.

Effect on the State's Renewable Energy Goal

166. The goal in PURA § 39.904(a) for 10,000 megawatts of renewable capacity to be installed in Texas by January 1, 2025 has already been met.
167. The transmission facilities will not adversely affect the state's renewable-capacity goal.

Limitation of Authority

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

Good Cause Exception

170. AEP Texas and ETT did not provide notice of the October 24 through 26, 2022 public meetings to the Department of Defense Siting Clearinghouse.
171. AEP Texas and ETT contacted the Department of Defense Siting Clearinghouse on May 25, 2022 to solicit input about the proposed transmission facilities.
172. AEP Texas and ETT sent by email to the Department of Defense Siting Clearinghouse all information that was shared at the October 24 through 26, 2022 public meetings.
173. AEP Texas and ETT sent notice of the application to the Department of Defense Siting Clearinghouse promptly after the application was filed.
174. There is no evidence that the Department of Defense Siting Clearinghouse had concerns regarding the transmission facilities.
175. The sending of information shared at the public meetings, the prompt sending of notice of the application to the Department of Defense Siting Clearinghouse, and the lack of evidence that the Department of Defense Siting Clearinghouse had concerns regarding the transmission facilities constitute good cause for granting an exception to the requirement in 16 TAC § 22.52(a)(4) that the utility provide written notice of the public meeting to the Department of Defense Siting Clearinghouse.

Informal Disposition

176. More than 15 days have passed since the completion of notice provided in this docket.
177. The only parties to this proceeding are AEP Texas; ETT; Commission Staff; Sharyland Utilities; EIA Properties, Ltd.; Villanueva Farms; the Genevieve Tarlton Dougherty Trusts No. 2; Tiffany Ann Garza; the Hill, LLC; Alamo Concrete Products Company; the DST Family Limited Partnership; Corona Ranch Legacy Trust; Las Nubes Ranch, Ltd.; and Sheerin Real Properties, Ltd., Sheerin Development, Ltd., and La Brisa Ranch Partnership.
178. All the parties to this proceeding are either signatories to the agreement or do not oppose the agreement
179. No hearing is necessary.
180. Commission Staff recommended approval of the application.

181. This decision is not adverse to any party.

II. Conclusions of Law

The Commission makes the following conclusions of law.

1. AEP Texas and ETT are each a public utility as defined in PURA § 11.004 and an electric utility as defined in PURA § 31.002(6).
2. AEP Texas and ETT are required to obtain the Commission's approval to construct the proposed transmission line and to provide service to the public using the line.
3. The Commission has authority over this matter under PURA §§ 14.001, 32.001, 37.051, 37.053, 37.054, and 37.056.
4. SOAH exercised jurisdiction over the proceeding under PURA § 14.053 and Texas Government Code §§ 2003.021 and 2003.049.
5. The application is sufficient under 16 TAC § 22.75(d).
6. AEP Texas and ETT provided notice of the application in accordance with PURA § 37.054 and 16 TAC § 22.52(a).
7. Additional notice of the approved route is not required under 16 TAC § 22.52(a)(2) because it consists entirely of properly noticed segments contained in the original CCN application.
8. AEP Texas and ETT provided notice of the public meetings in compliance with 16 TAC § 22.52(a)(4), except for the omission of notice to the Department of Defense Siting Clearinghouse.
9. Good cause exists under 16 TAC § 22.5 to grant an exception to the requirement in 16 TAC § 22.52(a)(4) that notice of the public meetings held by AEP Texas and ETT on October 24, 25, and 26, 2022 be provided to the Department of Defense Siting Clearinghouse.
10. 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.

11. The Commission processed this docket in accordance with the requirements of PURA, the Administrative Procedure Act,² and Commission rules.
12. The transmission facilities using the agreed route are necessary for the service, accommodation, convenience, or safety of the public within the meaning of PURA § 37.056(a).
13. The Texas Coastal Management Program does not apply to any of the transmission facilities approved by this Order, and the requirements of 16 TAC § 25.102 do not apply to the application.
14. The application in this proceeding for transmission facilities deemed critical to reliability was processed in accordance with 16 TAC § 25.101(b)(3)(D).
15. The proceeding meets the requirements for informal disposition under 16 TAC § 22.35.

III. Ordering Paragraphs

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

1. The Commission approves the agreed route and amends AEP Texas's CCN number 30028 and ETT's CCN numbers 30193 and 30194 to the extent provided by this Order.
2. The Commission amends ETT's CCN numbers 30193 and 30194 to include the expansion of the existing ETT Del Sol 345-kV substation and construction and operation of a new double-circuit 345-kV transmission line along segments 2, 3, 5, 13, 20A, 20B, 29, 37, 48, 53, 54, 55, 59, and 64 of route L-1, excluding the dead-end structure described in this Order as the dividing point between the applicants' respective portions of the line.
3. The Commission amends AEP Texas's CCN number 30028 to include the construction and operation of a new AEP Texas Frontera 345/138-kV substation located adjacent to and connected into the existing Frontera 138-kV substation and the construction and operation of a new double-circuit 345-kV transmission line along segments 64, 75, 78, 82, 86, 103, 105, 106, 108, 113, 118, 121, 122, 125, and 126 of route L-1, up to and including the dead-

² Administrative Procedure Act, Tex. Gov't Code §§ 2001.001--902.

end structure described in this Order as the dividing point between the applicants' respective portions of the line.

4. AEP Texas and ETT must consult with pipeline owners or operators in the vicinity of the approved route regarding the pipeline owners' or operators' assessment of the need to install measures to mitigate the effects of alternating-current interference on existing pipelines that are paralleled by the electric transmission facilities approved by this Order.
5. AEP Texas and ETT 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.
6. AEP Texas and ETT must obtain all permits, licenses, plans, and permission required by state and federal law that are necessary to construct the transmission facilities approved by this Order, and if AEP Texas and ETT fail to obtain any such permit, license, plan, or permission, they must notify the Commission immediately.
7. AEP Texas and ETT 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 AEP Texas and ETT encounter any archaeological artifacts or other cultural resources during construction, work must cease immediately in the vicinity of the artifact or resource, and AEP Texas and ETT must report the discovery to, and act as directed by, the Texas Historical Commission.
9. Before beginning construction, AEP Texas and ETT must undertake appropriate measures to identify whether a potential habitat for endangered or threatened species exists and must respond as required.

10. AEP Texas and ETT must use best management practices to minimize the potential harm to migratory birds and threatened or endangered species that is presented by the agreed route.
11. AEP Texas and ETT must follow the procedures to protect raptors and migratory birds as outlined in the following publications: *Reducing Avian Collisions with Power Lines: State of the Art in 2012*, Edison Electric Institute and Avian Power Line Interaction Committee, Washington, D.C. 2012; *Suggested Practices for Avian Protection on Power Lines: The State of the Art in 2006*, Edison Electric Institute, Avian Power Line Interaction Committee, and the California Energy Commission, Washington, D.C. and Sacramento, CA 2006; and *Avian Protection Plan Guidelines*, Avian Power Line Interaction Committee and the United States Fish and Wildlife Service, April 2005. AEP Texas and ETT must take precautions to avoid disturbing occupied nests and take steps to minimize the burden of the construction of the transmission facilities on migratory birds during the nesting season of the migratory bird species identified in the area of construction.
12. AEP Texas and ETT 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.
13. AEP Texas and ETT must minimize the amount of flora and fauna disturbed during construction of the transmission facilities, except to the extent necessary to establish appropriate right-of-way clearance for the transmission line. In addition, AEP Texas and ETT must re-vegetate using native species and must consider landowner preferences and wildlife needs in doing so. Furthermore, to the maximum extent practicable, AEP Texas and ETT 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.
14. AEP Texas and ETT must implement erosion-control measures as appropriate. Erosion-control measures may include inspection of the rights-of-way before and during

construction to identify erosion areas and implement special precautions as determined reasonable to minimize the effect of vehicular traffic over the areas. Also, AEP Texas and ETT must return each affected landowner's property to its original contours and grades unless otherwise agreed to by the landowner or the landowner's representative. However, the Commission does not require AEP Texas and ETT to restore original contours and grades where a different contour or grade is necessary to ensure the safety or stability of the structures or the safe operation and maintenance of the line.

15. AEP Texas and ETT must cooperate with directly affected landowners to implement minor deviations in the approved route to minimize the disruptive effect of the transmission line approved by this Order. Any minor deviations from the approved route must only directly affect landowners who were sent notice of the transmission line in accordance with 16 TAC § 22.52(a)(3) and have agreed to the minor deviation.
16. The Commission does not permit AEP Texas and ETT to deviate from the approved route in any instance in which the deviation would be more than a minor deviation without first further amending the relevant CCN.
17. If possible, and subject to the other provisions of this Order, AEP Texas and ETT must prudently implement appropriate final design for the transmission line to avoid being subject to the Federal Aviation Administration's notification requirements. If required by federal law, AEP Texas and ETT must notify and work with the Federal Aviation Administration to ensure compliance with applicable federal laws and regulations. The Commission does not authorize AEP Texas and ETT 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 AEP Texas and ETT must file an application to amend its CCN as necessary.
18. AEP Texas and ETT must include the transmission facilities approved by this Order on their 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, AEP Texas and ETT must provide final construction costs, with any necessary explanation for

cost variance, after the completion of construction when AEP Texas and ETT identify all charges.

19. The Commission grants a good-cause exception under 16 TAC § 22.5 to the requirement in 16 TAC § 22.52(a)(4) that notice of the public meetings on October 24 through 26, 2022 be provided to the Department of Defense Siting Clearinghouse.
20. Entry of this Order does not indicate the Commission's endorsement or approval of any principle or methodology that may underlie the agreement and must not be regarded as precedential as to the appropriateness of any principle or methodology underlying the agreement.
21. The Commission limits the authority granted by this Order to a period of seven years from the date this Order is signed unless the transmission line is commercially energized before that time.
22. The Commission denies all other motions and any other requests for general or specific relief that the Commission has not expressly granted.

Signed at Austin, Texas the 20th day of September 2023.

PUBLIC UTILITY COMMISSION OF TEXAS


KATHLEEN JACKSON, INTERIM CHAIR


WILL MCADAMS, COMMISSIONER


LORI COBOS, COMMISSIONER


JIMMY GLOTFELTY, COMMISSIONER