

FREQUENTLY ASKED QUESTIONS

Cooks Point Substation and 138-kV Transmission Line Project *Burleson County*

— PROJECT OVERVIEW —

What is the Cooks Point Substation and 138-kV Transmission Line Project?

LCRA Transmission Services Corporation (LCRA TSC) is proposing to build and operate a new single-circuit 138-kilovolt (kV) transmission line that will connect the proposed Cooks Point Substation, located in the vicinity of the Cooks Point community, to either Bluebonnet Electric Cooperative's existing Lyle Wolz Substation or Lyons Substation located in Burleson County. The Cooks Point project is designed to bring much-needed transmission infrastructure and improved electric reliability to a growing area of Burleson County.

If approved, the new transmission line will be about 15 to 20 miles long, depending on the route ultimately selected by the Public Utility Commission of Texas (PUC).

Bryan Texas Utilities (BTU) will also build a separate 138-kV transmission line from its existing Steele Store Substation to the Cooks Point Substation that will provide a redundant power source into the new substation for long-term system reliability.

Why is this project needed?

Population growth and development in the region have increased the demand for electricity in Burleson County. Additional electric infrastructure is required to improve the reliability of electric service in northern Burleson County. Currently, electric consumers are served by long distribution feeders from the Lyle Wolz and Lyons substations. Based on system studies, the current electric system will be unable to reliably meet the area's forecasted demand for power by 2021 without this project. Bluebonnet's study considered several distribution options and concluded that the proposed Cooks Point Substation is needed to maintain distribution system reliability.

What is a transmission line?

A transmission line is comprised of structures and specialized wires that move electricity over long distances. The new single-circuit 138-kV transmission line in Burleson County will connect the new Cooks Point Substation near the community of Cooks Point to the existing Lyle Wolz or Lyons substations owned by Bluebonnet.

What is the proposed Cooks Point Substation?

The Cooks Point Substation is a proposed load-serving substation needed to support current and forecasted electric load growth and to provide reliable electric service in Bluebonnet's service territory. A substation is a facility that transforms electricity from a higher voltage to a lower voltage that is more suitable for distribution to most electric customers.



TRANSMISSION SERVICES CORPORATION

A substation includes large transformers and other equipment. Approximately five to seven acres of land will be acquired for the new substation in the vicinity of the Cooks Point community.

How does electricity get to residential and commercial consumers?

Traditionally, power travels from generating plants through a network of high-voltage transmission lines and voltage transformation equipment connected at voltage levels including 345-kV, 138-kV and 69-kV. The voltage is then reduced or “stepped down” to a distribution-level voltage through a transformer at a substation. The voltage step down is typically to 13-kV or 25-kV. Electricity then flows from the substation along these lower voltage distribution lines, ultimately supplying the power to end-use consumers through one last level of voltage transformation near homes and businesses.

Bluebonnet is a direct-connect transmission customer of LCRA TSC. LCRA TSC delivers power via its high-voltage transmission lines to Bluebonnet, which then directs that power to its customers via its distribution lines.

Where will the proposed Cooks Point Substation and transmission line be located?

The exact locations of the proposed new substation and transmission line have not yet been determined. LCRA TSC has contracted with an environmental and engineering firm to conduct a routing study, which will identify several alternative sites for the new Cooks Point Substation and several transmission line routes to connect the existing Lyle Wolz or Lyons substations to the various alternative Cooks Point Substation sites. LCRA TSC will identify and provide several alternative substation locations and transmission line route options to the PUC. The PUC will decide the route for any new transmission line it approves. Only one Cooks Point Substation site and only one transmission line route connecting the new Cooks Point Substation to either the Lyle Wolz or Lyons substations will be constructed.

Is the project intended to provide electric service to the City of Caldwell?

The need for the new Cooks Point Substation and 138-kV transmission line is to serve the existing and future electric needs of Bluebonnet and BTU customers in Burlison County. LCRA TSC anticipates that one or more route alternatives could be located near or through the City of Caldwell, which could provide potential benefits to the City of Caldwell, such as backup service in the event of an emergency, in the future. The project is not intended to provide wholesale power to the City of Caldwell at this time.

When will this 138-kV transmission line and new substation be in service?

If approved by the PUC, the new transmission line and substation are scheduled to be in service by the summer of 2021.

— PARTIES AND OVERSIGHT —

What is LCRA Transmission Services Corporation (LCRA TSC)?

LCRA TSC is a nonprofit corporation—referred to here as a transmission utility—that owns and operates electric transmission facilities and systems serving transmission customers such as municipalities, electric cooperatives, other transmission providers and generators in Texas.

How does LCRA TSC identify and consider routes for the transmission line?

LCRA TSC and URS develop a study area that includes the end points of the transmission line—the existing Lyle Wolz and Lyons substations and the proposed new Cooks Point Substation alternative sites. LCRA TSC gathers data, maps, aerial photos and input from federal and state agencies and local officials. LCRA TSC and URS staff also conduct field reconnaissance from public access points like roads and highways. Using this information, LCRA TSC identifies environmental and land use constraints such as subdivisions, parks, and known cultural resource sites within the study area. Then they identify preliminary alternative sites for the new Cooks Point Substation. Several preliminary route segments connecting the end points are identified and delineated to avoid known constraints as much as possible. These preliminary route segments and alternative substation sites are then presented to the public at an open house meeting.

As the public input process continues, route segments and alternative substation sites may be modified, eliminated, or added. Ultimately, the routes will be evaluated based on factors that include public input, human/natural/cultural resource impacts, engineering, construction, operation and maintenance issues, and cost. This process will identify several alternative routes connecting the project end points. These routes are then included in LCRA TSC's Certificate of Convenience and Necessity (CCN) application to the PUC. The PUC will make the final decision whether to approve the application and will select the route and substation site to build.

Who determines when and where new lines are needed?

The Texas Legislature has given the PUC the sole authority to decide if new transmission lines proposed by regulated transmission service providers such as LCRA TSC are needed. If the PUC determines that a transmission line is needed, it will approve the project on a specified route after evaluating a number of statutory factors including community values, recreational and park areas, historical and aesthetic values and environmental integrity.

— LOCATION —

Will LCRA TSC propose a preferred route for the project?

No. LCRA TSC will not identify a “preferred route” or a “recommended route” for the proposed project. However, LCRA TSC is required to identify in the CCN application the “route the applicant believes best addresses the requirements of the Public Utility Regulatory Act and PUC Substantive Rules.” Accordingly, LCRA TSC will identify in its application a route in response to this requirement, but this should not be construed as a preferred route or a recommended route. LCRA TSC will include many geographically diverse routes in its application, all of which it believes will meet the needs for the project.

Why is LCRA TSC considering route segments that vary geographically?

LCRA TSC is required by the PUC to identify a number of geographically diverse alternative routes, including route options that use or parallel existing compatible rights of way (e.g., existing transmission lines, highways, roads and railroads) and routes that parallel property lines to the extent where practical. Ultimately, LCRA TSC will submit

multiple alternative routes that comply with the routing factors established by the Legislature and the PUC.

Does LCRA TSC pay property taxes on transmission and substation facilities?

Yes. LCRA TSC pays local property taxes on the transmission facilities, land and land rights it owns.

— INFRASTRUCTURE —

What will the transmission line structures look like?

LCRA TSC is proposing steel or concrete monopoles for this project. Typical transmission structures supporting similar 138-kV lines are 75 to 110 feet above the ground. Typical span lengths between structures range from 600 to 1,000 feet. The CCN application LCRA TSC files with the PUC for the project will include structure information.

Will the project be safe?

Yes. The line and substation will be designed and constructed to meet or exceed the specifications outlined in the National Electrical Safety Code and will comply with all applicable state and federal statutes and regulations.

What about electric and magnetic fields?

Electric and magnetic fields (EMF) are found everywhere, especially where electricity is consumed, including near household appliances (such as hair dryers, computers and TVs), electrical equipment, communication equipment and power lines. Although concerns have been raised in the past about potential health effects of EMF, extensive scientific research has established no direct link between exposure to power lines and adverse health effects. Neither the state nor federal government has established any health standards relating to EMF. For more information, visit the Electric and Magnetic Fields page on the LCRA website at

<http://lcra.org/energy/energy-education-and-safety/safety/Pages/electric-and-magnetic-fields.aspx>.

— YOUR PROPERTY —

How will I be affected if the PUC-approved route crosses my land?

Once the PUC selects a route, LCRA TSC will work with each affected property owner to purchase an easement to construct, operate and maintain the new electric transmission line. An easement gives a utility the right to use privately owned land for a specific purpose. The landowner retains ownership of the property. The easement is described in a legal document subsequently recorded in the county deed records and available for public inspection. Normal agricultural and recreational activities including farming, ranching, hunting and hiking may still take place within the easement area.

How wide is the easement for the transmission line?

Easements will typically range between 80 and 100 feet wide, or about 40 to 50 feet from the centerline of the route to the edge of the easement. The exact width of the easement will depend on the specific location.

What is the process for defining or describing an easement?

LCRA TSC will contact owners of property to be crossed by the transmission line after the PUC approves the transmission line route. Landowners will be notified of the need to conduct surveys on their property. Crews conduct land surveys to establish easement boundaries. Environmental and cultural resources surveys are also conducted within the easement area. A registered professional land surveyor defines and describes the easement areas.

How much does LCRA TSC pay for an easement?

LCRA TSC pays fair market value for transmission line easements. A copy of the fair market value report is provided to a property owner at the time an offer is made to purchase the easement.

What is eminent domain?

Eminent domain is the right granted to certain entities, such as utilities and governmental bodies, to acquire property for public use, as long as the property owner is paid just compensation. The power of eminent domain may be used for constructing projects such as schools, parks, roads, highways, fire and police stations, public buildings and utilities. As a public utility, LCRA TSC has the right to exercise eminent domain. Landowners will be provided with the state's Landowner's Bill of Rights, which includes detailed information on eminent domain as part of the acquisition process. LCRA TSC negotiates in good faith with property owners for the purchase of the property or easement rights before invoking the authority of eminent domain.

How will LCRA TSC perform clearing in the easement area?

For safety and reliability of the transmission line, tall vegetation within the right of way (ROW) will be removed in most cases. Low growing vegetation outside of paths for vehicles and the work zone are generally acceptable. LCRA TSC evaluates special clearing accommodations for environmentally and culturally sensitive areas.

— NEXT STEPS —

What are next steps for this project?

After the open house, LCRA TSC and URS will evaluate all public comments and conduct additional engineering and environmental analysis of the transmission line and potential substation options. Some of the preliminary route segments and substation locations may be eliminated or modified. Others may be added based on public input and additional analysis. A set of primary alternative routes made up of the various segments and alternate substation locations will be identified and evaluated in detail. URS will prepare an Environmental Assessment Report (sometimes called an EA or routing study) for LCRA TSC to review. LCRA TSC will then prepare its CCN amendment application and submit it to the PUC.

When will LCRA TSC submit the CCN application to the PUC?

LCRA TSC expects to file its application with the PUC in the late spring or summer of 2018.

How will I know when LCRA TSC files its CCN application?

Upon submitting its application to the PUC, LCRA TSC will mail letters to all landowners whose land is crossed by a potential route or who own a habitable structure within 300 feet of a proposed route. The notice will include information about how those property owners can participate in the proceeding. Public notifications regarding the application filing also will be published in an area newspaper. LCRA TSC also will update the project web page, lcra.org/cookspoint.

What happens once the PUC approves the project?

LCRA TSC will conduct land, environmental and cultural resources surveys to prepare the necessary plans and specifications to construct the transmission line. LCRA TSC will prepare the transmission right-of-way (ROW) and substation sites for construction once necessary ROWs or construction rights are acquired. After the ROW is prepared, construction equipment and workers will enter the ROW to install new structures and conductors. LCRA TSC will begin clearing, grading and constructing the new Cooks Point Substation after it purchases the required land from the property owner(s).

— ABOUT LCRA TSC —

LCRA Transmission Services Corporation (LCRA TSC) is a nonprofit utility that provides safe, reliable and environmentally responsible electric transmission services in Texas. LCRA TSC's transmission lines and substations play a vital role in the transmission of electricity between power generation plants and local electric service providers. LCRA TSC owns or operates more than 5,200 miles of transmission lines, more than 400 substations and a System Operations Control Center. LCRA staff operates and maintains those facilities for LCRA TSC, which provides wholesale transmission services to customers in South, West and Central Texas.

— CONTACTS —

For more information about the Cooks Point Substation and 138-kV Transmission Line Project, visit www.lcra.org/cookspoint or contact:

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