APPLICATION OF LCRA TRANSMISSION SERVICES CORPORATION TO AMEND ITS CERTIFICATE OF CONVENIENCE AND NECESSITY FOR THE PROPOSED LEANDER TO ROUND ROCK 138-KV TRANSMISSION LINE IN WILLIAMSON COUNTY, TEXAS BEFORE THE STATE OFFICE OF ADMINISTRATIVE HEARINGS

REBUTTAL TESTIMONY OF CHRISTIAN POWELL ON BEHALF OF APPLICANT LCRA TRANSMISSION SERVICES CORPORATION

October 24, 2016
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I. INTRODUCTION

Q. PLEASE STATE YOUR NAME AND OCCUPATION.
A. My name is Christian Powell. I am employed by the Lower Colorado River Authority (LCRA) as a Senior Regulatory Case Manager.

Q. ARE YOU THE SAME CHRISTIAN POWELL THAT PROVIDED DIRECT TESTIMONY IN THIS DOCKET?
A. Yes, I am.

Q. WHAT TESTIMONY WILL YOU BE ADDRESSING IN YOUR REBUTTAL TESTIMONY?
A. I will be addressing testimony filed by or on behalf of several intervenors and Mr. John Poole, testifying on behalf of the Staff of the Public Utility Commission of Texas (PUC or Commission).

Q. WAS YOUR REBUTTAL TESTIMONY AND THE INFORMATION YOU ARE IDENTIFIED AS SPONSORING PREPARED BY YOU OR BY KNOWLEDGEABLE PERSONS UPON WHOSE EXPERTISE, JUDGMENT AND OPINIONS YOU RELY IN PERFORMING YOUR DUTIES?
A. Yes, it was.

Q. IS THE INFORMATION CONTAINED IN YOUR REBUTTAL TESTIMONY AND THE INFORMATION YOU ARE IDENTIFIED AS SPONSORING TRUE AND CORRECT TO THE BEST OF YOUR KNOWLEDGE AND BELIEF?
A. Yes, it is.
Q. HAVE YOU HAD AN OPPORTUNITY TO REVIEW THE TESTIMONY FILED
BY THE INTERVENORS AND THE PUC STAFF IN THIS DOCKET, AND IF SO,
DO YOU HAVE ANY GENERAL REMARKS?
A. Yes, I have read the testimonies filed by all of the intervenors and the PUC Staff. I understand the concerns expressed by the intervenors. I understand that most intervenors do not want a new transmission line on their property and prefer the PUC not approve a route on or near their land or the places they frequent. In reviewing the testimony, I did not identify an individual landowner intervenor in this docket who indicated that he or she is willing to accept the proposed transmission line on or near his or her residence or commercial property. To say it differently, all intervenors in this docket, other than governmental entities, oppose any route on or near their land.

After having reviewed each piece of testimony filed by the intervenors and PUC Staff, and after having reviewed discovery responses filed by parties in this docket, I still maintain that all 31 routes and 16 substation sites filed by LCRA TSC in its application remain viable alternatives. In addition, other alternative routes comprising segments included in the LCRA TSC application, including the modifications to Route 3 as proposed by PUC Staff (“Staff-3M”), “Route CoL-1” proposed by the City of Leander and Riverside Resources, “Route RR-1” proposed by Riverside Resources, and “Routes LHO-1, LHO-2, LHO-3, and LHO-4” proposed by the Land and Home Owners of CR 175, are also viable and acceptable route alternatives. LCRA TSC does not have a preferred route, and all of the routes that have been presented in this proceeding satisfy the need for the proposed project and can be feasibly constructed, operated, and maintained by LCRA TSC.

Q. DO YOU AGREE WITH THE MANNER IN WHICH MR. JOHN POOLE TESTIFYING ON BEHALF OF PUC STAFF DESCRIBES LCRA TSC’S APPLICATION IN THIS PROCEEDING?
A. Yes, with a point of clarification. On pages 5 and 12, Mr. Poole describes LCRA TSC’s Application as seeking a Certificate of Convenience and Necessity (CCN) amendment in order to construct a new single-circuit 138-kV transmission line and two new substations within Williamson County, Texas. To clarify, LCRA TSC’s Application in this docket seeks certification of two new 138-kV transmission line circuits between the existing Leander and Round Rock Substations (that connect to viable substation sites in both
substations siting areas 1 and 2) with one circuit to be installed initially and the second circuit to be installed at a later date.

II. ROUTING

Q. HAS LCRA TSC CHANGED ITS IDENTIFICATION OF THE ROUTE THAT IT BELIEVES BEST ADDRESSES THE REQUIREMENTS OF PURA AND PUC SUBSTANTIVE RULES?

A. No, nor is that necessary. As I stated in my direct testimony, the identification of a route that best addresses the statutory and regulatory requirements is not intended to be an indication of LCRA TSC’s “preferred” routing. It is simply intended to be a notification to parties to the proceeding, PUC Staff, the Administrative Law Judges (ALJs), and the PUC of a route in the application that LCRA TSC believed, at the time of the filing of the application, is the route that best addressed the applicable criteria. It is not uncommon in transmission line cases for other parties to have a different opinion and present testimony to the PUC regarding which route, in their opinion, best addresses the statutory and regulatory routing criteria. In addition, it is not uncommon for new combinations of segments to be presented that compare favorably to other routes presented in the application or even the route identified by the utility that best addresses the routing criteria.

Stated again, LCRA TSC’s response to Question 17 in the CCN Application should not be construed as LCRA TSC’s preference or desire that Route 31 be constructed over any other proposed route. Rather, LCRA TSC’s identification of Route 31 simply provided a route for other routing alternatives to be compared against. For example, as the City of Leander filed testimony supporting alternative routing (Route CoL-1) as its preferred routing for the northern portion of Route 31 within the City of Leander, LCRA TSC does not take issue with the city’s modification of its preferred routing from what was previously stated in the City of Leander’s earlier resolution.
III. SUBSTATION SITING AND ALTERNATIVES

Q. MR. HUGHES, ON BEHALF OF INTERVENOR RIVERSIDE RESOURCES, STATED THAT MANY SUBSTATION ALTERNATIVES ARE SIMILAR AND PROVIDE LITTLE GEOGRAPHIC DIVERSITY. WHY DID LCRA TSC BELIEVE IT WAS IMPORTANT TO PRESENT THE PUC WITH NUMEROUS SUBSTATION ALTERNATIVES?

A. The substation alternatives presented in LCRA TSC’s application in this proceeding represent sites that LCRA TSC was able to study and identify as viable substation sites within each substation siting area. In addition, some of the sites were added as a result of public input or the identification of willing sellers, while others were added as a result of ongoing development constraints. While some of the sites are located relatively closer together than others, all substation alternatives presented by LCRA TSC are viable, constructible alternatives available for consideration by the PUC. LCRA TSC believes that by providing a robust number of geographically diverse alternate substation sites (eight in each siting area for a total of 16 alternate sites), the PUC has been presented with a variety of substation site options that connect to a network of segments which provides an adequate number of reasonably differentiated routes to conduct a proper evaluation.

Q. MR. HUGHES ALSO STATED THAT CERTAIN SUBSTATION ALTERNATIVES SHOULD NO LONGER BE CONSIDERED FOR THIS PROJECT. DO YOU AGREE?

A. No, I do not. None of the testimony that I have reviewed provides sufficient grounds for elimination of any of the alternate substation sites or alternate transmission line segments from consideration. As I stated above, it is important for the PUC to have an adequate number of reasonably differentiated alternatives so it may conduct a proper evaluation. LCRA TSC’s application accomplishes this. While LCRA TSC has been able to acquire two of the substation sites identified, all 16 alternative sites identified remain available for consideration by the PUC. LCRA TSC’s intent in acquiring potential substation properties was not to limit the number of possible substation alternatives, but instead to ensure that at least one substation location in each substation siting area could be controlled in light of
the rapid development in the area and the potential for less compatible land use constraints to be located on all of the alternative sites.

IV. COMMUNITY VALUES

Q. MANY OF THE INTERVENORS HAVE EXPRESSED CONCERNS REGARDING PERCEIVED IMPACTS TO THEIR INDIVIDUAL PROPERTIES AS AN INDICATION OF COMMUNITY VALUES. HOW DID LCRA TSC CONSIDER COMMUNITY VALUES IN EVALUATING THE ROUTES PROPOSED FOR THIS PROJECT?

A. Assertions of impacts on individual properties as a statement of “community values” are commonly raised in contested transmission line proceedings. Such claims regarding individual properties are, quite frankly, difficult to reconcile in a case with intervenors making such claims on virtually every route. In general, most property owners, particularly those who are willing to intervene and participate in a contested proceeding, do not want a transmission line crossing or near their properties and they would prefer that the PUC approve a route that is not on, near, or visible from their land. In considering the potential impacts of the project on the community of the study area, LCRA TSC has made reasonable choices when identifying alternative routes, segments, and modifications of such by considering the interests of the community along with the other statutory and regulatory criteria.

For example, in attempting to discern the community values of this study area, LCRA TSC gathered information in a variety of ways. Early in the project development, LCRA TSC and POWER solicited input from a wide range of federal, state, and local government agencies and officials. The input received was evaluated and discussed in the EA. LCRA TSC also held two public open house meetings in the study area to provide interested persons an opportunity to both formally (via a provided questionnaire) and informally comment and express concerns and views on the project. The results of the input provided by the public are presented and discussed in the EA. LCRA TSC also participated in numerous additional meetings with homeowners associations and other groups of interested landowners regarding the project. A list of these meetings is included as exhibits to my direct testimony. During these meetings, LCRA TSC received input from the
community on important issues. LCRA TSC also received thousands of emails, letters, and phone calls throughout the route development process from interested members of the study area community. Many other thousands of emails and letters were also reviewed that were filed in Commission Docket No. 45364. LCRA TSC reviewed and evaluated all of this input. Also, throughout the entire development of this project, LCRA TSC has communicated with the cities and Williamson County regarding the need and routing alternatives for the project. Numerous meetings were held with elected officials and professional staffs of each of the cities and Williamson County. During those meetings, city and county officials expressed their views regarding the project and potential routing alternatives in their capacity as elected representatives of the communities impacted by the proposed project. Earlier this year, the cities of Leander, Cedar Park, and Round Rock all presented LCRA TSC with coordinated resolutions adopting a similar preferred corridor for the routing of the project. Subsequent to the filing of the Application, LCRA TSC has reviewed and considered the motions to intervene, filed testimony, and statements of positions filed by intervenors in this docket. LCRA TSC has also received informal input from intervenors following the pre-hearing conference and at the technical conference held in this proceeding.

The input received prior to beginning the route delineation process guided LCRA TSC’s initial identification of preliminary alternative route segments. Based on the significant community input received after identification of the preliminary alternative route segments, LCRA TSC added and modified route segments and potential substation sites in direct response to community input. During that stage of the process, LCRA TSC also acquired two substation sites from willing sellers in the community. The EA and LCRA TSC’s direct testimony in this proceeding discuss and summarize the overall input LCRA TSC has received regarding the project. For example, significant negative concern was expressed regarding certain areas of the study area (e.g., Brushy Creek Trail) and route segments. Ultimately, while certain community value factors may have weighed against certain route segments (e.g., Segment N3), other routing considerations, such as prudent avoidance and the need to offer a robust set of routing alternatives, may have resulted in such segments remaining in the Application. The routes presented in the Application carefully consider and take into account the significant community values presented by the
public and government officials in this case and provide the Commission with a geographically diverse set of routes in accordance with the statutory and regulatory routing criteria established by the PUC and all address the need for the project.

Q. **DO THE RESOLUTIONS FROM THE CITIES OF LEANDER, CEDAR PARK, AND ROUND ROCK REPRESENT COMMUNITY VALUES?**

A. As I described in my direct testimony, I believe not only the resolutions from those cities, but the significant input provided by those cities are a strong indication of the community values of the study area as expressed by the officials elected to represent the citizens of significant portions of the project area. First, throughout the course of this project, beginning with the initial project development and continuing through their participation in this docket, city representatives of Leander, Cedar Park, and Round Rock have been highly informed and involved with the project. They have been focused on and engaged in LCRA TSC’s routing process and alternative route placement. Second, I agree that any one resolution passed by one of many cities within a project study area may not conclusively encapsulate or explain “community values” for any given project or study area. However, in this case, when the three cities most impacted by the project collectively worked together and collaborated in such a way as to agree on a common routing preference, it carries significant weight and should be given strong consideration.

V. **PRUDENT AVOIDANCE**

Q. **SEVERAL INTERVENORS RAISED CONCERNS ABOUT THE EFFECT OF ELECTRIC AND MAGNETIC FIELDS (EMF) AND/OR EXTREME LOW FREQUENCY WAVES ON HUMAN HEALTH. HOW DO YOU RESPOND?**

A. EMF is found everywhere, especially where electricity is used, and emanates from many sources including household appliances, electrical equipment, communications equipment, and power lines. Although I appreciate the concerns reflected by these intervenors, the wealth of expert testimony in transmission line routing cases demonstrates that there is no scientific basis to conclude that EMF causes or contributes to adverse health effects.

Additionally, the PUC, in Substantive Rule 25.101, requires transmission service providers to consider prudent avoidance in its routing for new transmission lines. Prudent avoidance is defined as “[t]he limiting of exposures to electric and magnetic fields that can
be avoided with reasonable investments of money and effort.” This requirement by the PUC is a reflection of the PUC’s recognition of landowner concerns related to EMF. All of LCRA TSC’s alternative routes comply with the PUC’s policy of prudent avoidance.

Q. PLEASE EXPLAIN HOW YOU BELIEVE THE ROUTES PROPOSED IN THIS PROCEEDING COMPLY WITH PRUDENT AVOIDANCE.

A. Prudent avoidance has been demonstrated by LCRA TSC in many ways in this proceeding. In the initial stages of the routing process, LCRA TSC worked with POWER to identify areas of significant residential and commercial development, and opportunity areas to avoid or to maximize distances from those areas to the extent reasonable, while providing a sufficient network of routing alternatives that address the need for the Project. For example, during that process, LCRA TSC and POWER examined routing corridors along existing compatible rights-of-way like roads and highways to avoid bisecting neighborhoods and communities where practical, reasonable, and appropriate. In some areas, segments were delineated that cross from one side of a roadway to another to maximize distance from habitable structures. Segments Y2, O3, S, and Q2 are examples of segments that LCRA TSC identified on specific locations of the roadway in order to maximize distance to habitable structures. LCRA TSC also utilized roadway clearances along segments A4, B2, D1, E, E4, H3, H4, J3, I4, L, L5, M1, N3, O, O3, and Y2 in order to maximize the distance to nearby neighborhoods and habitable structures.

Other examples of prudent avoidance during the route delineation process include portions of Segments N3, F3, and E6 that were located in existing open space corridors away from residential and commercial development. Likewise, portions of Segments V4, X4, Z4, D6, C5, E5, E2, F2, G2, and H2 were identified parallel to existing water utility pipelines to avoid areas of residential and commercial development along Ronald Reagan Blvd., Sam Bass Road, and FM 1431. Thus, LCRA TSC identified possible route segments in compliance with the policy of prudent avoidance by paralleling existing compatible ROW like roads, non-gas pipelines, and open space corridors to maximize the distance to habitable structures.

Further examples of prudent avoidance are the six segments (A3a, B4a, D3a, F4a, U1a, V1a, and W2a) that are “offset” from a companion segment located adjacent to the property line and closer to neighborhoods and habitable structures. The “offset” route
segments increase the distance from the alternate route to nearby habitable structures when compared to their companion segments located adjacent to the property lines but closer to neighborhoods and habitable structures.

VI. URBAN AND SUBURBAN ENVIRONMENTS

Q. SEVERAL INTERVENORS RAISED CONCERNS ABOUT WHETHER THIS PROJECT CAN BE SAFELY CONSTRUCTED AND OPERATED IN RESIDENTIAL AREAS. HOW DO YOU RESPOND?

A. Although I appreciate the concerns reflected by these intervenors, the location of transmission lines in residential and developing areas is not uncommon. As development continues and demand for power in the study area grows, the need for electricity and electrical infrastructure also grows. LCRA TSC owns and operates hundreds of miles of electric transmission line in residential areas, including residential areas in Williamson County.

Q. SEVERAL INTERVENORS ALSO RAISED CONCERNS ABOUT IMPACTS ON FUTURE DEVELOPMENT. HOW DO YOU RESPOND?

A. Future development is not a criterion the Commission has historically considered in approving a route for a proposed transmission line project. My experience is that development happens around transmission lines and substations frequently, and has even occurred around and along existing transmission lines and substations located within or near the study area, including the existing line that is proposed to be rebuilt as a component of Segments I3, G3, E3, and C3. I have yet to see a development fail or be abandoned because of the existence of a transmission line or substation. As with construction of any infrastructure, development plans may need to be altered or modified, but rarely if ever is this infrastructure a reason for development to stop. On the contrary, as Mr. Garza points out in his testimony, most developments need a reliable source of electricity to realize their full potential.
Q. SEVERAL INTERVENORS ALSO RAISED CONCERNS ABOUT LOCATING TRANSMISSION LINES OR SUBSTATIONS ON SCHOOL PROPERTIES. HOW DO YOU RESPOND?

A. LCRA TSC owns and safely operates a number of transmission facilities that are on or in close proximity to school properties. From a routing perspective, many school buildings are situated on properties in such a way that large buffer areas are created around the perimeter of the properties. So, while it is fairly common for transmission lines and substations to be located on school properties, rarely are they located directly over or on constant use areas or areas that are usually occupied by students or school staff. In many cases, the areas along the perimeter of a school property, in which transmission facilities are located, are reserved by the school for uses such as parking, drainage, utilities, and driveways, which are land uses highly compatible with transmission lines.

Q. SEVERAL INTERVENORS ALSO RAISED CONCERNS ABOUT LAND THAT LCRA TSC WILL USE FOR FACILITIES AND THE IMPACT THAT MAY HAVE ON TAX VALUES AND TAX REVENUE. HOW DO YOU RESPOND?

A. LCRA TSC pays local property taxes in conjunction with its substation and transmission line facilities, land, and land rights it owns and will pay property taxes to jurisdictions in Williamson County in which the proposed new transmission line and substations for this project are located. LCRA TSC has paid about $3.5 million in property taxes to school districts and other local jurisdictions in Williamson County since its creation in 2002. LCRA TSC also pays state and local sales and use taxes for goods and services defined as taxable by state law.

Q. DO YOU AGREE WITH THE DECISION OF MR. JOHN POOLE TESTIFYING ON BEHALF OF PUC STAFF TO REMOVE ALTERNATIVE SEGMENTS FROM CONSIDERATION BASED ON THE LOCATION OF SEGMENTS ON RESIDENTIAL PROPERTIES?

A. No. On page 22, Mr. Poole describes removing Segment O3 from consideration because parts of the segment would be “built directly in their yards.” Segment O3, and many other alternative segments in this project, are located wholly or partially on private property along roadways that are compatible corridors when routing transmission lines. In fact, most
of the ROW proposed for this project would be located on private property and not within
or utilizing road ROW. While these corridors (including Segment O3) have some
residential properties located within and adjacent to their ROW, I am not aware of any
statute or Commission rule that would eliminate the corridors from being compatible due
to the residential nature of the underlying properties. As a result, Segment O3 and the many
other similarly situated route segments should not be eliminated from consideration as
viable, constructible alternatives for consideration in this docket.

Q. **DO YOU AGREE WITH MR. POOLE’S DECISION TO ELIMINATE ALTERNATIVE SEGMENTS FROM CONSIDERATION BASED ON INTERVENOR OPPOSITION?**

A. No. On page 23, Mr. Poole describes avoiding the use of Segments V5, D2, and Y2 because
of opposition to those segments by intervenors. LCRA TSC received comments or
concerns from landowners along most, if not all, segments included in this Application.
Subsequent to the filing of the Application, intervening parties have challenged or protested
most, if not all, segments filed in the Application. Notably, many of the intervening parties
Mr. Poole references regarding Segments V5, D2, and Y2 are located significant distances
(over 300 feet) from those segments. I am not aware of any statute, Commission rule, or
previous Commission decision that would call for the removal of a segment or segments
from consideration because some intervenors voiced their opposition to particular
alternative route segments. All of the routes and route segments proposed in the LCRA
TSC Application and by intervening parties and PUC Staff are viable, constructible options
for consideration in this docket.

VII. **ENVIRONMENT AND ECOLOGY**

Q. **SOME INTERVENORS DISCUSS FEDERALLY PROTECTED SPECIES IN THEIR TESTIMONIES. HOW DOES LCRA TSC PROPOSE TO ADDRESS SUCH CONCERNS WITH THE CONSTRUCTION AND OPERATION OF THE PROPOSED PROJECT?**

A. LCRA TSC will handle protected species issues for this project in the same manner it
handled these issues on past projects. First, after a route is approved by the PUC, LCRA
TSC will conduct a habitat assessment along the route. If potential habitat is present, LCRA TSC may:

1. adjust the route to go around the habitat (avoidance),
2. span over the habitat (avoidance),
3. minimize the clearing corridor through the habitat (minimization).

If LCRA TSC cannot avoid impacts to potential protected species habitat, it will obtain approval from US Fish and Wildlife Service (USFWS), consistent with the Endangered Species Act (ESA), associated with impacts to potential habitat. Approval from USFWS could be in the form of a Section 10(a)(1)(B) permit, through Section 7 consultation in conjunction with other required federal permitting activities (e.g., Clean Water Act Section 404), or, as I discuss in my direct testimony, through the use of the Williamson County Regional Habitat Conservation Plan. Compensatory mitigation for unavoidable impacts to habitat is typically required during the ESA permitting process, and, as Ms. Melendez explained in her direct testimony, LCRA TSC has included costs for such mitigation in the cost estimates included in the Application.

In summary, LCRA TSC has experience dealing with protected species habitat on transmission line projects. LCRA TSC has successfully avoided impacts to endangered species in many instances and obtained permits/approvals to directly impact habitat on other projects where impacts were unavoidable. I have no reason to believe LCRA TSC cannot do the same for this project if the PUC-approved route crosses such habitat and impacts cannot be avoided.

Q. SOME INTERVENORS AND EXPERTS ASSERT THAT SEGMENT T2 CROSSES OR IS LOCATED NEAR ENVIRONMENTALLY SENSITIVE AREAS. DO YOU AGREE?

A. No, I do not. Although the area traversed by Segment T2 may have once been more environmentally pristine, that is not true today because of ongoing development. I agree that a portion of Segment T2 located east of Sam Bass Road (CR 175) and west of Mayfield Ranch crosses portions of the Southwest Williamson County Regional Park property. However, Segment T2 is also located adjacent to a planned roadway (Arterial H) and housing development within and adjacent to the park property. Thus, the potential impacts
to the ecology or environmentally sensitive features of the park posed by Segment T2 have
been diminished by paralleling Arterial H (compatible ROW) due to the extent of the
impact from the existing development, as well as the new roadway and ongoing new
development (Gardens at Mayfield), which are currently under construction.

Q. SOME INTERVENORS AND EXPERTS ASSERT THAT SUBSTATION 1-8 IS
LOCATED NEAR ENVIRONMENTALLY SENSITIVE AREAS. DO YOU
AGREE?
A. No, I do not. Substation Site 1-8 is located on the westernmost road frontage of the
Southwest Williamson County Regional Park property. While the location of the substation
is proposed within a portion of the park property, the proposed site does not pose any
significant environmental impact. Mr. Carothers, witness for Williamson County,
references the important karst feature areas of the park, and Substation 1-8 is not located
within those areas. The cities impacted by the proposed project and several landowners
who own land containing other proposed substation alternatives have expressed a concern
for the impact of a five to seven acre substation on private property, and have expressed a
desire for the substation to be located on public land. Substation 1-8 is an alternative site
that was added as a result of such public comment, and offers for the Commission’s
consideration a substation location that is not located on private property.

Q. THE TEXAS PARKS AND WILDLIFE DEPARTMENT DISCUSSES CONCERNS
ABOUT SEGMENT Y2 IN RELATION TO CAVE FEATURES. DO YOU HAVE
CONCERNS WITH THE CAVE FEATURES IN THE VICINITY OF SEGMENT
Y2?
A. No, I do not. While Segment Y2 appears to cross a Texas Natural Diversity Database
(TXNDD) record for a known cave (Step-Down Cave a.k.a. Round Rock Breathing Cave),
LCRA TSC has spent considerable time discerning the exact location of the cave. LCRA
TSC’s investigations have determined that the Step-Down cave is not located within the
proposed ROW for this project and is therefore not anticipated to be impacted by the
construction and operation of the project on Segment Y2. The other caves (Elm Cave and
Brown’s Cave) are located significantly farther from Segment Y2 than the Step-Down
Cave. Segment Y2 remains a viable, constructible alternative segment.
Q.  ON PAGE 18 OF TPWD’S LETTER AND PAGE 29 OF MS. SCHMERLER’S DIRECT TESTIMONY, TPWD RECOMMENDS THAT A BIOLOGICAL MONITOR BE PRESENT DURING CONSTRUCTION TO RELOCATE THE TEXAS HORNED LIZARD, A STATE-LISTED THREATENED SPECIES IF FOUND. DO YOU AGREE?

A.  I do not believe the Commission should require LCRA TSC and the ratepayers of ERCOT to undertake the costs of a biological monitor for non-listed federally threatened or endangered species.

Q.  MANY INTERVENORS DISCUSS TRANSMISSION LINES LOCATED NEAR PARKS AND RECREATION AREAS. CAN THE PROPOSED PROJECT BE SAFELY AND RELIABLY OPERATED IN OR NEAR PARKS OR OTHER RECREATIONAL AREAS?

A.  Yes, it can. In my experience, it is common for transmission lines and recreation areas, particularly trails, to be colocated within the same corridor. Transmission lines and trails are highly compatible linear features. In more urban areas, a transmission line can not only be colocated with recreational areas, but in many cases the transmission line easement reserves land for usable, undeveloped space for gathering and recreating that would otherwise be developed into buildings or other impervious ground cover. There are numerous locations throughout the state where parks, playing fields, and trail systems are colocated within transmission line corridors.

VIII. PIPELINES

Q.  SOME OF THE INTERVENORS SUGGEST THAT TRANSMISSION LINES BEING LOCATED ADJACENT TO GAS PIPELINES IS INCONSISTENT WITH THE PUC ROUTING CRITERIA. HOW DO YOU RESPOND?

A.  In April of 2015, the PUC issued an Order in Project No. 42740 adopting amendments to Substantive Rule 25.101, relating to Certification Criteria. The amendments removed any presumption that the Commission has a preference for transmission line routes to parallel natural gas or other pipelines by identifying types of rights-of-way that generally may be compatible with transmission lines. The Order itself states, “This intentional omission of pipelines from the list of compatible rights-of-way is intended to remove any preference for
paralleling or utilizing pipeline rights-of-way while not prohibiting such consideration.” As noted in the order, paralleling or utilizing pipeline rights-of-way is not prohibited from consideration. Historically, pipelines and transmission lines have co-existed on adjacent rights-of-way, particularly along roadways, with little issue. The nature of road rights-of-way as linear features has generally created compatible routing opportunities for both transmission lines and gas pipelines. For this project, LCRA TSC sought to parallel existing road ROW. In many cases, existing gas pipelines are also located parallel and adjacent to these same road ROWs LCRA TSC sought to parallel with alternate transmission line segments.

Q. MR. JOHNSON, ON BEHALF OF ATMOS, SUGGESTS THAT LCRA TSC HAS A RESPONSIBILITY TO PAY FOR MITIGATION MEASURES RELATED TO POTENTIAL ALTERNATING CURRENT (AC) INTERFERENCE ON GAS PIPELINES, AND THAT A FINDING OF FACT STATE AS MUCH BE ADDED TO THE FINAL ORDER FROM THE PUC IN THIS CASE. DO YOU AGREE?

A. No, I do not. LCRA TSC operates hundreds of miles of electric transmission line that crosses and parallels existing natural gas pipelines, some owned by Atmos. To date, I am unaware of any instance where LCRA TSC has paid a pipeline owner to install and operate mitigation measures related to potential AC interference that may be caused by its electric transmission line system. I am also unaware of any change in law or regulation that would now require LCRA TSC to begin making such payments to Atmos in connection with the project proposed in this proceeding. While I agree that it may be appropriate for LCRA TSC to coordinate with Atmos regarding Atmos’ obligations to investigate the need to install AC mitigation measures on its facilities, Atmos has not demonstrated why LCRA TSC’s rate payers should pay for Atmos’ compliance with pipeline safety regulations. In agreeing to coordinate with Atmos, LCRA TSC is not committing to pay for mitigation unless the Commission specifically orders such payments in this proceeding or determines in a rulemaking that the costs are appropriate to be recovered in LCRA TSC’s rates. In the absence of such an order or rulemaking, it is LCRA TSC’s position that obligations to pay for mitigation measures that will be installed on gas pipelines is the responsibility of the pipeline owner, who in this case is a regulated Texas gas utility. As such, the costs for
pipeline mitigation presented by Mr. Johnson in his testimony are Atmos’ responsibility and not relevant to LCRA TSC’s costs associated with the proposed project.

Q. Mr. Hughes suggests that LCRA TSC erred in its review of Substation Site 2-8 with regard to a gas pipeline. How do you respond?
A. Mr. Hughes’ characterization of the gas pipeline being located on the property identified for Substation 2-8 is incorrect. LCRA TSC is well aware of the gas pipeline in the area, but my research and site reviews revealed that the pipeline is located within the Ronald Reagan Blvd. road right-of-way and not within the proposed property or the general footprint for the substation. In addition, LCRA TSC does not believe the gas pipeline will be affected by Substation 2-8, nor will the gas pipeline affect LCRA TSC’s ability to construct and operate Substation 2-8. Further, in LCRA TSC’s response to Riverside Resources’ RFI Question 4-4, the reference to a pipeline along Brushy Creek is that of an existing water utility pipeline, which also will not be affected by Substation 2-8, nor will the utility pipeline affect LCRA TSC’s ability to construct and operate Substation 2-8.

Q. Does this conclude your testimony?
A. Yes, it does.