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APPLICATION OF LCRA TRANSMISSION SERVICES CORPORATION TO AMEND ITS CERTIFICATE OF CONVENIENCE AND NECESSITY FOR THE MOUNTAIN HOME 138-KV TRANSMISSION LINE IN GILLESPIE, KERR, AND KIMBLE COUNTIES

ORDER

This Order addresses the application of LCRA Transmission Services Corporation to amend its certificate of convenience and necessity (CCN) for the Mountain Home 138-kilovolt (kV) transmission line in Gillespie, Kerr, and Kimble counties. The State Office of Administrative Hearings (SOAH) filed a proposal for decision in this docket on April 21, 2020 recommending the adoption of route Hunt 37A. The Commission adopts the proposal for decision, including findings of fact and conclusions of law, except as discussed in this Order.

In a letter filed on May 21, 2020, the SOAH administrative law judges (ALJs) made corrections to findings of fact 99 and 106 in the proposal for decision and deleted findings of fact 123, 171, 172, and 173. The Commission adopts the corrections to findings of fact 99 and 106 and the deletion of finding of fact 123 but deletes findings of fact 125, 126, and 127 as duplicative instead of 171, 172, and 173 to better align the Order with the Commission's standard formatting and analysis of prudent avoidance.

In addition, as discussed at the Commission's June 12, 2020 open meeting, the Commission adds findings of fact 173A and 173B to support a new ordering paragraph requiring LCRA to engage and cooperate with Creek House Ranch LLC and surrounding landowners to implement, if possible, an agreed deviation that will place the line farther from habitable structure 144. But in the absence of an agreement under the terms of this ordering paragraph, LCRA must construct segment Z3 as proposed, which is in compliance with the Commission's policy of prudent avoidance.
Further, the Commission makes the following changes to the proposal for decision. The Commission modifies the following findings of fact to clarify which transmission facilities are being referenced: 4, 10, 11, 12, 20, 21, 22, 29, 37, 38, 39, 70, 72, 79, 80, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 95, 96, 97, 108, 109, 113, 121, 132, 148, 149, 152, 155, 186, 187, 188, 189, 193, 203, and 205. The Commission also modifies the following findings of fact for clarity and completeness: 17, 23, 26, 28, 33, 35, 47, 48, 51, 61, 82, 83, 84, 86, 93, 107, 136, 146, 162, 163, and 164. Likewise, the Commission modifies the following findings of fact 44, 45, 56, 108, 166, and 168 for clarity, concision, and completeness. In addition, the Commission modifies the following findings of fact to better align them with the Commission’s standard language in recent electric CCN orders: 13, 69, 99, 100, 106, 110, 115, 132, 133, 135, 139, 147, 148, 151, 154, 155, 156, 158, 174, 175, 177, 178, 179, 180, 183, and 199. The Commission corrects errors in findings of fact 47, 50, 54, 68, and 69.

The Commission also deletes part of findings of fact 15, 101, 102, 109, 129, and 199 because the deleted parts are unnecessary and are not standard for the Commission’s orders. And the Commission deletes the following findings of fact because they are unnecessary and not standard in the Commission’s recent electric CCN orders: 5, 67, 122, 124, 128, 134, 140, 141, 145, 161, 165, 176, 181, and 185. Likewise, the Commission deletes the following findings of fact because they are duplicative or otherwise not standard in the Commission’s recent electric CCN orders: 18, 57, 111, 112, 114, 130, and 184. Further, the Commission deletes part of findings of fact 117 and 173 because the deleted parts are duplicative, and the Commission deletes part of findings of fact 102 and 103 because the deleted parts are not proper for a finding of fact.

In addition, the Commission adds finding of fact 49A for completeness and adds findings of fact 69A, 69B, and 69C to reflect additional procedural history, including the admission of additional evidence on remand to Docket Management. Further, the Commission adds the following findings of fact because their content is standard in the Commission’s electric CCN orders: 9A, 20A, 60A, 60B, 60C, 60D, 60E, 60F, 106A, 106B, 117A, 144A, 164A, 168A, 173C, 176A, 181A, 183A, 183B, 201A, 201B, 201C, 201D, 201E, 201F, 201G, and 201H.

The Commission also modifies conclusion of law 4 for completeness and modifies conclusions of law 3, 4, 12, and 13 to better align them with the Commission’s standard language in recent electric CCN orders. Finally, the Commission makes other non-substantive changes for
such matters as capitalization, spelling, grammar, punctuation, style, correction of numbering, and readability.

I. Findings of Fact

The Commission adopts the following findings of fact.

Applicant
1. LCRA Transmission Services Corporation is a non-profit corporation.
2. LCRA owns and operates facilities to transmit electricity in the Electric Reliability Council of Texas region (ERCOT region).
3. LCRA provides electric service under CCN number 30110.

Application
4. On May 31, 2019, LCRA filed with the Commission an application to amend CCN number 30110 to build, own, and operate a new 138-kV transmission line in Gillespie, Kerr, and Kimble counties connecting a new substation to the electric grid.
5. DELETED.
6. LCRA retained POWER Engineers, Inc. to prepare an environmental assessment and routing analysis for the proposed transmission line, which was included as part of the application.
7. On July 19, 2019, LCRA filed errata to the application and the environmental assessment.
8. On January 17, 2020, LCRA filed a second errata to the application and the environmental assessment.
9. No party challenged the sufficiency of the application.
9A. In Order No. 5 filed on July 8, 2019, the Commission ALJ found the application sufficient.

Description of Proposed Transmission Facilities
10. The proposed new transmission line will connect a new load-serving electric substation (the Mountain Home substation) near the Mountain Home community in northern Kerr County to the existing Harper substation to the north and to either the existing Hunt substation or the existing Ingram substation to the south. The transmission facilities in this
The proceeding include the new transmission line, the new Mountain Home substation, and terminal equipment to be installed at the existing Harper substation and Hunt or Ingram substations.

11. The transmission facilities primarily will be constructed on 138-kV single-circuit steel or concrete pole structures for typical tangent, angle, and dead-end structures. If segments X3, B, F, or E4 are part of the Commission-approved route, these segments will be constructed on double-circuit 138-kV poles containing the new 138-kV circuit from Hunt or Ingram to Mountain Home and the existing LCRA 138-kV circuit connecting Hunt to Ingram (T487). If ordered to or in constrained or other appropriate areas (such as line crossings or near airports or heliports), LCRA could use alternative structure types. The heights of typical structures proposed for the transmission facilities range from 80 to 120 feet above ground, although the structure heights may vary as necessary to make allowable modifications or landowner accommodations.

12. LCRA will design, operate, maintain, and own all the proposed transmission line facilities, including conductors, wires, structures, hardware, and easements. LCRA will also design, operate, maintain, and own the transmission portion of the new electric load-serving substation that will be constructed in conjunction with the new transmission line as well as the station work, if any, to be performed at the existing Harper, Ingram, and Hunt substations.

13. The application included 40 alternative routes composed from 119 route segments.

14. During this proceeding, 18 additional viable alternative routes configured from route segments proposed by LCRA in the application and modifications to existing segments (including segments C5, V4, and W4) were developed and proposed by LCRA and other parties.

15. All the routes presented in the application are viable and forward progressing.

16. The additional routes that LCRA identified as viable are routes Hunt 31, Hunt 36, and Hunt 37; route Ingram 11, routes Hunt 5A, Hunt 7A, Hunt 31A, Hunt 36A, and Hunt 37A; and routes Hunt 1 Beta, Hunt 12 Beta, Hunt 13 Beta, Hunt 14 Beta, Hunt 20 Beta, Hunt 21 Beta, Hunt 22 Beta, Ingram 9 Beta, and Ingram 10 Beta.
17. The 58 routes in this proceeding range from approximately 21 to 30 miles in length.

18. DELETED.

19. In the application, LCRA identified route Hunt 13 as the route that best addresses the requirements of the Public Utility Regulatory Act (PURA) and Commission rules.

20. The routes for the transmission facilities are based on a right-of-way width of approximately 100 feet, but the right-of-way width may vary depending on location and design requirements.

20A. LCRA estimated that it would finalize engineering and design by June 2021, acquire all rights-of-way and land by January 2022, procure material and equipment by July 2021, complete construction by December 2022, and energize the transmission facilities approved by this Order by December 2022.

Public Input

21. To develop information on community values for the transmission facilities, LCRA held two public meetings in the study area.

22. LCRA held the first public meeting for the transmission facilities on June 26, 2018 at the Mountain Home volunteer fire department in Mountain Home, Texas.

23. LCRA mailed written notices of the Mountain Home public meeting to all owners of property within 300 feet of the centerline of each preliminary alternative segment.

24. LCRA also mailed or hand-delivered notices of the Mountain Home public meeting to local public officials and various state and federal officials, including the United States Department of Defense Siting Clearinghouse.

25. In total, LCRA mailed 765 meeting notices for the Mountain Home public meeting.

26. Notice of the Mountain Home public meeting was also published on the specified dates in the following four newspapers, each of which is in general circulation in at least one of the counties in which the transmission facilities will be located: (a) the Fredericksburg Standard-Radio Post on June 13 and June 20, 2018; (b) the Kerrville Daily Times on

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June 13 and June 20, 2018; (c) the *West Kerr Current* on June 14 and June 21, 2018; and (d) the *Junction Eagle* on June 13 and June 20, 2018.

27. A total of 238 people signed in as attending the Mountain Home public meeting.

28. Attendees of the Mountain Home public meeting were provided questionnaires, and LCRA received a total of 172 completed questionnaires, with 94 submitted at the Mountain Home public meeting and 78 submitted afterward.

29. LCRA held a second public meeting for the transmission facilities on November 7, 2018 at Ingram Tom Moore High School in Ingram, Texas.

30. LCRA mailed written notices of the Ingram public meeting to all owners of property within 300 feet of the centerline of each preliminary alternative segment.

31. LCRA also mailed or hand-delivered notices of the Ingram public meeting to local public officials and various state and federal officials, including the Department of Defense Siting Clearinghouse.

32. In total, LCRA mailed 367 meeting notices for the Ingram public meeting.

33. Notice of the Ingram public meeting was also published on the specified dates in the following three newspapers, each of which is in general circulation in at least one of the counties in which the transmission facilities will be located: (a) the *Fredericksburg Standard-Radio Post* on October 31, 2018; (b) the *Kerrville Daily Times* on October 31, 2018; and (c) the *West Kerr Current* on November 1, 2018.

34. A total of 130 people signed in as attending the Ingram public meeting.

35. Attendees of the Ingram public meeting were provided questionnaires, and LCRA received a total of 106 completed questionnaires, with 29 submitted at the Ingram public meeting and 77 submitted afterward.

36. LCRA evaluated and considered the public feedback in determining the routes to be included in the application. Based on input, comments, and information received at and following the public meetings and on additional analyses conducted by LCRA and POWER Engineers, numerous preliminary alternative route segments were modified, some
preliminary alternative route segments were deleted, and additional alternative route segments were added.

37. On March 1, 2018, written information was provided to the Department of Defense about the study area and the nature of the transmission facilities.

38. On May 23, 2018, the Department of Defense reported that the transmission facilities will have minimal effect on military operations conducted in the area.

**Notice of the Application**

39. On May 31, 2019, LCRA mailed direct written notice of the filing of the application by first-class mail to the following: each owner of land directly affected by the construction of the transmission facilities, as determined by review of the appraisal district tax data for Gillespie, Kerr, and Kimble counties; the county governments of Gillespie, Kerr, and Kimble counties, as well as the city governments for the Cities of Ingram and Kerrville; neighboring utilities providing electric utility service within five miles of the requested facilities (i.e., Central Texas Electric Cooperative, Pedernales Electric Cooperative, Bandera Electric Cooperative, and Kerrville Public Utility Board); and other interested entities, including the Office of Public Utility Counsel (OPUC) and the Department of Defense Siting Clearinghouse.

40. On June 5, 2019, LCRA published public notice of the application in the *Junction Eagle*, a newspaper of general circulation in Kimble County, Texas.

41. On June 5, 2019, LCRA published public notice of the application in the *Fredericksburg Standard-Radio Post*, a newspaper of general circulation in Gillespie County, Texas.

42. On June 5, 2019, LCRA published public notice of the application in the *Kerrville Daily Times*, a newspaper of general circulation in Kerr, Bandera, Kendall, and Gillespie counties, Texas.

43. On June 6, 2019, LCRA published public notice of the application in the *West Kerr Current*, a newspaper of general circulation in Kerr County, Texas.

44. On June 18, 2019, LCRA filed the affidavit of Lance Wenmohs, an LCRA employee, who attested that notice of the application had been provided as described in finding of fact 39.
45. On June 20, 2019, LCRA filed publishers’ affidavits in which affiants attested that notice of the application had been provided as described in findings of fact 40 through 43.

46. In Order No. 5 filed on July 8, 2019, the Commission ALJ approved LCRA’s provision of notice of the application in this proceeding.

Intervenors and Alignment of Intervenors

47. In Order No. 2 filed on June 20, 2019, the Commission ALJ granted the motions to intervene filed by Chinquapin Land Co.; TRT Ranch Corporation; Fronie K. Shelton and Zorritos, LLC; Maximino “Max” Michel-Gonzalez doing business as Beta Real Estate LLC and Savoy Ltd.; Donald and Nancy Swanson; Douglas M. Lowrance; Gary Priour; Debra Slapak; Henderson Branch Landowners (consisting at the time of Bruce and Cathy Barton; Glenna Heavin; Randy and Genie Norris; Neely Ranches, LLC; and Rockchalk K-Tex Investments LP); Harlan Lary Priour; and Jeffrey Ryan.

48. In Order No. 4 filed on June 28, 2019, the Commission ALJ granted the motions to intervene filed by Mario Alberto Escalante; Byas Springs Landowners (consisting of David K. Murray, Lin Zhang, and Robert and Louisa Qualls); Stevens Ranch Landowners (consisting of William Gibson, Stevens Ranch Road Maintenance Association, PMG Enterprises LLC, Kayleb Priour and Kara Nelson, Eric and Dianne Wiltz, and Eden and Laura Olguin); Robert and Louisa Qualls; Nathan Colwell; Nancy McLemore; Mark Bratton; and Apache Springs, L.P.

49. In Order No. 6 filed on July 11, 2019, the Commission ALJ granted the motions to intervene filed by Dell Schneider; Wiley Cloud; Karen and Lincoln Davis; Jack and Leah Yarbrough; Jason Kunz; Neil Appleby; Robbin Appleby; Sara Ayala; Richard and Stephanie Ertel; the Aligned Segment A & C Mountain Home Landowners (consisting of Guy S. Lipe and Robin J. Lipe, William “Andy” Durham, Susan M. Gallagher, Ron Bell, Susi Bell, Robert Wakefield, Mary Jane Wakefield, West Honey Creek Ranch Limited Partnership, East Honey Creek Ranch Limited Partnership, Janet Meek, Luke Smith and Kristen Smith, Mike Royer, Shelley Royer, Nathalie Dumais, Richard McDugald, Martha McDugald, Marsha Elmore, Rudolph and Janice Winzinger, Tracy Belew, Mike and Janelle Carothers, Pat Stone, and Pete and Vicki Moore); and Jodi Kirksey.
49A. On July 22, 2019, the Henderson Branch Landowners made a filing adding Hill Country Youth Ranch and Live Springs Ranch Property Owners Associations as part of its group of aligned persons.

50. In Order No. 7 filed on July 25, 2019, the Commission ALJ granted the motions to intervene filed by Isaias Montez and Sylvia Ann Garcia Jr.; Terry Hutzell; Timothy Crenwelge; Robin Fawcett; Tracy Wood; Carolyn and Melvin McCallum; Marsha Mefferd; Daniel and Esmeralda Walker; Joe Shannon, Laura M. Voight, and Robert and Jennifer Frazier (as aligned with the Henderson Branch Landowners); Patrick Peralta; Alain Peralta; Christopher Peralta; Janelle Peralta; Sergei Smet; Gerhard and Kathleen Bergman; Serena Burrough; Ronald and Janice Galbraith; Sarah Dean; Cynthia Rieck; Meta Syfan; Nancy S. Wallace Family Trust; Wallace Family Trust; Arthur P. Allison, Jr., Arthur P. Allison Jr. Family Trust; Irene Allison Thomas Family Trust; Bar J Bar Ranch, LP; and Jack Clarke.

51. In Order No. 8 filed on August 9, 2019, the Commission ALJ granted the motions to intervene filed by Stephen B. Schulte; Welch Creek Partners Ltd., Keith R. and Tanya J. Olive, and Nancy C. Olive (all of which became aligned with Apache Springs, L.P.); the Texas Parks and Wildlife Department; Peter and Theresa Nolan; Philip Johnston; Rick Schladoer; Christopher C. Sanders; Frank Zoch (Welch Creek Partners Ltd.); George and Sylvia Streigler; Jody Lange; Betty Weeks; Carol Walker; Barbara and Robert Trautman; Live Springs Ranch Property Owners Association (aligned with the Henderson Branch Landowners); Jake and Kari Short; and Nick and Sara Ahearn.

52. In SOAH Order No. 3 filed on October 24, 2019, the SOAH ALJs granted the late-filed motion to intervene filed by Sam Junkin and aligned him with the Aligned Segment A & C Mountain Home Landowners.

53. On November 19, 2019, LCRA filed a list of intervenors who did not file testimony or a statement of position by the November 4, 2019 deadline in SOAH Order No. 2.

54. In SOAH Order No. 4 filed on December 3, 2019, the SOAH ALJs dismissed the following intervenors for failing to file direct testimony or a statement of position: Nick Ahearn; Sara Ahearn; Robbin Appleby; Neil Appleby; Mark Bratton; Serena Burrough; Wiley
Cloud; Karen Davis; Lincoln Davis; Sarah Dean; Mario Alberto Escalante; Robin Fawcett; Janice Galbraith; Ronald Galbraith; Isaias Garcia; Sylvia Garcia; Terry Hutzell; Jason Kunz; Jody Lange; Douglas Lowrance; Carolyn McCallum; Melvin McCallum; Marsha Mefferd; Theresa Nolan; Patrick Peralt; Alain Peralt; Christophe Peralt; Harlan Lary Priour; Cynthia Rieck; Christopher Sanders; Rick Schladoer; Dell Schneider; Sergei Smet; George Striegler; Sylvia Striegler; Meta Syfan; Barbara Trautman; Robert Trautman; Daniel Walker; Esmeralda Walker; Carolyn Walker; and Tracy Wood.

55. At the commencement of the hearing on the merits, the SOAH ALJs granted the late-filed motion to intervene filed by Vorpahl Ranch, L.P.

56. Except as specified in findings of fact 47 through 55, no other parties were aligned by the SOAH ALJs or chose to voluntarily align for purposes of the hearing.

**Route Adequacy**

57. **DELETED.**

58. No party filed testimony or a position statement challenging whether the application provided an adequate number of reasonably differentiated routes to conduct a proper evaluation, and no party requested a hearing on route adequacy.

59. In SOAH Order No. 3 filed on October 24, 2019, the SOAH ALJs canceled the hearing on route adequacy that was tentatively scheduled for October 25, 2019 because no party requested such a hearing.

60. The application provided an adequate number of reasonably differentiated routes to conduct a proper evaluation.

**Statements of Position and Testimony**

60A. On September 30, 2019, LCRA filed the direct testimonies of Lance Wenmohs, LCRA’s manager of siting and certification; Kristian Koellner, LCRA’s vice president of transmission asset optimization; Lisa Meaux, a project manager and department manager in the environmental division of POWER Engineers; and Curtis Symank, POWER Engineers’ senior project manager in the power delivery division, in support of the application. LCRA offered errata to Ms. Meaux's direct testimony live at the hearing on
the merits on January 21, 2020. These direct testimonies and the errata were admitted at
the hearing.

60B. The direct testimony of the following witnesses was filed by intervening parties and
subsequently admitted at the hearing: Jessica Schmerler, on behalf of the Texas Parks and
Wildlife Department; Harold L. Hughes, Jr., P.E., and Cecilia Hager, on behalf of
Chinquapin Land Co.; Edgar A. Wallace, on behalf of the Nancy S. Wallace Trust and
Wallace Family Trust, the Irene Allison Thomas Family Trust, Arthur P. Allison, and the
Arthur P. Allison, Jr. Family Trust; Bruce Barton, David Barney, Mitchel Chaney, Robert
Frazier, Glenna Heavin, L.C. Neely, Genie Norris, Gary Priour, Joe Shannon, Jr., and Laura
Voigt, on behalf of the Henderson Branch Landowners; Brian Andrews, Robert W.
Latimer, and Fronie Shelton, on behalf of Zorritos LLC and Fronie Shelton; Jack
Yarbrough, on behalf of Jack and Leah Yarbrough; Nancy McLemore, on behalf of Creek
House Ranch, LLC; Guy S. Lipe and Robin J. Lipe, John H. Duncan, Jr., Robert and Mary
Jane Wakefield, Janice and Rudolph Winzinger, Ron and Susi Bell, Janet Meek, Tracy
Blew, William “Andy” Durham and Susan M. Gallagher, Michael and Janelle Carothers,
Richard and Martha McDugald, and Sam Junkin, on behalf of the Aligned Segment A
and C Mountain Home Landowners; Dan Kuykendall and Larry Gurley, on behalf of
Maximino “Max” Michel-Gonzalez, doing business as Beta Real Estate LLC and Savoy
Ltd.; William E. Gibson, Eden Olguin, Kayleb Priour, Warren Waskow, and Dianne Wiltz,
on behalf of the Stevens Ranch Landowners; David Murray and Robert Qualls, on behalf
of the Byas Springs Landowners; Mike Popejoy, on behalf of TRT Ranch Corporation;
Mark D. Anderson, Don A. Draeger, Cesar J. Obando, and Keith R. Olive, on behalf of
Apache Springs, L.P.; Richard Ertel and Stephanie Ertel, on behalf of themselves; Jodi
Kirksey, on behalf of herself; Kari Short, on behalf of herself; and Mohammad Ally, P.E.,
on behalf of Debra Slapak.

60C. On November 26, 2019, Commission Staff filed the direct testimony of its witness, John
Poole. Commission Staff filed errata to Mr. Poole’s testimony on December 6, 2019 and
January 21, 2020. Further, Commission Staff offered additional errata to Mr. Poole’s
testimony live at the hearing on the merits on January 22, 2020. This direct testimony and
the errata were admitted at the hearing.
60D. Cross-rebuttal testimony of the following witnesses was filed by intervening parties and subsequently admitted at the hearing: Brian Andrews, on behalf of Zorritos LLC and Fronie Shelton; Gary Priour, on behalf of the Henderson Branch Landowners; and Mark D. Anderson, on behalf of Apache Springs, L.P.

60E. On December 9, 2019, LCRA filed the rebuttal testimonies of Mr. Wenmohs, Mr. Koellner, Ms. Meaux, and Mr. Symank. On January 17, 2020, LCRA filed errata to the rebuttal testimonies of Mr. Wenmohs and Mr. Symank. These rebuttal testimonies and errata were admitted at the hearing.

60F. On February 5, 2020, LCRA filed the supplemental rebuttal testimony of Mr. Wenmohs, which was admitted by the ALJs in SOAH Order No. 6.

Referral to SOAH for Hearing

61. On July 12, 2019, Jack Clarke and Bar J Bar Ranch, LP filed a request for a hearing at SOAH. Subsequently, on July 15, 2019, Maximino “Max” Michel Gonzalez doing business as Beta Real Estate and Savoy Ltd. also requested a hearing.

62. On July 24, 2019, Commission Staff requested that the docket be referred to SOAH for a hearing.

63. On August 16, 2019, the Commission referred this case to SOAH and identified a number of issues to be addressed in its order of referral and preliminary order.

64. On September 9, 2019, the SOAH ALJs convened a prehearing conference in Austin, Texas, at which time a procedural schedule was adopted.

65. In SOAH Order No. 2 filed on September 26, 2019, the SOAH ALJs memorialized the prehearing conference held on September 9, 2019 and scheduled the hearing on the merits to begin on January 21, 2020 at SOAH’s hearing facility in Austin, Texas.

66. In SOAH Order No. 5 filed on December 18, 2019, the SOAH ALJs noted that the hearing would start immediately after a prehearing conference beginning at 9:00 a.m. on January 21, 2020. The SOAH ALJs also noted a change in the hearing location, to the Holiday Inn—Austin Airport, 6711 East Ben White Boulevard, Austin, Texas 78744.

67. DELETED.
68. On January 21, 2020, the hearing on the merits convened before SOAH ALJs Beth Bierman and Linda Brite. The following parties made appearances, either personally or through their legal counsel, and participated in the hearing on the merits: LCRA; Commission Staff; the Texas Parks and Wildlife Department; Apache Springs, L.P.; Welch Creek Partners, Ltd.; Keith and Tanya J. Olive; Nancy Olive; TRT Ranch Corporation; Maximino “Max” Michel-Gonzalez, doing business as Beta Real Estate LLC and Savoy Ltd.; Zorritos, LLC; Fronie Shelton; Bar J Bar Ranch, LP; Jack Clarke; the Hill Country Youth Ranch; the Henderson Branch Landowners; the Byas Springs Landowners; the Stevens Ranch Landowners; the Aligned Segment A & C Mountain Home Landowners; Nancy S. Wallace Family Trust; Wallace Family Trust; Irene Allison Thomas Family Trust; Arthur P. Allison, Jr.; Arthur P. Allison Jr. Family Trust; Donald and Nancy Swanson; Vorpahl Ranch, L.P.; Creek House Ranch LLC; Jack and Leah Yarbrough; Richard and Stephanie Ertel; Debra Slapak; Jodi Kirksey; Kari Short; and Sara Ayala. The hearing concluded on January 22, 2020.

69. The evidentiary record closed on February 6, 2020 with the filing of supplemental rebuttal testimony and exhibits, and the hearing record closed on February 21, 2020 after the filing of closing written arguments and proposed findings of fact and conclusions of law. In SOAH Order No. 7 filed on March 10, 2020, the SOAH ALJs admitted Schulte exhibit 1 into the evidentiary record.

69A. On April 21, 2020, the SOAH ALJs filed a proposal for decision, and on May 21, 2020, the SOAH ALJs filed a letter making some corrections to the proposal for decision.

Record After the Return from SOAH

69B. In an order filed on May 29, 2020, the Commission remanded the proceeding to Docket Management for an evidentiary determination regarding revised LCRA exhibit 15 filed on May 19, 2020.

69C. In Order No. 9 filed on June 10, 2020, the Commission ALJ admitted revised LCRA exhibit 15 into the evidentiary record.
Adequacy of Existing Service and Need for Additional Service

70. The transmission facilities are needed to meet the existing and forecasted retail electric service demand of customers in Gillespie, Kerr, and Kimble counties and to address reliability risks associated with continuing to serve the area's electric load requirements using the existing load-serving substations.

71. Load growth at a compound annual growth rate of approximately 2% in western Gillespie and western Kerr counties has resulted in a combined winter loading level in excess of 20 megawatts (MW) (approximately 10% of Central Texas Electric Cooperative's consumer load) served by a single radial 69-kV transmission line extending from Fredericksburg to the communities of Harper and Doss. As of April 2, 2019, there were 4,692 consumers served by this radial transmission line, including the entire communities of Harper and Doss, residential and commercial development along Interstate Highway 10 south of Harper, and the area extending to the Garven Store area.

72. The area addressed by the transmission facilities is primarily served by 1,100 miles of 25-kV distribution circuits connected to the transmission system at the Harper and Doss substations.

73. A single, radial 21.6-mile 69-kV transmission line that extends from the Live Oak substation in Fredericksburg, Texas provides transmission service to the Harper substation and then extends another 14.2 miles from the Harper substation to provide transmission service to the Doss substation.

74. The radial 69-kV transmission system serving the Harper and Doss substations is sourced from two 138-to-69-kV autotransformers located at the Fredericksburg and Gillespie substations. A small portion of the area to the south and east of Mountain Home is served by 12-kV distribution circuits connected to the Ingram substation. Transmission service is provided to the Ingram substation by 138-kV transmission lines serving six existing substations (including the Ingram substation). These 138-kV transmission lines are connected to the transmission network at the Kerrville Stadium substation and the Verde Creek substation.
75. LCRA’s analysis of the existing transmission system determined that the existing 69-kV transmission facilities serving the Harper and Doss substations will experience thermal criteria violations based on the load levels forecasted to occur by the winter of 2020–2021.

76. Thermal overloads on autotransformers result in degradation of the internal insulation and can result in catastrophic failure leading to extended outages for customers.

77. LCRA’s analysis also shows voltage at the Harper and Doss substations is expected to be less than 0.9 per unit (a condition that violates the steady state voltage criteria of LCRA and the Electric Reliability Council of Texas, Inc. (ERCOT)) based on projected winter 2020–2021 load levels.

78. Voltages of less than 0.9 per unit are a violation of ERCOT and LCRA voltage performance criteria and result in an inability to maintain adequate voltage to customers, which can cause damage to motors and other voltage-sensitive devices.

79. Awareness of the poor voltage performance of the system and overloads of similar magnitude to those identified in the planning studies led ERCOT staff to approve a mitigation plan that calls for the shedding of load at Harper and Doss during high-load periods. The mitigation plan was first approved on January 6, 2017 and was renewed in 2018 and 2019. Because the mitigation plan interrupts service to consumers, it is a temporary operational measure to avoid unsafe operating conditions and protect transmission equipment until the transmission facilities are completed.

80. The load served by the 138-kV transmission lines serving the six substations located west of the city of Kerrville in the area of the transmission facilities, including the Hunt and Ingram substations, is vulnerable because if one of two transmission elements that source the lines is out of service, the entire load served by the loop is vulnerable to the loss of the other element. This 138-kV loop is 52 miles long and provides transmission service to the Harper Road, Jack Furman, Ingram, Hunt, Turtle Creek, and Rim Rock substations. These six substations will serve a total of 100.6 MW according to the projected winter 2020–2021 load.

81. LCRA and Central Texas Electric Cooperative identified four planning-criteria violations in the existing system that require system improvements: distribution feeders that exceed
the 6 MW load limit established by Central Texas Electric Cooperative’s planning criteria; total load at the Harper and Doss substations, served by a radial transmission line, in excess of 20 MW, which exceeds Central Texas Electric Cooperative and LCRA’s transmission system planning criteria; overloads on autotransformers at the Gillespie and Fredericksburg substations; and low voltage at the Harper and Doss substations.

82. There are no existing 138-kV transmission lines within seven miles of the proposed Mountain Home substation location.

83. The transmission facilities, in conjunction with the conversion of the existing 69-kV transmission line from the Live Oak substation to the Harper substation to 138-kV operation, provide the system improvements needed to resolve the four planning criteria violations described in finding of fact 81 and meet the long-term transmission system performance requirements for the area.

84. The transmission facilities address these needs by proposing construction of a new 138-kV transmission line from either the Hunt or Ingram substations to provide a reliable source to the new Mountain Home substation and extend a new 138-kV transmission line from the new Mountain Home substation to the Harper substation to provide a reliable source under single contingency events to the Mountain Home, Harper, and Doss substations, which represent more than 20 MW (approximately 10% of Central Texas Electric Cooperative’s total load obligation).

85. The transmission facilities also provide a third source into the transmission system serving the area west of Kerrville, thus reducing the amount of load loss at risk during maintenance outages on the 138-kV transmission system serving the area west of the city of Kerrville.

86. The transmission facilities will provide the infrastructure required to avoid low voltage conditions, overloaded conductors, and excessive voltage regulation equipment. Each alternative route would provide reliable looped transmission service to the Mountain Home substation, and the transmission facilities will provide a second transmission connection to the 20 MW of peak load currently served radially at the Harper and Doss substations. The transmission facilities will reduce exposure to single points of failure such as a radial transmission line, increase system maintainability and operational flexibility by virtue of
dual-feed transmission connectivity, and reduce the potential for customer load shed (i.e., outages), as authorized by the ERCOT mitigation plan.

87. LCRA presented the transmission facilities for review by ERCOT staff and the ERCOT regional planning group on November 18, 2016.

88. Kerrville Public Utility Board and Bandera Electric Cooperative filed comments supporting the transmission facilities during the ERCOT regional planning group review process.

89. Following its review, ERCOT staff designated the transmission facilities as a tier 4 neutral project on September 14, 2017.

90. ERCOT staff determined the transmission facilities will not result in any violations of North American Electric Reliability Corporation (NERC) or ERCOT performance requirements.

91. No party substantively challenged the need for the transmission facilities.

92. All of the 58 routes under consideration in this docket, including the 40 presented in the application and the 18 additional routes identified by the parties, will satisfy the need for the transmission facilities.

93. Electric customers within the surrounding area of the transmission facilities will benefit from the improved transmission system reliability and capacity provided by the transmission facilities.

94. LCRA considered a distribution-only alternative.

95. Distribution-only alternatives are not adequate to resolve the need for the transmission facilities.

Routing of the Transmission Facilities

96. The POWER Engineers project team included professionals with expertise in different environmental and land use disciplines (geology and soils, hydrology and water quality, terrestrial ecology, wetland ecology, land use and aesthetics, and cultural resources) who were involved in data acquisition, routing analysis, and environmental assessment for the transmission facilities.
97. To identify preliminary alternative route segments for the transmission facilities, POWER Engineers delineated a study area, sought public official and agency input, gathered data regarding the study area, performed constraints mapping, identified preliminary alternative route segments and alternative substation sites, and reviewed and adjusted the preliminary alternative route segments and alternative substation sites following field reconnaissance and the public meetings.

98. POWER Engineers examined potential routes taking into consideration the factors in PURA § 37.056(c)(4)(A) through (D), 16 Texas Administrative Code (TAC) § 25.101, and the Commission’s CCN application form.

99. From the preliminary alternative route segments, POWER Engineers and LCRA identified 40 reasonable, feasible alternative routes. In identifying these, POWER Engineers considered a variety of information, including input from the public and public officials, geographic diversity within the study area, and an inventory and tabulation of a number of environmental and land use criteria.

100. LCRA reviewed the alternative routes with regard to cost, construction, engineering, and right-of-way maintenance issues and constraints, and LCRA conducted field reviews.

101. All landowners directly affected by the modifications reflected by segments W4, C5, V4, and I5 have consented to the modifications.

102. At the time it filed its application, LCRA identified route Hunt 13 as the route that best addressed the Commission’s routing criteria.

103. LCRA’s application confirms that all proposed routes are viable and constructible.

104. Commission Staff submitted evidence supporting the choice of route Hunt 31 as the route that best meets the statutory and regulatory criteria and best addresses the concerns raised by the Texas Parks and Wildlife Department and the parties.

105. A large majority of the parties that participated in the hearing, or provided evidence that was submitted at the hearing, support or do not oppose route Hunt 37A.

106. Based on the evidence presented, route Hunt 37A best meets the regulatory and statutory criteria because of the following:
a. it is estimated to be the fourteenth least costly route with an estimated cost of $64,330,000;

b. it is the tenth shortest route at 22.5 miles;

c. it uses paralleling (including all compatible corridors) for 18.9 miles, or 84% of its total length, which is 5% more than the route recommended by LCRA;

d. it has 37 habitable structures within 300 feet of the centerline;

e. it crosses only 66 acres of the golden-cheeked warbler modeled habitat, which is approximately 10.8 acres less than the Texas Parks and Wildlife Department’s recommended route;

f. it avoids using segments that the Texas Parks and Wildlife Department expressed the most concern about; and

g. it crosses 11.6 miles of areas with a high potential for archeological and historic sites, which is only 1.4 miles more than the route that crosses the least amount of area with a high potential for archeological and historic sites.


106B. Route Hunt 37A consists entirely of noticed segments that were not changed or modified from the segments proposed in the application, except for segments W4, C5, V4, and I5 addressed in finding of fact 101.

**Effect of Granting Certificate on LCRA and Utilities Serving the Proximate Area**

107. Electric utilities serving the surrounding area of the transmission facilities include Central Texas Electric Cooperative, Pedernales Electric Cooperative, Bandera Electric Cooperative, and Kerrville Public Utility Board.

108. Electric service requirements for many current and future end-use customers within the area will be met by Central Texas Electric Cooperative with the installation of the new Mountain Home substation. The new substation will provide the electrical source to supply existing and future electrical loads in the area. The new substation will also increase the reliability of service to the broader area.

110. It is unlikely that the construction of the transmission facilities along any route, including route Hunt 37A, will adversely affect service by other utilities in the area.

Community Values

111. DELETED.

112. DELETED.

113. The purpose of the public meetings was to solicit input from landowners, public officials, and other interested persons about the transmission facilities, the preliminary alternative route segments, and the alternative substation sites. Further, the public meetings were designed to promote a better understanding of the transmission facilities, including the purpose, need, potential benefits and effects, and Commission certification process; inform the public of the routing procedure, schedule, and route approval process; and gather and understand the values and concerns of the public and community leaders.

114. DELETED.

115. The principal concerns or issues presented by the landowners at the public meetings and afterward were proximity of the routes and substation locations to homes; potential environmental effects on wildlife habitat, trees, springs, and streams; aesthetic or visual effects caused by visibility of the proposed transmission facilities; effects on property values; and effects on agricultural, recreational, residential, aviation, or other land uses.

116. POWER Engineers’ routing analysis and LCRA’s eventual selection of the routes filed in the application incorporated information received from the public meetings and from local, state, and federal agencies.

117. POWER Engineers, in consultation with LCRA, used information received from the public meetings to add routes from the Ingram substation.

117A. Route Hunt 37A adequately addresses the expressed community values.
Land Uses and Land Types

118. The study area is primarily rural with concentrations of residential and commercial development.

119. The predominant land use within the study area is rangeland and pastureland.

120. All the segments proposed by LCRA in this proceeding can be safely and reliably constructed and operated without significant adverse effects on livestock, ranching operations, or recreational uses of property.

121. LCRA can safely operate and maintain the transmission facilities on any of the proposed routes, and no route or segment has a unique wildfire risk that would justify eliminating it from consideration.

122. DELETED.

123. DELETED.

124. DELETED.

125. DELETED.

126. DELETED.

127. DELETED.

Parks and Recreational Areas

128. DELETED.

129. None of the alternative routes directly crosses any park or recreational areas.

130. DELETED.

131. Only three routes (routes Ingram 1, Ingram 7, and Ingram 11) have any parks or recreational areas within 1,000 feet of their centerline, and those routes each have only two parks or recreational areas within 1,000 feet of their centerline.

132. During construction, minor and temporary disruption to recreational users of the Interstate Highway 10 rest area eastbound may occur; however, long-term effects are not anticipated.
It is likely that, upon completion of the transmission facilities, recreational activities within this area will resume.

133. It is unlikely that the presence of the transmission facilities along any route will adversely affect the use and enjoyment of any recreational or park areas.

**Historical and Archeological Values**

134. DELETED.

135. There are 30 known archeological sites within 1,000 feet of the centerlines of the alternative routes.

136. Eight known archeological sites are crossed by the right-of-way of at least one route.

137. The minimum number of known archeological sites crossed by any route is zero, while the maximum is five.

138. The minimum number of additional known archaeological sites within 1,000 feet of the centerline of any route is one, while the maximum is seven.

139. It is unlikely that the presence of transmission facilities along route Hunt 37A will adversely affect archaeological or historical resources.

**Aesthetic Values**

140. DELETED.

141. DELETED.

142. Route Ingram 1 has the longest length within the foreground visual zone of United States and state highways (10.6 miles), while route Hunt 37A has the shortest length (2.8 miles).

143. Routes Hunt 36A and 37A have the longest length within the foreground visual zone of farm-to-market roads (9.4 miles), while routes Hunt 15 and 25 have the shortest length (1.8 miles).

144. Routes Ingram 1 and 7 have the longest length within the foreground visual zone of parks or recreational areas (1.4 miles), while 27 other routes are tied for the shortest length (0.1 miles).
144A. It is unlikely that the presence of transmission facilities along route Hunt 37A will adversely affect the aesthetic quality of the surrounding landscape.

**Environmental Integrity**

145. DELETED.

146. Correspondence with the Texas Natural Diversity Database, the Texas Parks and Wildlife Department, and the U.S. Fish and Wildlife Service identifies five federally endangered or threatened animal species (all of which are birds), including the golden-cheeked warbler, for the study area, and the historical presence of a limited number of federally delisted, state-listed threatened or endangered, candidate, and potentially extirpated listed animal species within Gillespie, Kerr, and Kimble counties, Texas.

147. None of the alternative routes has any length of right-of-way across the known habitat of federally listed endangered or threatened species.

148. It is unlikely that the transmission facilities will significantly adversely affect populations of any federally listed endangered or threatened species.

149. LCRA can construct the transmission facilities in an ecologically sensitive manner on any currently proposed route without any significant adverse effect on Johnson Creek.

150. LCRA 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.

to minimize the burden of construction on migratory birds during the nesting season of the migratory bird species identified in the area of construction.

152. It is appropriate for LCRA to minimize the amount of flora and fauna disturbed during construction of the transmission facilities.

153. It is appropriate for LCRA to re-vegetate cleared and disturbed areas using native species and consider landowner preferences and wildlife needs in doing so.

154. It is appropriate for LCRA to avoid, to the maximum extent possible, causing adverse environmental effects on sensitive plant and animal species and their habitats as identified by the Texas Parks and Wildlife Department and United States Fish and Wildlife Service.

155. It is appropriate for LCRA 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 LCRA to restore original contours and grades where different contours or grades are necessary to ensure the safety or stability of any transmission line.

156. It is appropriate for LCRA 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 the Texas Department of Agriculture regulations.

157. It is appropriate for LCRA to use best management practices to minimize the potential burdens on migratory birds and threatened or endangered species.

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

**Engineering Constraints**

159. There are no significant engineering constraints along any of the alternative routes that cannot be adequately addressed by using design and construction practices and techniques usual and customary in the electric utility industry.

160. All alternative routes are viable, feasible, and reasonable from an engineering perspective.
**Estimated Costs**

161. DELETED.

162. Route Hunt 5A is estimated to be the least expensive route with an estimated cost of $61,220,000, which includes the cost of the new Mountain Home substation and of the station work at the existing Hunt and Harper substations.

163. Route Hunt 37A has an estimated cost of $64,330,000, which includes the cost of the new Mountain Home substation and of the station work at the existing Hunt and Harper substations.

164. Route Hunt 27 is estimated to be the most expensive route with an estimated cost of $74,190,000, which includes the cost of the new Mountain Home substation and of the station work at the existing Hunt and Harper substations.

164A. The cost of route Hunt 37A is reasonable considering the range of the cost estimates for the routes.

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

165. DELETED.

166. Route Hunt 16 uses or parallels compatible rights-of-way or property boundaries for 88% of its length—the highest percentage of any route.

167. Route Hunt 37A parallels compatible rights-of-way or property boundaries for 84% of its length.

168. Route Hunt 14 uses or parallels compatible rights-of-way or property boundaries for 73% of its length—the lowest percentage of any route.

168A. Route Hunt 37A uses or parallels existing compatible rights-of-way and apparent property boundaries to a reasonable extent.

**Prudent Avoidance**

169. Prudent avoidance, as defined in 16 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.”
170. All of the routes presented in the application conform to the Commission’s policy of prudent avoidance in that they reflect reasonable investments of money and effort to limit exposure to electric and magnetic fields.

171. The greatest number of habitable structures within 300 feet of the centerline of any route is 76 (route Ingram 2).

172. The fewest number of habitable structures within 300 feet of the centerline on any route is 23 (route Hunt 18).

173. Route Hunt 37A has 37 habitable structures within 300 feet of the centerline.

173A. Habitable structure 144 is 58 feet from the centerline of segment Z3.

173B. It is appropriate and in compliance with the Commission’s policy of prudent avoidance for LCRA to construct segment Z3, but because of the proximity of habitable structure 144 to segment Z3, LCRA is encouraged to engage and cooperate with Creek House Ranch LLC and surrounding landowners to implement, if possible, an agreed deviation that will place the line farther from habitable structure 144.

173C. The construction of the transmission facilities along route Hunt 37A complies with the Commission’s policy of prudent avoidance.

Other Comparisons of Land Uses and Land Types

a. Radio Towers and Other Electronic Installations

174. No known AM radio transmitters were identified within the study area or within 10,000 feet of the alternative routes.

175. The number of FM radio transmitters, microwave towers, and other electronic communication towers located within 2,000 feet of any of the alternative routes ranges from zero for numerous routes to five for route Hunt 25.

176. DELETED.

176A. It is unlikely that the presence of transmission facilities along route Hunt 37A will adversely affect any communication operations in the proximity of that route.
b. **Airstrips and Airports**

177. There are no airports registered with the Federal Aviation Administration equipped with at least one runway longer than 3,200 feet within 20,000 feet of any of the alternative routes.

178. The maximum number of private airstrips equipped with a runway shorter than or exactly 3,200 feet in length within 10,000 feet of the centerline of one or more of the alternative routes is five, while the minimum is two.

179. There are no public airports or military airstrips registered with the Federal Aviation Administration equipped with runways shorter than or exactly 3,200 feet within 10,000 feet of the centerline of any of the alternative routes.

180. The maximum number of heliports within 5,000 feet of the centerline of one or more of the alternative routes is two, while the minimum is zero.

181. **DELETED.**

181A. It is unlikely that the presence of transmission facilities along route Hunt 37A will adversely affect any airports, airstrips, or heliports.

c. **Irrigation Systems**

182. None of the alternative routes presented in the application or proposed by other parties crosses land irrigated by traveling irrigation systems.

183. It is unlikely that the presence of transmission facilities along the alternative routes will adversely affect any agricultural lands with known traveling irrigation systems.

d. **Pipelines**

183A. Route Hunt 37A crosses metallic pipelines transmitting hydrocarbons twice but is not parallel and adjacent to any such pipelines.

183B. It is unlikely that the presence of transmission facilities along route Hunt 37A will adversely affect any crossed or paralleled metallic pipelines that transport hydrocarbons.

184. **DELETED.**

185. **DELETED.**
Texas Parks and Wildlife Department's Written Comments and Recommendations

186. The Texas Parks and Wildlife Department provided information and recommendations regarding the preliminary study area for the transmission facilities to POWER Engineers on June 20, 2018.

187. The Texas Parks and Wildlife Department provided additional information and recommendations regarding the study area for the transmission facilities to POWER Engineers on November 16, 2018 after LCRA expanded the original study area to include approximately 17 additional square miles.

188. On July 25, 2019, the Texas Parks and Wildlife Department filed a letter containing its comments and recommendations regarding the transmission facilities.

189. In its comments and its testimony, the Texas Parks and Wildlife Department recommended route Ingram 1 for the transmission facilities.

190. POWER Engineers and LCRA took into consideration the Texas Parks and Wildlife Department’s recommendations.

191. Once a route is approved by the Commission, LCRA can undertake on-the-ground measures to identify potential endangered or threatened species’ habitat and respond appropriately.

192. LCRA will use avoidance and mitigation procedures to comply with laws protecting federally listed species.

193. LCRA will re-vegetate the new right-of-way as necessary and according to LCRA’s vegetation management practices, the storm water pollution prevention plan developed for construction of the transmission facilities, and in many instances, landowner preferences or requests.

194. LCRA’s standard vegetation removal, construction, and maintenance practices adequately mitigate concerns expressed by the Texas Parks and Wildlife Department.

195. LCRA will use appropriate avian protection procedures.

196. LCRA will comply with all environmental laws and regulations, including those governing threatened and endangered species.
197. LCRA will comply with all applicable regulatory requirements in constructing the proposed transmission facilities, including any applicable requirements under section 404 of the Clean Water Act.

198. LCRA will cooperate with the United States Fish and Wildlife Service and the Texas Parks and Wildlife Department if threatened or endangered species’ habitats are identified during field surveys.

199. 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, LCRA will cooperate with the United States Fish and Wildlife Service, the United States Army Corps of Engineers, and the Texas Commission on Environmental Quality, as appropriate, to coordinate permitting and perform any required mitigation.

200. The standard mitigation requirements included in the ordering paragraphs in this Order, coupled with LCRA’s current practices, are reasonable measures for a utility to undertake when constructing a transmission line and are sufficient to address the Texas Parks and Wildlife Department’s comments and recommendations.

201. Route Hunt 37A does not include any of the route segments the Texas Parks and Wildlife Department identified as concerning with regard to the Heart of the Hills Fisheries Science Center owned and managed by the Texas Parks and Wildlife Department.

**Permits**

201A. Before beginning construction of the transmission facilities approved by this Order, LCRA will obtain any necessary permits from the Texas Department of Transportation or any other applicable state agency if the facilities cross state-owned or -maintained properties, roads, or highways.

201B. Before beginning construction of the transmission facilities approved by this Order, LCRA will obtain a miscellaneous easement from the General Land Office if the transmission line crosses any state-owned riverbed or navigable stream.
201C. Before beginning construction of the transmission facilities approved by this Order, LCRA will obtain any necessary permits or clearances from federal, state, or local authorities.

201D. It is appropriate for LCRA, 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 LCRA, 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.

201E. It is appropriate for LCRA 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, LCRA will identify all necessary permits from Kerr, Gillespie, and Kimble counties and federal and state agencies. LCRA will comply with the relevant permit conditions during construction and operation of the transmission facilities along the agreed route.

201F. After designing and engineering the alignments, structure locations, and structure heights, LCRA will determine the need to notify the Federal Aviation Administration based on the final structure locations and designs. If necessary, LCRA 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**

201G. Under 16 TAC § 25.102(a), the Commission may grant a certificate for the construction of transmission facilities within the coastal management program boundary only when it finds that the proposed facilities comply with the goals and applicable policies of the Coastal Management Program or that the proposed facilities will not have any direct and significant
effect on any of the applicable coastal natural resource areas as defined under Texas Natural Resources Code § 33.203 and 31 TAC § 501.3(b).

201H. No part of the transmission facilities approved by this Order is located within the coastal management program boundary as defined in 31 TAC § 503.1(b).

**Effect on the State’s Renewable Energy Goal**

202. The Texas Legislature established a goal in PURA § 39.904(a) for 10,000 MW of renewable capacity to be installed in Texas by January 1, 2025. This goal has already been met.

203. The proposed transmission facilities cannot adversely affect the goal for renewable energy development established in PURA § 39.904(a).

**Limitation of Authority**

204. It is reasonable and appropriate for a CCN order not to be valid indefinitely because it is issued based on the facts known at the time of issuance.

205. Seven years is a reasonable and appropriate limit to place on the authority granted in this Order for LCRA to construct the transmission facilities.

**II. Conclusions of Law**

The Commission adopts the following conclusions of law.

1. LCRA is an electric utility as defined in PURA §§ 11.004(1) and 31.002(6).

2. The Commission has jurisdiction over this matter under PURA §§ 14.001, 32.001, 37.051, 37.053, 37.054, and 37.056.

3. LCRA is required to obtain the approval of the Commission to construct the proposed transmission facilities and provide service to the public using those facilities.


5. LCRA has the burden of proof in this proceeding under 1 TAC § 155.427.

6. The application is sufficient under 16 TAC § 22.75(d).
7. The Commission processed this docket in accordance with the requirements of PURA, the Administrative Procedure Act,¹ and the Commission’s rules.

8. LCRA provided proper notice of the application in compliance with PURA § 37.054 and 16 TAC § 22.52(a).

9. Additional notice of the approved route is not required under 16 TAC § 22.52(a)(2) because it is wholly composed of properly noticed segments contained in the original CCN application or modifications agreed to by all affected landowners.

10. LCRA provided notice of the public meetings in compliance with 16 TAC § 22.52(a)(4).

11. 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.

12. The transmission facilities using route Hunt 37A are necessary for the service, accommodation, convenience, or safety of the public within the meaning of PURA § 37.056.

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.

III. Ordering Paragraphs

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

1. The Commission adopts the proposal for decision, including findings of fact and conclusions of law, except as discussed in this Order.

2. The Commission amends LCRA’s CCN number 30110 to include the construction and operation of the transmission facilities along route Hunt 37A, which comprises the following segments: X3, B, F, I5, C5, V4, Z3, W4, T4, Mountain Home substation site 3, L1, N1, Z1, B2, F2, I3, J3, M3, and R3.

3. LCRA 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 paralleled by the electric transmission facilities approved by this Order.

4. LCRA must conduct surveys, if not already completed, to identify metallic pipelines that could be affected by the transmission line approved by this Order and cooperate with pipeline owners in modeling and analyzing potential hazards because of alternating-current interference affecting metallic pipelines being paralleled.

5. LCRA must obtain all permits, licenses, plans, and permissions required by state and federal law that are necessary to construct the transmission facilities approved by this Order, and if LCRA fails to obtain any such permit, license, plan, or permission, it must notify the Commission immediately.

6. LCRA must identify any additional permits that are necessary, consult any required agencies (such as the United States Army Corps of Engineers and the United States Fish and Wildlife Service), obtain all necessary environmental permits, and comply with the relevant conditions during construction and operation of the transmission facilities approved by this Order.

7. If LCRA encounters any archeological artifacts or other cultural resources during construction, work must cease immediately in the vicinity of the artifact or resource, and LCRA must report the discovery to, and act as directed by, the Texas Historical Commission.

8. Before beginning construction, LCRA must undertake appropriate measures to identify whether a potential habitat for endangered or threatened species exists and must respond as required.

9. LCRA must use best management practices to minimize the potential harm to migratory birds and threatened or endangered species that is presented by the approved route.

10. LCRA 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*

11. LCRA 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.

12. LCRA 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 facilities. In addition, LCRA must re-vegetate using native species and must consider landowner preferences and wildlife needs in doing so. Furthermore, to the maximum extent practical, LCRA 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.

13. LCRA 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, LCRA 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 LCRA to restore original contours and grades where a different contour or grade is necessary to ensure the safety or stability of the transmission facilities’ structures or the safe operation and maintenance of the transmission facilities.
14. LCRA must cooperate with directly affected landowners to implement minor deviations in the approved route to minimize the disruptive effect of the transmission facilities. Any minor deviations in the approved route must only directly affect the landowners who were sent notice of the transmission facilities in accordance with 16 TAC § 22.52(a)(3) and have agreed to the minor deviation.

15. Because of the specific circumstances related to the proximity of segment Z3 to habitable structure 144 on the Creek House Ranch LLC’s property, LCRA must engage and cooperate with the Creek House Ranch LLC and surrounding landowners to implement, if possible, an agreed deviation that will place the line farther from habitable structure 144. The deviation, if any, must directly affect only landowners who were sent notice of the application in accordance with 16 TAC § 22.52(a)(3) and have agreed to the deviation. The deviation may be more than a minor deviation but must result in a reasonably direct path toward the terminus of the line and must not cause an unreasonable increase in cost to construct the transmission facilities or unreasonably delay the construction. In the absence of an agreement under the terms of this ordering paragraph, LCRA must construct segment Z3 as proposed.

16. Except as provided in ordering paragraph 15, the Commission does not permit LCRA to deviate from the approved route in any instance in which the deviation would be more than a minor deviation without first further amending its CCN.

17. If possible, and subject to the other provisions of this Order, LCRA must prudently implement appropriate final design for the transmission facilities to avoid being subject to the Federal Aviation Administration’s notification requirements. If required by federal law, LCRA must notify and work with the Federal Aviation Administration to ensure compliance with applicable federal laws and regulations. The Commission does not authorize LCRA 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 LCRA must file an application to amend its CCN as necessary.
18. LCRA must include the transmission facilities approved by this Order on its monthly construction progress reports before the start of construction to reflect the final estimated cost and schedule in accordance with 16 TAC § 25.83(b). In addition, LCRA must provide final construction costs, with any necessary explanation for cost variance, after completion of construction when LCRA identifies all charges.

19. The Commission limits the authority granted by this Order to a period of seven years from the date the Order is signed unless, before that time, the transmission facilities are commercially energized.

20. The Commission denies all other motions and any other requests for general or specific relief that have not been expressly granted.

Signed at Austin, Texas the 2nd day of July 2020.

PUBLIC UTILITY COMMISSION OF TEXAS

DEANN T. WALKER, CHAIRMAN

ARTHUR C. D'ANDREA, COMMISSIONER

SHELLY BOTKIN, COMMISSIONER