Control Number: 55151

Item Number: 306

PUC DOCKET NO. 55151
SOAH DOCKET NO. 473-23-22772

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

ORDER

This Order addresses the June 30, 2023 joint application of AEP Texas Inc., Electric Transmission Texas, LLC (ETT), and South Texas Electric Cooperative, Inc. (collectively, the applicants) to amend their certificates of convenience and necessity (CCNs) to construct a new double-circuit 345-kilovolt (-kV) transmission line in Brooks, Duval, Jim Hogg, and Starr counties. The State Office of Administrative Hearings (SOAH) held a hearing on the merits and issued a proposal for decision recommending that the Commission approve route H-MOD. The Commission adopts the proposal for decision in part and rejects it in part.

The Commission finds that the applicable factors in PURA[1] § 37.056 and Texas Administrative Code (TAC) § 25.101(b)(3)(B) were not properly applied in the proposal for decision.[2] The proposal for decision recommends route H-MOD because it impacts fewer habitable structures and fewer intervenors than route H-Alt-2. However, the Commission determines that route H-Alt-2 best meets the transmission-line routing criteria. The estimated cost of route H-Alt-2 is approximately $15.6 million less than the estimated cost of route H-MOD. The Commission determines that the increased cost of route H-MOD is not justified by its avoidance of additional habitable structures and intervenor properties. Additionally, route H-Alt-2 better addresses the intervenors' concerns related to public safety, habitat fragmentation, and matting

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

[2] Tex. Gov't Code § 2003.049(g)(1)(A); 16 TAC § 22.262(a)(1)(A).

costs by paralleling road and railroad rights-of-way for a greater percentage of its length than route H-MOD. The Commission approves route H-Alt-2 and amends AEP Texas's CCN numbers 30028 and 30170, ETT's CCN numbers 30193 and 30194, and South Texas Electric's CCN number 30146 to the extent provided by this Order.

The Commission modifies findings of fact 70, 81, 90, and 147 and conclusions of law 8, 12, and 13 and adds findings of fact 80A, 87A, 90A, 98A, and 148A to reflect the Commission's decision to adopt route H-Alt-2. The Commission adds new findings of fact 17A and 17B describing the ownership of the new transmission facilities for completeness. The Commission adds a new subheading and new finding of fact 31A describing the estimated-completion schedule for completeness. The Commission modifies findings of fact 46 and 47 and adds new findings of fact 46A through 46D for completeness so that the parties remaining in the case are reflected in the Order. The Commission adds a new subheading and new findings of fact 49A through 49I for completeness. The Commission adds a new subheading and new findings of fact 52A and 52B for completeness to reflect additional procedural history after the proceeding was remanded to the Commission. The Commission modifies conclusion of law 3 for completeness and consistency with the Commission's previous orders.

The Commission also makes non-substantive changes for such matters as capitalization, spelling, grammar, punctuation, style, citations, and readability.

I. Findings of Fact

The Commission adopts the following findings of fact.

Applicants

1. AEP Texas is a Delaware corporation registered with the Texas secretary of state under filing number 802611352.

2. AEP Texas owns and operates for compensation in Texas facilities and equipment to transmit and distribute electricity in the Electric Reliability Council of Texas region (ERCOT region).

3. AEP Texas holds CCN numbers 30028 and 30170 to provide service to the public.

4. ETT is a Delaware limited liability company registered with the Texas secretary of state under filing number 800757205.

5. ETT owns and operates for compensation in Texas facilities and equipment to transmit electricity in the ERCOT region.

6. ETT holds CCN numbers 30193 and 30194 to provide service to the public.

7. South Texas Electric is a Texas nonprofit corporation registered with the Texas secretary of state under filing number 8314701.

8. South Texas Electric is a member-owned cooperative providing service under CCN number 30146.

Application

9. On June 30, 2023, AEP Texas, ETT, and South Texas Electric filed an application with the Commission to amend AEP Texas's CCN number 30028, ETT's CCN numbers 30193 and 30194, and South Texas Electric's CCN number 30146 for a new double-circuit 345-kV transmission line and associated station termination equipment.

10. The applicants retained POWER Engineers, Inc. to prepare an environmental assessment and routing analysis for the transmission facilities, which the applicants attached to the application.

11. In the application, the applicants stated that route B best addressed the requirements of PURA[3] and Commission rules.

12. On August 2 and 4, and September 20, 2023, the applicants filed errata to the application.

13. In State Office of Administrative Hearings (SOAH) Order No. 4 issued on July 31, 2023, the SOAH administrative law judge (ALJ) found the application sufficient.

Description of Proposed Transmission Facilities

14. The applicants propose to construct a new double-circuit 345-kV transmission line in Brooks, Duval, Jim Hogg, and Starr counties. The transmission line will connect the future AEP Texas 345-kV Cruce station to the existing ETT Del Sol station.

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[3] Public Utility Regulatory Act, Tex. Util. Code §§ 11.001-66.016.

15. The proposed transmission line begins at the future AEP Texas Cruce 345-kV station, north of State Highway 285 approximately four miles west of the intersection of State Highway 285 and County Road 109 in Jim Hogg County. The new transmission line will extend south-southwest until it reaches the existing ETT Del Sol 345-kV station, located approximately seven miles northeast of Rio Grande City just east of Farm to Market Road 755 in Starr County.

16. In this Order, the term *transmission facilities* includes the new transmission line and the new termination equipment additions to the Cruce and Del Sol stations.

17. The applicants will each own a portion of the new 345-kV line under their agreement filed with the Commission in Project No. 52682,[4] *Project for Commission Ordered Transmission Facilities*, on January 19, 2022.

17A. The applicants agreed in principle to the following ownership structure. South Texas Electric will own approximately the first 10 miles of the transmission line outside the AEP Texas Cruce 345-kV station. The northern half of the remaining portion of the transmission line beginning at the termination of South Texas Electric's portion will be owned by AEP Texas, and the southern half will be owned by ETT up to the entry point into the ETT Del Sol 345-kV station.

17B. For route H-Alt-2, South Texas Electric will construct and own the northernmost 10.00 miles of the new transmission line beginning at the AEP Cruce 345-kV station and ending at the dead-end structure owned by South Texas Electric located at the intersection of links 100 and 18-MOD approximately 2.29 miles east of the intersection of FM 1017 and CR 101 in Brooks County. AEP will construct and own approximately 29.30 miles between the South Texas Electric–AEP ownership dividing point and the dead-end structure owned by ETT along segment 58, located approximately 0.26 miles north–northeast of the intersection of FM 1017 and CR304 in Jim Hogg County. ETT will construct and own the remaining approximately 29.21 miles from the AEP–ETT ownership dividing point to the ETT Del Sol 345-kV station.

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[4] *Project for Commission Ordered Transmission Facilities,* Project No. 52682, Order (Oct. 14, 2021).

18. The termination equipment at the future Cruce station will belong to AEP Texas. The termination equipment to be added to the existing ETT Del Sol station will belong to ETT.

19. AEP Texas, ETT, and South Texas Electric will own 100% of their respective portion of the transmission facilities and will have no ownership interest in any other applicant's portion. The applicants will not own any part of the transmission facilities as tenants in common, partners, or any other form of joint ownership.

20. AEP Texas and ETT plan to construct their portion of the proposed transmission line on lattice steel towers. South Texas Electric plans to construct its portion of the proposed transmission line using lattice angle iron towers.

21. The typical structures on the AEP Texas and ETT portions of the line will be between 125 and 180 feet tall and will be located in a 150-foot-wide right-of-way.

22. The typical structures on the South Texas Electric portion of the line will be between 120 and 175 feet tall and will also be located in a 150-foot-wide right-of-way.

23. Depending on clearance circumstances, the estimated maximum height of structures is 250 feet for the AEP Texas and ETT portions of the proposed transmission line and 175 feet above grade for the South Texas Electric portion of the proposed transmission line.

24. The applicants plan to use 954-kilocircular-mil 54/7 aluminum-conductor-steel-reinforced conductors, with three conductors per phase, having a continuous summer static current rating of 3,319 amperes and a continuous summer static line capacity of 1,983 megavolt amperes.

25. AEP Texas plans to add new substation equipment necessary to terminate and integrate the two new 345-kV transmission circuits into the future Cruce station, including preparing the footprint of the bay-area for construction of the two new 345-kV circuit terminations, which includes the cable trays, foundations, drainage, wiring and cable as necessary for power, relaying, supervisory control and data acquisition, and other cables necessary for operations, monitoring, and protection; three 345-kV circuit breakers added and associated disconnect switches, new bus infrastructure, and surge arrestors; voltage transformers and

high-voltage station service voltage transformers installed for supervisory control and data acquisition and protection; insulators as required for all equipment and bus work; telecommunication equipment for supervisory control and data acquisition and protection; panels installed in a new control building for the two circuits, protection and control equipment installed, communication and supervisory control and data acquisition interface, and other necessary equipment for operation and maintenance of the new transmission circuits installed in the station; and construction, surveying, engineering cost, and overheads associated with all phases of the two new circuit breakers being added.

26. ETT plans to relocate existing facilities and add new substation equipment as necessary to terminate and integrate the two new 345-kV transmission circuits into the existing Del Sol station, including relocating some existing equipment and preparing property for new construction, laying out the ground mat, cable trays, foundations, drainage, wiring and cable as necessary for power, relaying, supervisory control and data acquisition, and other cables necessary for operations, monitoring, and protection; three 345-kV circuit breakers added and associated disconnect switches, new bus infrastructure, and surge arrestors to cut into the existing station layout; voltage and current transformers installed for supervisory control and data acquisition and protection; insulators as required for all equipment and bus work; telecommunication equipment for supervisory control and data acquisition and protection; additional panels installed in a control building, protection and control equipment installed, communication and supervisory control and data acquisition equipment installed, and other necessary equipment for operation and maintenance of the new equipment installed in the station and construction, surveying, engineering cost, and overheads associated with all phases of the project.

Routes

27. The application included 21 alternative routes based on 93 routing segments.

28. Additional routes were identified in the direct testimonies of Commission Staff and the intervenors or otherwise developed during the proceeding and submitted into evidence, including routes H-Alt-1, H-Alt-2, and H-MOD.

29. The 21 alternative routes identified in the application range in length from approximately 69.51 to 91.92 miles.

30. Route H-Alt-1 is 68.60 miles in length; route H-Alt-2 is 68.51 miles in length; and route H-MOD is 72.30 miles in length.

31. Each of the alternative routes, including routes H-Alt-1, H-Alt-2, and H-MOD, is viable and constructible.

Schedule

31A. The applicants estimated that they would finalize engineering and design by May 2025, acquire all rights-of-way and land by July 2025, procure material and equipment by December 2025, complete construction by October 2026, and energize the transmission facilities approved by this Order by November 2026.

Public Input

32. The applicants held two public meetings to develop information on community values for the transmission facilities. The first was held on December 13, 2022, in Rio Grande City, Texas, and the second was held on December 14, 2022, in Hebbronville, Texas.

33. A public meeting notice was provided to landowners who own property located within 500 feet of the preliminary alternative segment centerlines. There were 1,204 notices mailed to landowners, stakeholders, and other entities for the public meetings.

34. On November 18, 2022, notice regarding the public meetings was provided via email to the Department of Defense Siting Clearinghouse.

35. A total of 100 individuals attended the public meetings according to the sign-in sheets. A total of 51 individuals provided comments, with 11 individuals submitting questionnaire responses and 40 individuals mailing in the postcard with feedback regarding their property.

36. POWER Engineers contacted federal, state, and local regulatory agencies, elected officials, and organizations regarding the proposed transmission facilities. Copies of correspondence with the various state and federal regulatory agencies and local and county officials and departments are included in Appendix A of the environmental assessment.

37. Information from landowners and from local, state, and federal agencies was considered and incorporated into the selection of recommended and alternative routes by the applicants.

38. In response to comments and input from landowners, several segments were modified to provide a more forward progressing path, avoid oil and gas infrastructure, minimize the crossing of conservation easements, improve paralleling existing compatible rights-of-way, and minimize land-use impacts, and ensure electric reliability among the three other new electric transmission-line projects routing to the Cruce station.

Notice of the Application

39. On June 30, 2023, the applicants sent written notice of the application by first-class mail to:

    a. each landowner, as stated on the current county tax rolls in Brooks, Duval, Jim Hogg, and Starr counties, who could be directly affected by the transmission facilities on any of the alternative routes;

    b. each neighboring utility providing similar service within five miles of the alternative routes;

    c. county officials in Brooks, Duval, Jim Hogg, and Starr counties; and

    d. the Office of Public Utility Counsel.

40. There were no municipalities located within five miles of the alternative routes to which notice needed to be provided.

41. On June 30, 2023, the applicants sent written notice of the application by email to the Department of Defense Siting Clearinghouse.

42. On June 30, 2023, the applicants sent a copy of the application, including a copy of the environmental assessment, by first-class mail to the Texas Parks and Wildlife Department.

43. On July 5 and 6, 2023, the applicants caused notice of the application to be published in newspapers having general circulation in Brooks, Duval, Jim Hogg, and Starr counties. On July 12, 2023, the applicants caused notice of the application to be republished in the

newspaper having general circulation in Starr County due to a publishing error in the initial publication.

44. On July 20, 2023, the applicants filed the affidavit of Kensley L. Greuter, a regulatory case manager for AEP Texas, attesting to the provision of notice of the application by mail, email, and publication. Attached to Ms. Greuter's affidavit were publishers' affidavits from the newspapers in which notice was published. On July 27, August 17, and September 5, 2023, the applicants filed supplemental affidavits of notice.

45. In SOAH Order No. 4 filed on July 31, 2023, the SOAH ALJ found the applicants' notice sufficient.

Intervenors

46. In SOAH Order No. 2 filed on July 12, 2023, the SOAH ALJ granted the motions to intervene filed by East Foundation; W2M Limited Partnership, LLC; Cascabel Ranch, L.L.C.; Elizita Ranch, LLC; Rancho S.R. Ltd.; William Osborn, III; Jones Borregos, Ltd.; Jones Carr, Ltd.; and the Thompson Family Partnership, Ltd.

46A. In SOAH Order No. 3 filed on July 28, 2023, the SOAH ALJ memorialized the prehearing conference held on July 21, 2023 in which the following motions to intervene were granted: Alta Vista, Ltd.; Miguel and Dora Perez; Hinnant and Fulbright, Ltd.; La Brisa Ranch Partnership; Sheerin Real Properties, Ltd.; Tom Land and Cattle Company, Ltd.; Corona Ranch Legacy Trust, Ltd.; Southeast Las Islas, Ltd.; San Felipe Ranch, LP; Collins Family Land, Ltd.; North Las Islas, Ltd.; Las Nubes Ranch, Ltd.; O Que Vista Ranch, Ltd.; Rocking 5P Ranch, L.L.C.; and Alli Si Ranch, L.L.C.

46B. In SOAH Order No. 4 filed on July 31, 2023, the SOAH ALJ granted the motions to intervene filed by Eshleman Ranches and Vogt Associates, Ltd. (Eshleman-Vogt Ranch); Wyatt Ranches of Texas, LLC; Michael L. Vickers; Las Vivoritas, Ltd.; Alto Colorado Ranches Ltd; and Thomas Edward Martin.

46C. In SOAH Order No. 5 filed on August 17, 2023, the SOAH ALJ granted the motions to intervene filed by El Cazador Ranch, LLC, Tecomate Ranch, LLC, and El Cazador/Tecomate Ranch, LLC; Herbert D. Gallagher for the Estate of

Bernardo I. Gallagher, Deceased; Carlos Yzaguirre; Matias Villarreal; Sterling Morris/La Sierrita LLC; Viuda de Yzaguirre Ranch LLC; Rancho Jesus Maria, LLC; Benjamin Alexander; C&N Ranches, LLC; James E. Myers; San Pablito Ranch Partners, L.P.; Stone Brothers L.P.; Feliciano S. Garate and Maria Celia Garate; Edgar Garate; Omar Longoria; Martin Salinas; David Becerra Jr.; Rancho Randado, LLC; Ana Lisa Garza and Centinela Properties, L.P.; Hector Solis; Gladys Marie Doyno, Frank George Doyno, Jr., Ian David Llewellyn, and Paul Michael Doyno, Jr.; Jaime Alaniz; Rogerio Estrada Jr.; Alfred C. Glassell, III; Russell Hamman; Pedro Diaz; Sergio Saenz; Michael Pavon; Jose Longoria; and Edna Guerra.

46D. In SOAH Order No. 6 filed on August 28, 2023, the SOAH ALJ granted the late motion to intervene filed by D.S. and V.V. Holdings, L.L.C.

47. In SOAH Order No. 6 filed on August 28, 2023, the SOAH ALJ dismissed the following intervenors for failure to file direct testimony or a statement of position: William Osborn, III; Miguel and Dora Perez; Carlos Yzaguirre; Matias Villarreal; Omar Longoria; David Becerra, Jr.; Gladys Marie Doyno, Frank George Doyno, Jr., Ian David Llewellyn, and Paul Michael Doyno, Jr.; Jaime Alaniz; Rogerio Estrada, Jr.; Russell Hamman; Pedro Diaz; Sergio Saenz; Jose Longoria; and Edna Guerra.

Route Adequacy

48. No party contested whether the application provided an adequate number of reasonably differentiated routes to conduct a proper evaluation.

49. Given the distance between the transmission-line endpoints and the nature of the area in which the alternative routes are located, the application provided an adequate number of reasonably differentiated routes to conduct a proper evaluation.

Statements of Position and Testimony

49A. On June 30, 2023, AEP Texas, ETT, and South Texas Electric filed the direct testimonies of Brent W. Harris, project manager principal in the transmission services department of American Electric Power Service Corporation (AEPSC) for the ERCOT region;

Wayman L. Smith, director for west transmission planning for AEPSC; Rebecca M. Overduyn, transmission-line engineering manager in the transmission-line engineering department of AEPSC for the ERCOT region; Paul G. Person, manager of engineering for South Texas Electric; Nathaniel R. Schrein, technical manager in the transmission and distribution department for Burns and McDonnell Engineering Company, Inc.; Gary L. McClanahan, Jr., department manager and project manager in the environmental division for POWER Engineers.

49B. The following intervenors filed testimony or a statement of position on or before August 16, 2023: Martin Salinas; Hector Solis; W2M Limited Partnership, LLC; Alfred C. Glassell, III: Rancho Randado, LLC; El Cazador Ranch, LLC; Tecomate Ranch, LLC; El Cazador/Tecomate Ranch, LLC; East Foundation; Cascabel Ranch, L.L.C.; Elizita Ranch, LLC; Las Nubes Ranch, Ltd.; Sheerin Real Properties, Ltd.; La Brisa Ranch Partnership; Michael L. Vickers; Tom Land and Cattle Company, Ltd.; Corona Ranch Legacy Trust, Ltd.; Rocking 5P Ranch L.L.C.; Alli Si Ranch L.L.C.; O Que Vista Ranch, Ltd.; Hinnant and Fulbright, Ltd.; Rancho S.R. Ltd.; Viuda de Yzaguirre Ranch, LLC; Rancho Jesus Maria, LLC; and C&N Ranches, LLC; Wyatt Ranches of Texas, LLC; San Pablito Ranch Partners, L.P.; Alta Vista, Ltd.; Eshleman-Vogt Ranch; Jones Borregos, Ltd.; Jones Carr, Ltd.; the Thompson Family Partnership, Ltd.; James E. Myers; Stone Brothers, L.P.; Collins Family Land, Ltd.; Las Vivoritas, Ltd.; Thomas Edward Martin; San Felipe Ranch, LP; Southeast Las Islas Ranch, Ltd.; North Las Islas, Ltd.; Alto Colorado Ranches, Ltd.; Ana Lisa Garza and Centinela Properties, L.P.; Herbert D. Gallagher for the Estate of Bernardo I. Gallagher, Deceased; Benjamin Alexander; and D.S. and V.V. Holdings, L.L.C.

49C. On August 18, 2023, Michael Pavon, Feliciano S. Garate, Maria Celia Garate, and Edgar Garate filed statements of position.

49D. On August 21, 2023, Jones Borregos, Ltd. filed errata to direct testimony.

49E. On August 28, 2023, Commission Staff filed the testimony of Sherryhan Ghanem, engineering specialist in the engineering section of the infrastructure division.

49F. On August 28, 2023, the following parties filed cross-rebuttal testimony: Rancho S.R. Ltd.; Viuda de Yzaguirre Ranch, LLC; Rancho Jesus Maria, LLC; C&N Ranches, LLC; East Foundation; Eshleman-Vogt Ranch; Cascabel Ranch, L.L.C.; and Elizita Ranch, LLC.

49G. On September 11, 2023, AEP Texas and ETT filed the rebuttal testimony of Brent W. Harris;

49H. On September 13, 2023, the following parties filed errata to rebuttal testimony: Rancho S.R. Ltd.; Viuda de Yzaguirre Ranch, LLC; Rancho Jesus Maria, LLC; and C&N Ranches, LLC.

49I. On September 13, 2023, Rancho S.R. Ltd.; Viuda de Yzaguirre Ranch, LLC; Rancho Jesus Maria, LLC; and C&N Ranches, LLC filed errata to direct testimony.

Referral to SOAH for Hearing

50. On July 6, 2023, the Commission referred this docket to SOAH and filed a preliminary order identifying the issues to be addressed in this proceeding.

51. The hearing on the merits convened on September 26, 2023, by videoconference and concluded the same day. The following parties made appearances, either personally or through their representatives: W2M Limited Partnership, LLC; Alfred C. Glassell, III; El Cazador Ranch, LLC; Tecomate Ranch, LLC; El Cazador/Tecomate Ranch, LLC; Tom T. East, Sr. and Alice K. East, and Alice H. East, and Robert C. East Wildlife Foundation; Cascabel Ranch, LLC; Elizita Ranch, LLC; Southeast Jim Hogg Alliance (comprised of Rancho, S.R., Ltd.; Viuda de Yzaguirre Ranch, LLC; Rancho Jesus Maria, LLC; and C&N Ranches, LLC); Michael L. Vickers; Tom Land & Cattle Company, Ltd.; Corona Ranch Legacy Trust Ltd.; Rocking 5P Ranch LLC; Alli Si Ranch LLC; O Que Vista Ranch Ltd.; Hinnant & Fulbright, Ltd.; Sherrin Real Properties, Ltd.; La Brisa Ranch Partnership; Las Nubes Ranch, Ltd.; Alta Vista, Ltd.; Eshleman-Vogt Ranch; Jones Borregos, Ltd.; Jones Carr, Ltd.; Thompson Family Partnership, Ltd.; James E. Myers; Stone Brothers, L.P.; Collins Family Land, Ltd.; Las Vivoritas, Ltd.; San Felipe Ranch, Ltd.; San Pablito Ranch Partners, L.P.; Thomas Edward Martin; Southeast Las Islas Ranch, Ltd.; North Las Islas, Ltd.; Wyatt Ranches of Texas, LLC; Rancho Randado, LLC; Ana Lisa Garza and Centinela

Properties, LP; D.S. & V.V. Holdings, L.L.C.; Sterling Morris/La Sierrita Ranch, LLC; and Feliciano S. Garate, Maria Celia Garate, and Edgar Garate.

52. Post-hearing initial briefs and reply briefs were filed on October 4 and 11, 2023, respectively, and the record closed on October 11, 2023.

Return from SOAH

52A. On December 18, 2023, the applicants filed supplemental information regarding the new termination equipment additions to the Cruce and Del Sol stations and the ownership dividing points between the applicants.

52B. In Order No. 3 filed on January 8, 2024, the Commission ALJ admitted the supplemental information filed by the applicants on December 18, 2023 into the evidentiary record.

Adequacy of Existing Service and Need for Additional Service

53. The Lower Rio Grande Valley area is primarily connected to the Electric Reliability Council of Texas, Inc. (ERCOT) transmission grid through three long-distance 345-kV circuits. Like other areas close to the Gulf of Mexico, the area is susceptible to high-impact weather conditions such as tropical storms, hurricanes, droughts, and the intermittence of renewable generation. Due to limited local conventional generation and transmission infrastructure, such extreme weather conditions or extended outages of transmission or generation could significantly reduce the load serving capability and reliability in the Lower Rio Grande Valley area under existing system conditions.

54. ERCOT's independent review evaluated two short-listed options to improve system resiliency and provide long-term transmission capability for future load and generation development in the area. ERCOT based its review on a potential transmission maintenance outage scenario and estimations of load growth up to the year 2040.

55. ERCOT recommended the construction of three new substations, the installation of two new transformers at an existing substation, and the construction of six new double-circuit 345-kV lines. ERCOT's recommendation included the proposed Cruce-to-Del Sol transmission line at issue in this proceeding.

56. The applicants' proposed transmission facilities represent ERCOT's recommended solution to reliability issues in the Lower Rio Grande Valley area.

57. No party challenged the need for the transmission line, and Commission Staff recommended that the proposed transmission facilities are necessary and the best way to address reliability issues in the Lower Rio Grande Valley area.

Routing of the Transmission Facilities

58. The POWER Engineers team included professionals with expertise in different environmental and land-use disciplines who were involved in data acquisition, routing analysis, and environmental assessment for the transmission facilities.

59. To identify alternative routes for the transmission facilities, POWER Engineers delineated a study area; sought public, public-official, and agency input; gathered data regarding the study area; performed constraints mapping; identified preliminary alternative route segments; and reviewed and adjusted the preliminary alternative route segments following field reconnaissance and review of public, public-official, and agency input, finalizing them into route segments.

60. Using the alternative route segments, POWER Engineers and the applicants identified 21 reasonable, feasible alternative routes.

61. The applicants evaluated the recommendation of POWER Engineers as well as other routing criteria, including cost, and identified route B as the route that best addresses PURA and the Commission's rules.

62. Over the course of the proceeding, additional routes were developed to address landowners' concerns, including routes H-Alt-1, H-Alt-2, and H-MOD.

63. Route B consists of the following combination of route segments: 1, 14, 17, 21, 27, 32, 48, 59, 67, 71, 77, 78, 83, 90, 91, 97, and 99.

64. Route H-Alt-1 consists of the following combination of route segments: 1, 2, 13, 12, 16, 18, 20, 25, 31, 46, 58, 66, 69, 76, 77, 78, 83, 90, 91, 97, and 99.

65. Route H-Alt-2 consists of the following combination of route segments: 1, 2, 13, 100, 18-Mod, 20, 25, 31, 46, 58, 66, 69, 76, 77, 78, 83, 90, 91, 97, and 99.

66. Route H-MOD consists of the following combination of route segments: 1, 2, 13, 100, 18-Mod, 20, 25, 31, 46-Mod, 58, 66, 69, 76, 77, 78, 82, 88, 90, 92, 96, 97, and 99.

67. Route H-Alt-1 required no new or additional landowner notice because it only included route segments that were identified in the application.

68. Route H-Alt-2 required no new or additional landowner notice because the only new or modified route segments (segments 100 and 18-Mod) it included were proposed by and consented to by the only landowner directly affected by the modification, Eshleman-Vogt Ranch.

69. Route H-MOD required no new or additional landowner notice because the only new or modified route segments (segments 100, 18-Mod, and 46-Mod) it included were proposed by and consented to by the only landowners directly affected by the modifications, Eshleman-Vogt Ranch for segments 100 and 18-Mod and Sterling Morris/La Sierrita Ranch, LLC for segment 46-Mod.

70. Route H-Alt-2 presents an appropriate balance of the routing factors, and there were no negative attributes that could not be addressed with mitigation and the application of best-practice engineering design and construction methods.

Effect of Granting Certificate on the Applicants and Other Utilities and Probable Improvement of Service or Lowering of Cost

71. The applicants are the only electric utilities involved in the construction of the transmission facilities.

72. The transmission line will not be directly connected to any other electric utility.

73. It is unlikely that the construction of the transmission facilities along any proposed alternative route will adversely affect service by other utilities in the area.

74. It is likely that the construction of the proposed transmission facilities will enhance the reliability of the ERCOT system.

Routing Criteria-Estimated Costs

75. The estimated construction costs of the 21 routes identified in the application range from $247.0 million (route B) to $328.6 million (route E), excluding station costs.

76. The estimated cost for route B is $247.0 million, excluding station costs.

77. The estimated cost for route H-Alt-1 is $255.0 million, excluding station costs.

78. The estimated cost for route H-Alt-2 is $254.6 million, excluding station costs.

79. The estimated cost for route H-MOD is $270.2 million, excluding station costs.

80. The estimated cost of substation work for any route is approximately $2.0 million for termination equipment at the AEP 345-kV Cruce station and $9.2 million for the termination equipment, expansion, and relocation of existing facilities at the ETT Del Sol 345-kV station.

80A. The increased cost of route H-MOD is not justified by its avoidance of additional habitable structures and intervenor properties.

81. The estimated cost of route H-Alt-2 is reasonable considering the range of cost estimates for the routes.

Prudent Avoidance

82. Prudent avoidance, as defined in 16 Texas Administrative Code (TAC) § 25.101(a)(6), is the "limiting of exposures to electric and magnetic fields that can be avoided with reasonable investments of money and effort."

83. The number of habitable structures within 500 feet of the centerlines of the 21 filed routes ranges from 4 to 25.

84. Route B has 18 habitable structures within 500 feet of its centerline.

85. Routes H-Alt-1 and H-Alt-2 each have 24 habitable structures within 500 feet of their centerlines.

86. Route H-MOD has 15 habitable structures within 500 feet of its centerline.

87. The construction of the transmission facilities along Route H-MOD complies with the Commission's policy of prudent avoidance.

87A. The construction of the transmission facilities along Route H-Alt-2 complies with the Commission's policy of prudent avoidance.

Community Values

88. The principal concerns expressed in the questionnaire responses from the public meetings included maintaining distance from residences, businesses, and schools; maximizing length along highways or other roads and length along existing transmission lines; and minimizing length across cropland, length through grassland or pasture, visibility of the lines, loss of trees, and impacts to archaeological and historic sites.

89. Intervenors identified similar community values in this proceeding, including routing the transmission line along existing public roads; supporting community safety by minimizing the creation of new corridors that could be exploited for illegal activities; avoiding damage and fragmentation of land in the sensitive South Texas Sand Sheet; and maximizing the distance between the transmission line and habitable structures.

90. Route H-Alt-2 best addresses the expressed community values.

90A. Route H-Alt-2 better addresses the intervenors' concerns related to public safety, habitat fragmentation, and matting costs by paralleling road and railroad rights-of-way for a greater percentage of its length than route H-MOD.

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

91. When developing routes, POWER Engineers evaluated the use of existing compatible rights-of-way and paralleling of existing compatible rights-of-way and apparent property boundaries.

92. The filed routes and the additional routes parallel existing transmission-line rights-of-way, other existing compatible rights-of-way, or apparent property boundaries for approximately 81% to 94% of their lengths depending on the route selected.

93. Paralleling existing roadways and highways has the benefit of addressing public safety concerns in the proposed transmission-line area by not clearing and creating new corridors that may invite pathways for foot traffic.

94. Route B is 69.88 miles long, parallels existing rights-of-way (highways, roadways, railways, etc.) for 16.82 miles, and parallels all existing compatible rights-of-way and apparent property boundaries for 57.61 miles. Route B parallels existing compatible rights-of-way for approximately 82% of its length.

95. Route H-Alt-1 is 68.60 miles long, parallels existing rights-of-way (highways, roadways, railways, etc.) for 45.48 miles, and parallels all existing compatible rights-of-way and apparent property boundaries for 14.36 miles. Route H-Alt-1 parallels existing compatible rights-of-way for approximately 88% of its length.

96. Route H-Alt-2 is 68.51 miles long, parallels existing rights-of-way (highways, roadways, railways, etc.) for 49.20 miles, and parallels all existing compatible rights-of-way and apparent property boundaries for 57.19 miles. Route H-Alt-2 parallels existing compatible rights-of-way for approximately 83% of its length.

97. Route H-MOD is 72.30 miles long, parallels existing rights-of-way (highways, roadways, railways, etc.) for 42.03 miles, and parallels all existing compatible rights-of-way and apparent property boundaries for 61.90 miles. Route H-MOD parallels existing compatible rights-of-way for approximately 86% of its length.

98. Route H-MOD uses or parallels existing compatible rights-of-way or apparent property boundaries to a reasonable extent.

98A. Route H-Alt-2 uses or parallels existing compatible rights-of-way or apparent property boundaries to a reasonable extent.

Engineering Constraints

99. POWER Engineers evaluated engineering and construction constraints when developing routes and route segments.

100. POWER Engineers did not identify any engineering constraints that would prevent the construction of transmission facilities along any of the proposed routes or additional routes.

Land Uses and Land Types

101. The area traversed by the alternative routes (the study area) for the proposed transmission facilities is predominantly rural with pastureland and rangeland throughout the study area.

102. The study area is located within the Coastal Prairies and Interior Coastal Plains Subprovince of the Gulf Coastal Plains Physiographic Province. Elevations within the study area range between 210 and 780 feet above mean sea level.

103. All the segments proposed by the applicants and the additional routes proposed in this proceeding can be safely and reliably constructed and operated without significant adverse effects on uses of property.

Radio Towers and Other Electronic Installations

104. No commercial AM radio transmitters were identified within 10,000 feet of the proposed routes.

105. The number of FM radio transmitters and other electronic communication facilities located within 2,000 feet of the alternative routes range from one each for routes D and M, to ten each for routes H, H-Alt-1, and H-Alt-2.

106. There are five FM radio transmitters and other electronic communication facilities located within 2,000 feet of route H-MOD.

107. The proposed transmission facilities will not have a significant effect on electronic communication facilities or operations in the study area.

Airstrips and Airports

108. There are no airports registered with the Federal Aviation Administration (FAA) and equipped with runways shorter than or exactly 3,200 feet within 10,000 feet of the centerline of any of the proposed routes or additional routes.

109. There are no airports registered with the FAA and equipped with at least one runway longer than 3,200 feet within 20,000 feet of the centerline of any of the proposed routes or additional routes.

110. The number of private airstrips within 10,000 feet of a route centerline ranges from zero to four including two along route B and three along each of routes H-Alt-1, H-Alt-2, and H-MOD.

111. There are no heliports within 5,000 feet of the centerline of any of the proposed routes or additional routes.

112. It is unlikely that the transmission facilities will adversely affect any airports, airstrips, or heliports.

Irrigation Systems

113. None of the proposed routes or additional routes cross agricultural lands with known mobile irrigation systems.

114. It is unlikely that the transmission facilities will adversely affect any agricultural lands with known mobile irrigation systems.

Pipelines

115. The proposed routes and additional routes cross pipelines ranging from five to 13 times, but none of them parallel pipelines.

116. It is unlikely that the transmission facilities will adversely affect any crossed or paralleled metallic pipelines that transport hydrocarbons.

Recreational and Park Areas

117. None of the proposed routes or additional routes cross any recreational or park areas.

118. No parks or recreational areas are located within 1,000 feet of the centerline of any of the proposed routes or additional routes except for routes C, J, O, and R.

119. It is unlikely that the transmission facilities will adversely affect the use or enjoyment of any park or recreational areas.

Historical and Cultural Values

120. None of the proposed routes or additional routes cross recorded cultural resources, nor do any of the routes cross properties listed on the National Register of Historic Places or determined eligible to be on the National Register of Historic Places.

121. There are no recorded cultural resource sites nor any properties listed on the National Register of Historic Places or determined eligible to be on the National Register of Historic Places within 1,000 feet of the centerline of routes B, H-Alt-1, H-Alt-2, or H-MOD.

122. Routes B, H-Alt-1, H-Alt-2, and H-MOD have, respectively, 37.51, 36.63, 35.41, and 36.89 miles of length across areas of high archeological-site potential.

123. Route B has 4 cemeteries within 1,000 feet of the route centerline, routes H-Alt-1 and H-Alt-2 each have 5 cemeteries within 1,000 feet of the route centerline, and route H-MOD has 3 cemeteries within 1,000 feet of the route centerline.

124. It is unlikely that the transmission facilities will adversely affect historical or archeological resources.

Aesthetic Values

125. The proposed routes and additional routes are within the foreground visual zone of United States or state highways for lengths ranging from 0.60 miles to 7.84 miles.

126. The proposed routes and additional routes are located within the foreground visual zone of farm-to-market roads for lengths ranging from 3.53 to 57.84 miles.

127. The proposed routes and additional routes are located within the foreground visual zone of recreational or park areas for lengths ranging from zero to 1.61 miles.

128. Routes B, H-Alt-1, H-Alt-2, and H-MOD are not within the foreground visual zone of parks or recreational areas.

129. Overall, the character of the rural landscape within the study area includes relatively flat croplands scattered throughout. The residential and commercial developments and industrial facilities within the study area have already altered the aesthetic quality within the region from public viewpoints. The construction of any of the alternative routes is not anticipated to significantly alter the aesthetic quality of the general landscape.

130. Aesthetic values would be altered to a minor extent throughout the study area, and these temporary or permanent negative aesthetic effects may occur on any proposed alternative route.

Environmental Integrity

131. The environmental assessment and routing analysis analyzed the possible effects of the transmission facilities on numerous environmental factors.

132. POWER Engineers evaluated the effects of the transmission facilities on the environment, including endangered and threatened species.

133. POWER Engineers evaluated potential consequences for physiography and geology, soil and water resources, the ecosystem (including endangered and threatened vegetation and fish and wildlife), and land use within the study area.

134. Construction of the proposed transmission facilities is not anticipated to have any significant adverse effects on the physiographic or geologic features and resources of the area.

135. The applicants represent that they will develop a stormwater pollution prevention plan before construction to minimize potential impacts associated with soil erosion, compaction, and off right-of-way sedimentation. Potential impacts to soils, primarily erosion and compaction, would be minimized with the development and implementation of a stormwater pollution prevention plan and matting in sensitive areas.

136. It is unlikely that there will be significant effects on wetland resources, ecological resources, endangered and threatened species, or land use as a result of constructing the transmission facilities approved by this Order.

137. None of the initially proposed routes or additional routes cross the known habitat of a federally listed threatened or endangered species of plant or animal.

138. It is unlikely that there will be any significant adverse consequences for populations of any federally listed endangered or threatened species.

139. The applicants represent that they 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.

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

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

142. It is appropriate for the applicants to avoid, to the maximum extent reasonably possible, causing adverse environmental effects on sensitive plant and animal species and their

habitats as identified by Texas Parks and Wildlife Department and the United States Fish and Wildlife Service.

143. It is appropriate for the applicants 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 the applicants to restore original contours and grades where different contours and grades are necessary to ensure the safety or stability of any transmission line's structures or the safe operation and maintenance of any transmission line.

144. It is appropriate for the applicants to exercise extreme care to avoid affecting non-targeted vegetation or animal life when using chemical herbicides to control vegetation within rights-of-way. The use of chemical herbicides to control vegetation within rights-of-way is required to comply with the rules and guidelines established in the Federal Insecticide, Fungicide, and Rodenticide Act and with Texas Department of Agriculture regulations.

145. It is appropriate for the applicants to protect raptors and migratory birds by following the procedures outlined in the following publications: *Reducing Avian Collisions with Power Lines: State of the Art in 2012*, Edison Electric Institute and Avian Power Line Interaction Committee, Washington, D.C. 2012; *Suggested Practices for Avian Protection on Power Lines: The State of the Art in 2006*, Edison Electric Institute, Avian Power Line Interaction Committee, and California Energy Commission, Washington, D.C. and Sacramento, CA 2006; and *Avian Protection Plan Guidelines*, Avian Power Line Interaction Committee and United States Fish and Wildlife Service, April 2005.

146. It is appropriate for the applicants to take precautions to avoid disturbing occupied nests and take steps to minimize the burden of construction on migratory birds during the nesting season of the migratory bird species identified in the area of construction.

147. It is appropriate for the applicants to use best management practices to minimize any potential harm that route H-Alt-2 presents to migratory birds and threatened or endangered species.

148. It is unlikely that the transmission facilities along Route H-MOD will adversely affect the environmental integrity of the surrounding landscape.

148A. It is unlikely that the transmission facilities along Route H-Alt-2 will adversely affect the environmental integrity of the surrounding landscape.

Texas Parks and Wildlife Department's Written Comments and Recommendations

149. On August 16, 2023, the Texas Parks and Wildlife Department filed a letter making various comments and recommendations regarding the transmission facilities.

150. Texas Parks and Wildlife Department did not intervene to become a party to this proceeding.

151. Texas Parks and Wildlife Department's comment letter addressed issues relating to effects on ecology and the environment but did not consider the other factors the Commission and utilities must consider in CCN applications.

152. Texas Parks and Wildlife Department identified route H as the route that best minimizes adverse impacts to fish and wildlife resources.

153. Before beginning construction, it is appropriate for the applicants to undertake appropriate measures to identify whether a potential habitat for endangered or threatened species exists and to respond as required.

154. The applicants represent that they will comply with all environmental laws and regulations, including those governing threatened and endangered species.

155. The applicants represent that they will comply with all applicable regulatory requirements in constructing the transmission facilities, including any applicable requirements under section 404 of the Clean Water Act.

156. 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 (TCEQ), the applicants represent that they will cooperate with the United States Fish and Wildlife Service, United States Army Corps of Engineers, and TCEQ as appropriate to coordinate permitting and to perform any required mitigation.

157. POWER Engineers relied on habitat descriptions from various sources, including the Texas Natural Diversity Database, other sources provided by Texas Parks and Wildlife

Department, and observations from field reconnaissance to determine whether habitats for some species are present in the area surrounding the transmission facilities.

158. The applicants represent that they will cooperate with the United States Fish and Wildlife Service and Texas Parks and Wildlife Department to the extent that field surveys identify threatened or endangered species' habitats.

159. The standard mitigation requirements included in the ordering paragraphs of this Order, coupled with the applicants' current practices, are reasonable measures for a transmission service provider to undertake when constructing a transmission line and sufficiently address Texas Parks and Wildlife Department's comments and recommendations.

160. This Order addresses only those recommendations by Texas Parks and Wildlife Department for which there is record evidence.

161. The recommendations and comments made by Texas Parks and Wildlife Department do not necessitate any modifications to the proposed transmission facilities.

Permits

162. It is appropriate that before beginning construction of the proposed transmission line approved by this Order, the applicants will:

a. 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.

b. obtain a miscellaneous easement from the General Land Office if the transmission line crosses any state-owned riverbed or navigable stream.

c. obtain any necessary permits or clearances from federal, state, or local authorities.

d. obtain a general permit to discharge under the Texas pollutant discharge elimination system for stormwater discharges because of construction activities as required by the TCEQ. In addition, because more than five acres will be disturbed during construction of the transmission facilities, it appropriate for the applicants, before commencing construction, to prepare the necessary stormwater pollution

prevention plan, to submit a notice of intent to the TCEQ, and to comply with all other applicable requirements of the general permit.

e. conduct a field assessment 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, the applicants must identify all necessary permits from Brooks, Duval, Jim Hogg, and Starr counties and federal and state agencies. The applicants must comply with the relevant permit conditions during construction and operation of the transmission facilities along the approved route.

163. After designing and engineering the alignments, structure locations, and structure heights, the applicants will determine the need to notify the FAA based on the final structure locations and designs. If necessary, the applicants will use lower-than-typical structure heights, line marking, or line lighting on certain structures to avoid or accommodate requirements of the FAA.

Coastal Management Program

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

Limitation of Authority

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

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

Other Issues

167. There is no expectation that any generator will be precluded or limited from generating or delivering power during the construction process.

168. The parties have not reached a complete or partial agreement on a route that relies on modifications to the route segments as noticed in the applicants' application.

II. Conclusions of Law

The Commission adopts the following conclusions of law.

1. AEP Texas and ETT are each a public utility as defined in PURA § 11.004 and an electric utility as defined in PURA § 31.002(6).

2. South Texas Electric is an electric cooperative as defined in PURA § 11.003(9) and an electric utility for purposes of this application as defined in PURA § 37.001(2).

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

4. The applicants are required to obtain the Commission's approval to construct the proposed transmission facilities and provide service to the public using those facilities in accordance with PURA §§ 37.051 and 37.053.

5. SOAH exercised jurisdiction over the proceeding under PURA § 14.053 and Texas Government Code §§ 2003.021 and 2003.049.

6. The application is sufficient under 16 TAC § 22.75(d).

7. Notice of the application was provided in accordance with PURA § 37.054 and 16 TAC § 22.52(a).

8. Additional notice of the approved route is not required under 16 TAC § 22.52(a)(2) or (3) because route H-Alt-2 consists entirely of properly noticed segments contained in the original CCN application or modified segments that directly affect only the property of intervenors who received notice of the application and requested and supported the route modification.

9. The applicants held public meetings and provided notice of the public meetings in compliance with 16 TAC § 22.52(a)(4).

10. The hearing on the merits was set, and notice of the hearing was provided, in compliance with PURA § 37.054 and Texas Government Code §§ 2001.051 and 2001.052.

11. The Commission processed this docket in accordance with the requirements of PURA, the Administrative Procedure Act[5], and the Commission's rules.

12. The transmission facilities using route H-Alt-2 are necessary for the service, accommodation, convenience, or safety of the public within the meaning of PURA § 37.056 and 16 TAC § 25.101.

13. Route H-Alt-2 complies with PURA § 37.056(c)(4) and 16 TAC § 25.101(b)(3)(B), including the Commission's policy of prudent avoidance, to the extent reasonable to moderate the impact of the affected community and landowners.

14. The Texas coastal management program does not apply to any of the transmission facilities approved in this Order, and the requirements of 16 TAC § 25.102 do not apply to the application.

15. The application in this proceeding for transmission facilities deemed critical to reliability was processed in accordance with 16 TAC § 25.101(b)(3)(D).

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 AEP Texas's CCN number 30028, ETT's CCN numbers 30193 and 30194, and South Texas Electric's CCN number 30146 to include the construction and operation of their respective transmission facilities, including a 345-kV double-circuit transmission line and associated station termination equipment along route H-Alt-2 (route segments: 1, 2, 13, 100, 18-Mod, 20, 25, 31, 46, 58, 66, 69, 76, 77, 78, 83, 90, 91, 97, and 99). South Texas Electric will own the northernmost 10.00 miles of the new transmission line beginning at the AEP Texas Cruce 345-kV station and ending at the dead-end structure owned by South Texas Electric located at the intersection of segments 100

[5] Tex. Gov't Code §§ 2001.001–.903.

and 18-MOD approximately 2.29 miles east of the intersection of FM 1017 and CR 101 in Brooks County. AEP Texas will own the AEP Texas Cruce 345-kV station and approximately 29.30 miles of the new transmission line between the South Texas Electric–AEP Texas ownership dividing point and the dead-end structure owned by ETT along segment 58, located approximately 0.26 miles north–northeast of the intersection of FM 1017 and CR304 in Jim Hogg County. ETT will own the ETT Del Sol 345-kV station and the remaining approximately 29.21 miles of the new transmission line from the AEP Texas–ETT ownership dividing point to the ETT Del Sol 345-kV station.

3. The applicants must consult with pipeline owners or operators in the vicinity of their respective segments of the approved route regarding the pipeline owners' or operators' assessment of the need to install measures to mitigate the effects of alternating current interference on existing pipelines that are paralleled by the electric transmission facilities approved by this Order.

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

5. The applicants must comply with all applicable local, state, and federal laws, regulations, and permits.

6. The applicants 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 the applicants fail to obtain any such permit, license, plan, or permission, they must notify the Commission immediately.

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

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

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

10. The applicants 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.

11. The applicants must follow the procedures to protect raptors and migratory birds as outlined in the following publications: *Reducing Avian Collisions with Power Lines: State of the Art in 2012*, Edison Electric Institute and Avian Power Line Interaction Committee, Washington, D.C. 2012; *Suggested Practices for Avian Protection on Power Lines: The State of the Art in 2006*, Edison Electric Institute, Avian Power Line Interaction Committee, and the California Energy Commission, Washington, D.C. and Sacramento, CA 2006; and *Avian Protection Plan Guidelines, Avian Power Line Interaction Committee and United States Fish and Wildlife Service*, April 2005.

12. The applicants must take precautions to avoid disturbing occupied nests and take steps to minimize the burden of construction on migratory birds during the nesting season of the migratory bird species identified in the area of construction.

13. The applicants must exercise extreme care to avoid affecting non-targeted vegetation or animal life when using chemical herbicides to control vegetation within the right-of-way. Herbicide use must comply with rules and guidelines established in the Federal Insecticide, Fungicide, and Rodenticide Act and with the Texas Department of Agriculture's regulations.

14. The applicants 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, the applicants must re-

vegetate using native species and must consider landowner preferences and wildlife needs in doing so. Furthermore, to the maximum extent practicable, the applicants must avoid adverse environmental effects on sensitive plant and animal species and their habitats as identified by Texas Parks and Wildlife Department and United States Fish and Wildlife Service.

15. The applicants 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, the applicants 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 the applicants 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.

16. The applicants 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.

17. The Commission does not permit the applicants to deviate from the approved route in any instance in which the deviation would be more than a minor deviation without first amending its CCN.

18. If possible, and subject to the other provisions of this Order, the applicants must prudently implement appropriate final design for the transmission facilities to avoid being subject to the FAA's notification requirements. If required by federal law, the applicants must notify and work with the FAA to ensure compliance with applicable federal laws and regulations. The Commission does not authorize the applicants to deviate materially from this Order to meet the FAA's recommendations or requirements. If a material change would be

necessary to meet the FAA's recommendations or requirements, then the applicants must file an application to amend their CCNs as necessary.

19. The applicants must include the transmission and substation facilities approved by this Order on 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, the applicants must provide final construction costs, with any necessary explanation for cost variance, after completion of construction when they identify all charges.

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

21. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

Signed at Austin, Texas the 1st **day of** February **2024.**

PUBLIC UTILITY COMMISSION OF TEXAS

Lori Cobos

LORI COBOS, COMMISSIONER

JIMMY GLOTFELTY, COMMISSIONER

Kathleen Jackson

KATHLEEN JACKSON, COMMISSIONER

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