



Filing Receipt

Filing Date - 2025-02-10 09:14:49 AM

Control Number - 57245

Item Number - 26

PUC DOCKET NO. 57245
SOAH DOCKT NO. 473-25-05761

APPLICATION OF AEP TEXAS INC.	§	PUBLIC UTILITY COMMISSION
TO AMEND ITS CERTIFICATE OF	§	
CONVENIENCE AND NECESSITY	§	OF TEXAS
FOR THE MEDIO CREEK-TO-LON	§	
HILL 138-KV CUT-IN TO PORTILLA	§	
SUBSTATION DOUBLE-CIRCUIT	§	
TRANSMISSION LINE IN SAN	§	
PATRICIO COUNTY	§	

NOTICE OF APPROVAL

This Notice of Approval addresses the application of AEP Texas Inc. to amend its certificate of convenience and necessity (CCN) to construct, own, and operate the Medio Creek-to-Lon Hill 138-kilovolt (kV) cut-in to Portilla substation double-circuit transmission line in San Patricio County. The Commission approves route B and amends AEP Texas's CCN number 30028 to the extent provided in this Notice of Approval.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicant

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 (ERCOT) region.
3. AEP Texas holds CCN numbers 30028 and 30170 to provide service to the public.

Application

4. On November 20, 2024, AEP Texas filed an application to amend its CCN for the proposed construction of a new transmission line.
5. AEP Texas retained POWER Engineers, Inc. to prepare an environmental assessment and routing analysis, which AEP Texas attached to the application.

6. In its application, AEP Texas identified five alternative routes for the Commission's consideration to address the routing criteria and requirements of PURA¹ and the Commission's rules.
7. In State Office of Administrative Hearings (SOAH) Order No. 3 filed on January 2, 2025, the SOAH administrative law judges (ALJs) found the application sufficient.

Description of the Transmission Facilities

8. AEP Texas proposes to construct, own, and operate a new 138-kV double-circuit transmission line north of the City of Sinton in San Patricia County.
9. The new 138-kV double-circuit transmission line will extend from one of four potential tap point options along AEP Texas's existing Medio Creek-to-Lon Hill 138-kV transmission line to the new AEP Texas Portilla substation.
10. Each 138-kV circuit for the proposed transmission line will extend to a substation bus that will provide transmission service to a single high-side transformer disconnect.
11. Each circuit will also extend to two new transmission circuit disconnects connecting each of the circuits with a center disconnect switch for single-circuit isolation, as needed.
12. One 138-kV transmission circuit path will extend to the Portilla substation from the existing AEP Texas Medio Creek 138-kV substation located to the north.
13. The other 138-kV transmission circuit path will extend to Portilla substation from the AEP Texas's Lon Hill 138-kV substation located to the south.
14. Construction of the new Portilla substation was reported on the AEP Texas Monthly Construction Progress Report (MCPR) to the Commission on August 15, 2024.
15. The in-service date for the Portilla substation is expected to be March 30, 2026.
16. The transmission-related equipment needed to serve the future Portilla substation includes all the transmission equipment necessary to cut into the existing Medio Creek-to-Lon Hill 138-kV transmission line and terminate the new double-circuit transmission line into a new high-side substation bus at the Portilla substation.

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

17. The construction activities for the Portilla substation include the following:
 - a. construction of 138-kV capable in and out ring bus laid out for six positions;
 - b. installation of two 138-kV circuit switchers and all associated material;
 - c. installation of five 138-kV motor operated air breaks for the line terminals;
 - d. installation of four 3000A 40kA circuit breakers;
 - e. installation of two 14.4 megavolt-ampere reactive cap banks;
 - f. installation of transmission remote terminal unit; and
 - g. installation of 138/12.47-kV transformer for station service.
18. The new transmission line will be between approximately 1.59 and 2.61 miles in length, depending on the alternative route selected, and will require a 100-foot-wide right-of-way.
19. In this Notice of Approval, the term *transmission facilities* includes the new transmission line and the Portilla substation.
20. AEP Texas plans to construct the transmission line primarily using double-circuit tubular steel monopoles structures. The typical structure will be between 86.5 and 92.0 feet tall, with an estimated maximum height of 117 feet.
21. AEP Texas plans to use 79.5-kilocircular-mil 26/7 aluminum-conductor-steel-supported conductors, with one conductor per phase, having a continuous summer static current rating of 2,039 amperes and a continuous summer static line capacity of 487 megavolt-amperes.
22. Cost estimates for the proposed transmission line were provided in the application, and these estimates include the costs of engineering, acquiring right-of-way, procurement of materials and supplies, construction labor and transportation, and administration. The estimated line costs did not include the Portilla substation costs, which were reported by AEP Texas in MCPR Project No. 56006² on August 15, 2024, and are estimated to be \$3,015,027 for each estimated route.

² CY 2024 Electric Utility Transmission Construction Reports Under 16 TAC § 25.83, Project No. 56006, AEP Texas (Central Division) Construction Progress Report – August 2024 (Aug. 15, 2024).

23. AEP Texas will own 100% of the proposed transmission facilities.

Schedule

24. AEP Texas estimated that it would acquire all rights-of-way and land by March 30, 2025; finalize engineering and design by August 1, 2025; procure material and equipment by January 5, 2026; complete construction by May 1, 2026; and energize the transmission line approved by this Notice of Approval by May 1, 2026.

Public Input

25. There are two directly affected landowners.
26. AEP Texas was not required to hold a public meeting for the proposed transmission line because there were fewer than 25 persons who would be entitled to receive direct mail notice of the application.
27. On September 30, 2024, AEP Texas sent notice of its intent to file this application by email to the Department of Defense Military Aviation and Installation Assurance Siting Clearinghouse.
28. AEP Texas created a website with information about the proposed transmission line and an interactive map.
29. POWER Engineers contacted federal, state, and local regulatory agencies, elected officials, and organizations regarding the proposed transmission line. All agency comments, concerns, and information received were taken into consideration by POWER Engineers and AEP Texas in development of the proposed route. 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.
30. The modification of the preliminary alternative links resulted in ten primary alternative links that were used in the compilation of alternative routes and included in the application.

Notice of Application

31. On November 20, 2024, AEP Texas sent written notice of the application by first-class mail to the following:
- a. the mayor of Sinton;

- b. county officials in San Patricio County;
 - c. the neighboring utilities providing similar utility service within five miles of the proposed routes;
 - d. each landowner, as stated on current county tax rolls, who could be directly affected by any of the proposed routes; and
 - e. the Office of Public Utility Counsel (OPUC).
32. On November 20, 2024, AEP Texas sent written notice of the application by email to the Department of Defense Military Aviation and Installation Assurance Siting Clearinghouse.
33. On November 20, 2024, AEP Texas sent a copy of the environmental assessment and routing analysis by first-class mail to the Texas Parks and Wildlife Department.
34. On December 10, 2024, AEP Texas filed the affidavit of Kensley L. Greuter, regulatory case manager for AEP Texas, attesting to the provision of notice to municipalities within five miles of the proposed transmission facilities; county officials in San Patricio County; the neighboring utilities within five miles of the proposed transmission facilities; OPUC; the Department of Defense Military Aviation and Installation Assurance Siting Clearinghouse; the Texas Parks and Wildlife Department; and directly affected landowners.
35. AEP Texas published notice of the application in *The News of San Patricio*, a newspaper of general circulation in San Patricio County, on November 28, 2024.
36. On December 10, 2024, AEP Texas filed a publisher's affidavit attesting to the publication of notice of the application.
37. In SOAH Order No. 3 filed on January 2, 2025, the SOAH ALJs found notice of the application sufficient.

Intervenor

38. In SOAH Order No. 4 filed on January 15, 2025, the SOAH ALJs granted the motion to intervene filed by Steel Dynamics Southwest, LLC.

Alignment of Intervenor

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

Route Adequacy

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

Statement of Position and Testimony

42. On November 20, 2024, AEP Texas filed the direct testimonies of Damian P. Raab, project manager; Chuy Reyes, distribution planner; John L. Solis, transmission planner; Jack C. Garvin, project engineer; and Kathleen Cooney, project manager at POWER Engineers.
43. On January 10, 2025, Steel Dynamics Southwest, LLC filed its statement of position.
44. On January 21, 2025, Commission Staff filed the direct testimony of James Euton, an engineer in the engineering section of the Commission's infrastructure division.

Referral to SOAH for Hearing

45. On November 22, 2024, the Commission referred this docket to SOAH and filed a preliminary order specifying the issues to be addressed in this proceeding.
46. In SOAH Order No. 2 filed on December 12, 2024, the SOAH ALJs provided notice of a hearing on the merits set for 9:00 a.m. on February 4, 2025 via videoconference.
47. The application was uncontested, and, on January 24, 2025, AEP Texas filed a joint motion for remand, joint motion to admit evidence, and joint proposed notice of approval.
48. In SOAH Order No. 5 filed on January 27, 2025, the SOAH ALJs admitted the following into the evidentiary record:
- a. the application and all attachments filed on November 20, 2024;
 - b. the direct testimony of Mr. Reyes, on behalf of AEP Texas, filed on November 20, 2024;

- c. the direct testimony and exhibit of Mr. Raab, on behalf of AEP Texas, filed on November 20, 2024;
 - d. the direct testimony of Mr. Solis, on behalf of AEP Texas, filed on November 20, 2024;
 - e. the direct testimony of Mr. Garvin, on behalf of AEP Texas, filed on November 20, 2024;
 - f. the direct testimony and attachments of Ms. Cooney, on behalf of AEP Texas, filed on November 20, 2024;
 - g. AEP Texas's proof of notice and publication filed on December 10, 2024;
 - h. Commission Staff's recommendation on the sufficiency of the application and notice filed on December 20, 2024;
 - i. AEP Texas's errata number 1 filed on January 13, 2025; and
 - j. the direct testimony of Mr. Euton, on behalf of Commission Staff, filed on January 21, 2025.
49. In SOAH Order No. 5 filed on January 27, 2025, the SOAH ALJs canceled the remaining procedural schedule and dismissed the proceeding from SOAH's docket and remanded it to the Commission.

Adequacy of Existing Service and Need for Additional Service

- 50. The proposed transmission facilities are needed to provide increased electric service to meet the increasing load growth in north-central San Patricio County anticipated in 2025 and beyond.
- 51. Multiple commercial customers, who are primarily engaged in metal manufacturing, have submitted specific capacity requests totaling 45 megavolt ampere (MVA) north of Sinton, Texas.
- 52. The existing permanent substations in the Sinton area, including the AEP Texas Sinton, Pirate, and Haisley substations, are insufficient to serve the new load.

53. Temporary skid substations were installed to meet the customer load requests on a temporary basis until the proposed transmission facilities are completed.
54. The Sinton substation is located approximately 2.8 miles southwest of the future Portilla substation and is already at its capacity limit.
55. In 2020, AEP Texas received requests to serve 4.5 MVA of new load in the area.
56. The Pirate substation, located approximately 3.1 miles southwest of the future Portilla substation, was energized in 2020 to relieve loading at the Sinton substation.
57. The Pirate substation cannot support the additional capacity requests due to voltage drop issues resulting from the distance from customer locations and due to capacity limitations at the substation site itself and at the next closest substation, the existing AEP Texas Sinton substation.
58. The Haisley substation north of Sinton provides service to an existing customer facility and does not have sufficient spare capacity or space for expansion to meet the projected load considering the new service requests.
59. In light of the new load requests, two temporary AEP Texas skid substations (Haisley Skid and Bullmoose skid) were installed in 2021 and 2022, respectively, to support existing customer load until a new substation could be constructed to permanently support the expected load growth.
60. The future AEP Texas Portilla substation is needed to replace the temporary skid substations and permanently transfer approximately 45 MVA of load to maintain system reliability and provide necessary capacity for the continued load demand forecasted in the area.
61. Because the proposed transmission line is considered Tier 4 Neutral, it does not require a formal ERCOT Regional Planning Group submission for review by a PURA § 39.151 organization.
62. There are no other practical distribution-only alternatives or a better transmission solution to address the identified need.

- 63. AEP Texas is not a bundled utility and cannot own or control distributed generation aside from certain emergency mobile power generation equipment.
- 64. No party challenged the need for the transmission line and Commission Staff recommended approval of the line.

Routing of the Transmission Facilities

- 65. The application included five alternative routes based on ten routing segments.
- 66. The alternative routes identified in the application range in length from 1.59 to 2.61 miles.
- 67. The alternative routes presented in the application are viable and constructible.
- 68. In its application, AEP Texas identified route B as the route that best addresses the requirements of PURA and the Commission's rules.
- 69. Route B consists of the following segments: 2-3-10.
- 70. Commission Staff supports route B, and the intervenor does not oppose route B.
- 71. Route B and each of its routing segments were included in the application.
- 72. Route B is approximately 1.59 miles in length, making it the shortest route.
- 73. POWER Engineers recommended route B as the alternative route that best balances land use, ecology, cultural resources, and Commission routing criteria.

Effect of Granting the Application on Applicant and Other Utilities and Probable Improvement of Service or Lowering of Cost

- 74. AEP Texas is the only electric utility involved in the construction of the transmission facilities.
- 75. The proposed transmission line will not be directly connected with the facilities owned by another electric utility.
- 76. It is unlikely that the construction of the transmission facilities will adversely affect service by other utilities in the area.

Estimated Costs

- 77. The estimated construction costs of the five filed routes range from \$4,917,287 to \$7,769,258, excluding Portilla substation costs.

- 78. The estimated cost, excluding Portilla substation costs, to construct route B is \$4,917,287, making it the least expensive route.
- 79. The estimated transmission line cost includes cost of engineering, acquiring right-of-way, procurement of materials and supplies, site preparation, construction labor and transportation, and administration.
- 80. The estimated cost of the Portilla substation for any route is \$3,015,027.
- 81. The cost of route B is reasonable considering the range of the cost estimates for the routes.
- 82. The transmission facilities will be financed through a combination of debt and equity.

Prudent Avoidance

- 83. 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.”
- 84. There are no habitable structures within 300 feet of the proposed routes’ centerlines, including route B.
- 85. The construction of transmission facilities along the agreed route complies with the Commission’s policy of prudent avoidance.

Community Values

- 86. A summary of the comments from federal, state, and local officials was provided in the environmental assessment and routing analysis, including comments from the Federal Aviation Administration, Federal Emergency Management Agency, General Land Office, National Resources Conservation Service, Railroad Commission of Texas, Texas Historical Commission, Sinton Independent School District, and the Texas Historical Commission.
- 87. POWER Engineers and AEP Texas considered information such as agency coordination and input in developing and evaluating the routes.
- 88. Route B adequately addresses the expressed community values.

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

89. When developing routes, POWER Engineers and AEP Texas evaluated the use of existing compatible rights-of-way and paralleling of existing compatible rights-of-way and apparent property boundaries.
90. Three of the alternative routes identified in the application parallel other existing compatible rights-of-way (routes C, D, and E).
91. The alternative routes with lengths paralleling other compatible rights-of-way range from 0.16 mile for route E to 1.09 miles for route D.
92. None of the alternative routes parallels apparent property lines.
93. None of route B parallels existing transmission line rights-of-way, existing compatible rights-of-way, or property lines.
94. Given the length of the alternative routes and the conditions of the area crossed by the routes, the proposed routes use or parallel existing compatible rights-of-way and apparent property boundaries to a reasonable extent.

Engineering Constraints

95. AEP Texas evaluated engineering and construction constraints when developing routes.
96. AEP Texas did not identify any engineering constraints that would prevent the construction of transmission facilities along the agreed route.

Land Uses and Land Types

97. The area traversed by the routes (study area) for the proposed transmission line is predominantly open rangeland.
98. Few habitable structures are located within the area, and most of the habitable structures are associated with dwellings on ranches.
99. The study area is located within the Gulf Coastal Prairies Physiographic Province, which consists of nearly flat terrain with elevations ranging from approximately 55 to 70 feet above mean sea level.

100. All the proposed segments proposed by AEP Texas in this proceeding can be safely and reliably constructed and operated without significant adverse effects on uses of property.

a. Radio Towers and Other Electronic Installations

101. No commercial AM radio transmitters were identified within 10,000 feet of any of the proposed routes' centerlines.

102. No FM radio transmitter, microwave relay station, or other electronic installation was identified within 2,000 feet of any of the proposed routes' centerlines.

103. Route B will not have a significant effect on electronic communication facilities or operations in the study area.

b. Airstrips and Airports

104. There is one public FAA-registered airport, Alfred C. "Bubba" Thomas Airport, with at least one runway longer than 3,200 feet located within 20,000 feet of all the alternative routes' centerlines.

105. There are no FAA-registered airports where the runway is no longer than 3,200 feet located within 10,000 feet of any of the alternative routes' centerlines.

106. There are no private airstrips located within 10,000 feet of any of the alternative routes' centerlines.

107. There are no heliports within 5,000 feet of any of the alternative routes' centerlines.

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

c. Irrigation Systems

109. None of the alternative routes crosses agricultural lands with known mobile irrigation systems.

110. It is unlikely that the proposed transmission line will adversely affect any agricultural lands with known mobile irrigation systems.

d. Pipelines

- 111. One of the alternative routes (route A) crosses pipelines transporting hydrocarbons seven times. Routes B through E each cross pipelines transporting hydrocarbons five times.
- 112. The length of right-of-way parallel to existing pipeline right-of-way less than 500 feet from the alternative routes' centerlines ranges from zero to 0.43 miles.
- 113. Route B is parallel to an existing pipeline right-of-way less than 500 feet from the route's centerline for 0.07 miles.
- 114. It is unlikely that the proposed transmission line will adversely affect any crossed or paralleled pipelines that transport hydrocarbons.

Recreational and Park Areas

- 115. None of the alternative routes, including route B, crosses recreational or park areas.
- 116. There are no recreational or park areas within 1,000 feet of any of the routes' centerlines, including route B.
- 117. It is unlikely that the proposed transmission line will adversely affect the use and enjoyment of any recreational or park areas.

Historical and Archaeological Values

- 118. All of the proposed routes cross areas with a high potential for historical or archaeological sites.
- 119. The length of right-of-way across areas with a high potential for historical or archaeological sites ranges from 0.14 mile to 0.60 miles.
- 120. Route B crosses areas with a high potential for historical or archaeological sites for 0.17 miles.
- 121. There are no properties listed on or determined eligible for listing on the National Register of Historic Places crossed by any of the proposed routes' rights-of-way, and no properties listed on or determined eligible for listing on the National Register of Historic Places within 1,000 feet of each of the proposed routes' centerlines.

122. There are no recorded historical or archaeological sites within 1,000 feet of the proposed routes' centerlines.
123. With the exception of route A, there are no recorded cemeteries within 1,000 feet of the proposed routes' centerlines.
124. It is unlikely that the proposed transmission line will adversely affect historical or archaeological resources.

Aesthetic Values

125. Route B is located within the foreground visual zone of United States and state highways for 0.43 miles.
126. Route B is not located within the foreground visual zone of farm-to-market or county roads.
127. Route B is not within the foreground visual zone of a park or recreational area.
128. The study area is located in a rural setting. The predominant land uses within the study area are pastureland and rangeland, oil and gas pipelines and infrastructure, and an aggregate operation for sand material. The study area is bound by United States Highway 77 on the southeast side and an existing transmission line on the northwest side. Overall, the study area's viewscape consists of pasture and rangeland and infrastructure.
129. No known high-quality aesthetic resources, designated views, or designated scenic roads or highways were identified within the study area.
130. The study area exhibits a low degree of aesthetic quality for the region. Although some portions of the study area might be visually appealing, the aesthetic quality of the study area overall is not distinguishable from that of other adjacent areas within the region.
131. Construction of the proposed 138-kV transmission line could have both temporary and permanent aesthetic effects, and these impacts may occur on any proposed alternative route.

Environmental Integrity

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

133. POWER Engineers evaluated the effects of the transmission facilities on the environment, including endangered and threatened species.
134. POWER Engineers evaluated potential consequences for soil and water resources, the ecosystem (including endangered and threatened vegetation, fish, and wildlife), and land use within the study area.
135. 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 line approved by this Notice of Approval.
136. Route B crosses no upland woodlands.
137. Route B crosses no bottom or riparian woodlands.
138. Route B crosses no wetlands mapped by the National Wetland Inventory.
139. Route B does not cross the known habitat of a federally listed endangered or threatened species of plant or animal.
140. The monarch butterfly, a federal candidate species, may occur in the study area during migration.
141. There is one federally-proposed endangered species, the tri-colored bat, that may occur in the habitat temporarily.
142. There are four state-listed threatened species, the black-spotted newt, sheep frog, Texas Botteri's sparrow, and white-tailed hawk, that may occur in the study area in suitable habitat or as a migrant species.
143. There is one state-listed threatened reptile species, the Texas scarlet snake, that has potential occurrence in the study area.
144. It is unlikely that there will be any significant adverse consequences for populations of any federally listed endangered or threatened species.
145. AEP Texas 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.

146. It is appropriate for AEP Texas to minimize the amount of flora and fauna disturbed during construction of the transmission facilities.
147. It is appropriate for AEP Texas to re-vegetate cleared and disturbed areas using native species and consider landowner preferences and wildlife needs in doing so.
148. It is appropriate for AEP Texas to avoid, to the maximum extent reasonably possible, causing adverse environmental effects on sensitive plant and animal species and their habitats as identified by the Texas Parks and Wildlife Department and the United States Fish and Wildlife Service.
149. It is appropriate for AEP Texas to implement erosion-control measures and return each affected landowner's property to its original contours and grades unless the landowners agree otherwise. However, it is not appropriate for AEP Texas to restore original contours and grades where different contours and grades are necessary to ensure the safety or stability of any transmission line structures or the safe operation and maintenance of any transmission line.
150. It is appropriate for AEP Texas 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.
151. It is appropriate for AEP Texas to protect raptors and migratory birds by following the procedures outlined in the following publications: *Reducing Avian Collisions with Power Lines: State of the Art in 2012*, Edison Electric Institute and Avian Power Line Interaction Committee, Washington, D.C., 2012; *Suggested Practices for Avian Protection on Power Lines: The State of the Art in 2006*, Edison Electric Institute, Avian Power Line Interaction Committee, and California Energy Commission, Washington, D.C. and Sacramento, CA, 2006; and the *Avian Protection Plan Guidelines*, Avian Power Line Interaction Committee and United States Fish and Wildlife Service, April 2005. It is appropriate for AEP Texas 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.

- 152. It is appropriate for AEP Texas to use best management practices to minimize any potential harm that the agreed route presents to migratory birds and threatened or endangered species.
- 153. It is unlikely that the proposed transmission line will adversely affect the environmental integrity of the surrounding landscape.

Texas Parks and Wildlife Department

- 154. POWER Engineers solicited comments from the Texas Parks and Wildlife Department during the scoping phase of the environmental assessment and routing analysis.
- 155. The Texas Parks and Wildlife Department was provided a copy of the environmental assessment and application for the proposed transmission line.
- 156. The Texas Parks and Wildlife Department did not intervene in this proceeding.
- 157. Before beginning construction, it is appropriate for AEP Texas to undertake appropriate measures to identify whether a potential habitat for endangered or threatened species exists and to respond as required.
- 158. AEP Texas will comply with all applicable environmental laws and regulations, including those governing threatened and endangered species.
- 159. AEP Texas will comply with all applicable regulatory requirements in constructing the transmission facilities, including any applicable requirements under section 404 of the Clean Water Act.
- 160. 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), AEP Texas will cooperate with the United States Fish and Wildlife Service, United States Army Corps of Engineers, and the TCEQ as appropriate to coordinate permitting and perform any required mitigation.
- 161. POWER Engineers relied on habitat descriptions from various sources, including the Texas Natural Diversity Database, other sources provided by the Texas Parks and Wildlife

- Department, and observations from field reconnaissance to determine whether habitats for some species are present in the area surrounding the transmission facilities.
162. AEP Texas will cooperate with the United States Fish and Wildlife Service and the Texas Parks and Wildlife Department to the extent that field surveys identify threatened or endangered species' habitats.
163. The standard mitigation requirements included in the ordering paragraphs of this Notice of Approval, coupled with the current practices of AEP Texas are reasonable measures for a transmission service provider to undertake when constructing a transmission line and sufficiently address the Texas Parks and Wildlife Department's comments and recommendations.
164. The Commission does not address the Texas Parks and Wildlife Department's recommendations for which there is not record evidence to provide sufficient justification, adequate rationale, or an analysis of any benefits or costs associated with the recommendation.
165. This Notice of Approval addresses only those recommendations by the Texas Parks and Wildlife Department for which there is record evidence.
166. The recommendations and comments made by the Texas Parks and Wildlife Department do not necessitate any modifications to the transmission facilities.

Permits

167. Before beginning construction of the transmission facilities approved by this Notice of Approval, AEP Texas 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.
168. Before beginning construction of the transmission facilities approved by this Notice of Approval, AEP Texas will obtain a miscellaneous easement from the General Land Office if the transmission line crosses any state-owned riverbed or navigable stream.

169. Before beginning construction of the transmission facilities approved by this Notice of Approval, AEP Texas will obtain any necessary permits or clearances from federal, state, or local authorities.
170. It is appropriate for AEP Texas, 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 TCEQ. In addition, if more than five acres will be disturbed during construction of the transmission facilities, it is appropriate for AEP Texas, 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.
171. It is appropriate for AEP Texas to conduct a field assessment of the agreed route before beginning construction of the transmission facilities approved by this Notice of Approval to identify water resources, cultural resources, potential migratory bird issues, and threatened and endangered species habitats disrupted by the transmission line. As a result of these assessments, AEP Texas will identify all necessary permits from San Patricio County and federal and state agencies. AEP Texas will comply with the relevant permit conditions during construction and operation of the transmission facilities along the agreed route.
172. After designing and engineering the alignments, structure locations, and structure heights, AEP Texas will determine the need to notify the Federal Aviation Administration based on the final structure locations and designs. If necessary, AEP Texas 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

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

Limitation of Authority

174. 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.
175. Seven years is a reasonable and appropriate limit to place on the authority granted in this Notice of Approval to construct the transmission facilities.

Informal Disposition

176. More than 15 days have passed since the completion of notice provided in this docket.
177. The application is uncontested.
178. All the parties to this proceeding either support or do not oppose route B.
179. No hearing was needed.
180. Commission Staff recommended approval of the application.
181. This decision is not adverse to any party.

II. Conclusions of Law

The Commission makes the following conclusions of law.

1. AEP Texas is a public utility as defined in PURA § 11.004 and an electric utility as defined in PURA § 31.002(6).
2. AEP Texas is required to obtain the Commission's approval to construct the proposed transmission line and to provide service to the public using those facilities under PURA § 37.053.
3. The Commission has authority over this matter under PURA §§ 14.001, 32.001, 37.051, 37.053, 37.054, and 37.056.
4. SOAH exercised jurisdiction over the proceeding under PURA § 14.053 and Texas Government Code §§ 2003.021 and 2003.049.
5. The application is sufficient under 16 TAC § 22.75(d).
6. The application complies with the requirements of 16 TAC § 25.101.

7. AEP Texas provided notice of the application 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 (a)(3) because it consists entirely of properly noticed segments contained in the original CCN application.
9. No public meeting on the application was required under 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,³ and Commission rules.
12. The proposed transmission facilities using route B are necessary for the service, accommodation, convenience, or safety of the public within the meaning of PURA § 37.056(a).
13. The Texas coastal management program does not apply to any of the proposed transmission facilities approved in this Notice of Approval, and the requirements of 16 TAC § 25.102 do not apply to the application.
14. The proceeding meets the requirements for informal disposition under 16 TAC § 22.35.
15. The proceeding meets the requirements for informal disposition under 16 TAC § 25.101(b)(3)(C).

III. Ordering Paragraphs

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

1. The Commission approves route B and amends AEP Texas's CCN number 30028 to the extent provided in this Notice of Approval.

³ Tex. Gov't Code §§ 2001.001-.903.

2. The Commission amends AEP Texas's CCN number 30028 to include the construction, ownership, and operation of a new 138-kV double-circuit transmission line along route B (segments 2-3-10).
3. AEP Texas must consult with pipeline owners or operators in the vicinity of the approved route regarding the pipeline owners' or operators' assessment of the need to install measures to mitigate the effects of alternating-current interference on existing pipelines that are paralleled by the electric transmission facilities approved by this Notice of Approval.
4. AEP Texas must conduct surveys, if not already completed, to identify metallic pipelines that could be affected by the transmission line approved by this Notice of Approval and coordinate with pipeline owners in modeling and analyzing potential hazards because of alternating-current interference affecting metallic pipelines being paralleled.
5. AEP Texas must obtain all permits, licenses, plans, and permission required by state and federal law that are necessary to construct the transmission facilities approved by this Notice of Approval, and if AEP Texas fails to obtain any such permit license, plan, or permission, it must notify the Commission immediately.
6. AEP Texas must identify any additional permits that are necessary, consult any required agencies (such as the United States Army Corps of Engineers and United States Fish and Wildlife Service), obtain all necessary environmental permits, and comply with the relevant conditions during construction and operation of the transmission facilities approved by this Notice of Approval.
7. If AEP Texas encounters any archaeological artifacts or other cultural resources during construction, work must cease immediately in the vicinity of the artifact or resource, and AEP Texas must report the discovery to, and act as directed by, the Texas Historical Commission.
8. Before beginning construction, AEP Texas must undertake appropriate measures to identify whether a potential habitat for endangered or threatened species exists and must respond as required.

9. AEP Texas must use best management practices to minimize the potential harm to migratory birds and threatened or endangered species that is presented by the agreed route.
10. AEP Texas must follow the procedures to protect raptors and migratory birds as outlined in the following publications: *Reducing Avian Collisions with Power Lines: State of Art in 2012*, Edison Electric Institute and Avian Power Line Interaction Committee, Washington, D.C. 2012; *Suggested Practices for Avian Protection on Power Lines: The State of the Art in 2006*, Edison Electric Institute, Avian Power Line Interaction Committee, and California Energy Commission, Washington, D.C. and Sacramento, CA 2006; and the *Avian Protection Plan Guidelines*, Avian Power Line Interaction Committee and United States Fish and Wildlife Service, April 2005.
11. AEP Texas must take precautions to avoid disturbing occupied nests and take steps to minimize the burden of the construction of the transmission facilities on migratory birds during the nesting season of the migratory bird species identified in the area of construction.
12. AEP Texas must exercise extreme care to avoid affecting non-targeted vegetation or animal life when using chemical herbicides to control vegetation within the rights-of-way. Herbicide use must comply with rules and guidelines established in the Federal Insecticide, Fungicide, and Rodenticide Act and with Texas Department of Agriculture regulations.
13. AEP Texas must minimize the amount of flora and fauna disturbed during construction of the transmission facilities, except to the extent necessary to establish appropriate right-of-way clearance for the transmission line. In addition, AEP Texas must re-vegetate using native species and must consider landowner preferences and wildlife needs in doing so. Furthermore, to the maximum extent practicable, AEP Texas must avoid adverse environmental effects on sensitive plant and animal species and their habitats, as identified by the Texas Parks and Wildlife Department and the United States Fish and Wildlife Service.
14. AEP Texas must implement erosion-control measures as appropriate. Erosion-control measures may include inspection of the rights-of-way before and during construction to identify erosion areas and implement special precautions as determined reasonable to

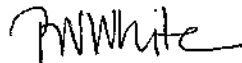
minimize the effect of vehicular traffic over the areas. Also, AEP Texas must return each affected landowner's property to its original contours and grades unless otherwise agreed to by the landowner or the landowner's representative. However, the Commission does not require AEP Texas to restore original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

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

19. Entry of this Notice of Approval does not indicate the Commission's endorsement or approval of any principle or methodology that may underlie the agreement and must not be regarded as precedential as to the appropriateness of any principle or methodology underlying the agreement.
20. The Commission limits the authority granted by this Notice of Approval to a period of seven years from the date this Notice of Approval is signed unless the transmission line is commercially energized before that time.
21. The Commission denies all other motions and any other requests for general or specific relief that the Commission has not expressly granted.

Signed at Austin, Texas on the 10th day of February 2025.

PUBLIC UTILITY COMMISSION OF TEXAS



REBECCA NASH WHITE
ADMINISTRATIVE LAW JUDGE