



**Control Number: 55397**



**Item Number: 149**

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PUBLIC UTILITY COMMISSION

APPLICATION OF AEP TEXAS INC. §  
TO AMEND ITS CERTIFICATE OF §  
CONVENIENCE AND NECESSITY FOR §  
THE CRUCE-TO-REFORZAR §  
DOUBLE-CIRCUIT 345-KV §  
TRANSMISSION LINE IN BROOKS, §  
DUVAL, JIM HOGG, JIM WELLS, AND §  
KLEBERG COUNTIES §

PUBLIC UTILITY COMMISSION  
OF TEXAS

**ORDER**

This Order addresses the application of AEP Texas Inc. to amend its certificate of convenience and necessity (CCN) to construct, own, and operate the double-circuit 345-kilovolt (kV) Cruce-to-Reforzar transmission line in Brooks, Duval, Jim Hogg, Jim Wells, and Kleberg counties. The Electric Reliability Council of Texas, Inc. (ERCOT) has deemed this transmission line as critical to the reliability of the ERCOT system.

AEP Texas filed a unanimous agreement to route the line along route J-Alt. The Commission approves the agreed route and amends AEP Texas's CCN number 30028 to the extent provided by this Order.

**I. Findings of Fact**

The Commission makes the following findings of fact.

**Applicant**

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

**Application**

4. On September 8, 2023, AEP Texas filed an application to amend its CCN for the proposed construction of a new transmission line and associated station termination equipment.
5. AEP Texas retained Burns and McDonnell Engineering Company, Inc. to prepare an environmental assessment and routing analysis, which AEP Texas attached to the application.
6. In the application, AEP Texas stated that route J best addressed the requirements of PURA<sup>1</sup> and the Commission's rules.
7. In State Office of Administrative Hearings (SOAH) Order No. 5 filed on October 18, 2023, the SOAH administrative law judge (ALJ) found the application sufficient.

**Description of the Transmission Facilities**

8. AEP Texas proposes to construct a new 345-kV double-circuit transmission line in Brooks, Duval, Jim Hogg, Jim Wells, and Kleberg counties, with both circuits installed initially. The transmission line will connect the future AEP Texas Cruce 345-kV station to the future AEP Texas Reforzar 345-kV station.
9. The proposed transmission line begins at the future AEP Texas Cruce 345-kV station, north of State Highway 285 approximately nine miles southeast of Hebronville, in Jim Hogg County. The new transmission line will extend east until it reaches the future AEP Texas Reforzar 345-kV station, on the north side of State Highway 285, approximately eight miles northeast of Falfurrias in Brooks County.
10. In this Order, the term *transmission facilities* includes the new transmission line and the new termination equipment additions to the Cruce and Reforzar stations.
11. AEP Texas plans to construct the transmission line on steel lattice structures. The typical structures will be between 122 and 180 feet tall, with an estimated maximum height of 250 feet, and will be located in a 150-foot-wide right-of-way.

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<sup>1</sup> Public Utility Regulatory Act, Tex. Util. Code §§ 11.001–66.016.

12. AEP Texas plans 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.
13. AEP Texas plans to add new substation equipment necessary to terminate and integrate the two new 345-kV transmission circuits into the future AEP Texas Cruce 345-kV 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 (SCADA), 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 SCADA and protection; insulators as required for all equipment and bus work; telecommunication equipment for SCADA and protection; panels installed in a new control building for the two circuits, protection and control equipment installed, communication and SCADA 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.
14. AEP Texas plans to add new substation equipment necessary to terminate and integrate the two new 345-kV transmission circuits into the future AEP Texas Reforzar 345-kV station including: preparing the footprint of the bay area for construction of the two new 345-kV circuit terminations, which includes laying out the ground mat, cable trays, foundations, drainage, wiring and cable as necessary for power, relaying, SCADA, and other cables necessary for operations, monitoring, and protection; adding three 345-kV circuit breakers and associated disconnect switches, new bus infrastructure, and surge arrestors; voltage transformers and high voltage station service voltage transformers installed for SCADA and protection; insulators as required for all equipment and bus work; telecommunication equipment for SCADA and protection; panels installed in new control building for the two circuits, protection and control equipment installed, communication and SCADA

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.

15. AEP Texas will own, operate, and maintain the transmission facilities.<sup>2</sup>
16. The application included 22 alternative routes based on 96 routing segments.
17. Additional routes based on the routing segments included in the application were identified in discovery questions and responses that were submitted into evidence, including route J-Alt identified in James Clement, Jr., Clement GST Trust for James H. Clement, Jr., Mil Acres Menos, LP, Clement Equities and Martin Clement II's first request for information and AEP Texas's response.
18. The 22 alternative routes identified in the application range in length from approximately 37 to 52 miles.
19. Route J-Alt and the alternative routes presented in the application are viable and constructible.

#### **Schedule**

20. AEP Texas estimated that it would finalize engineering and design by September 2025, acquire all rights-of-way and land by November 2025, procure material and equipment by October 2025, complete construction by December 2026, and energize the transmission facilities approved by this Order by December 2026.

#### **Public Input**

21. To develop information on community values for the transmission facilities, AEP Texas held a public meeting in Hebbbronville, Texas on March 9, 2023.
22. On February 6, 2023, AEP Texas directly mailed individual written notice of the public meeting to landowners who own property located within 500 feet of the preliminary alternative segments' centerlines. The notice included a map of the study area depicting

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<sup>2</sup> *Project for Commission Ordered Transmission Facilities*, Project No. 52682, AEP Texas Inc., Electric Transmission Texas, LLC, and South Texas Electric Cooperative, Inc. update on their transmission facility projects included in the Option 2 LRGV solution (Jan. 19, 2022).

- the preliminary route segments and a document with additional information about the proposed transmission facilities.
23. On February 6, 2023, AEP Texas sent notice of the public meeting to the Department of Defense Military Aviation and Installation Assurance Siting Clearinghouse.
  24. A total of 73 people signed in as attending the public meeting.
  25. AEP Texas received a total of 44 comment cards and 11 trifold questionnaires regarding the transmission facilities.
  26. Information from the public meeting and from local, state, and federal agencies was considered and incorporated into the selection of recommended and alternative routes by AEP Texas.
  27. In response to comments and stakeholder input, Burns and McDonnell and AEP Texas added, deleted, and modified links to: improve the paralleling of apparent property lines or other physical features; improve the paralleling of compatible right-of-way; minimize impacts to existing constraints, including habitable structures and pipelines; cross federal- and state-maintained roads at or close to 90 degrees; avoid Brooks County Airport; and ensure electric reliability among the three other new electric transmission line proposals routing to the Cruce 345-kV station (San Miguel-to-Cruce, Cruce-to-Del Sol, and Cenizo-to-Cruce).
  28. These modifications of the 102 preliminary alternative segments resulted in a finalized 96 alternative segments filed with the application.

**Notice of Application**

29. On September 8, 2023, AEP Texas sent written notice of the application by first-class mail to the mayor of the City of Falfurrias.
30. On September 8, 2023, AEP Texas sent written notice of the application by first-class mail to county officials in Brooks, Duval, Jim Hogg, Jim Wells, and Kleberg counties.
31. On September 8, 2023, AEP Texas sent written notice of the application by first-class mail to each neighboring utility providing similar utility service within five miles of the proposed routes.

32. On September 8, 2023, AEP Texas sent written notice of the application by first-class mail to each landowner, as stated on current county tax rolls, who could be directly affected by the transmission facilities on any of the proposed routes.
33. On September 8, 2023, AEP Texas sent notice of the application by first-class mail to the Office of Public Utility Counsel.
34. On September 8, 2023, AEP Texas sent written notice of the application by email to the Department of Defense Military Aviation and Installation Assurance Siting Clearinghouse.
35. On September 8, 2023, AEP Texas sent a copy of the environmental assessment and routing analysis by first-class mail to the Texas Parks and Wildlife Department.
36. On September 28, 2023, AEP Texas filed the affidavit of Kensley L. Greuter, a regulatory case manager for AEP Texas attesting to the provision of notice to municipalities within five miles; Brooks, Duval, Jim Hogg, Jim Wells, and Kleberg county officials; neighboring utilities; OPUC; the Department of Defense Military Aviation and Installation Assurance Siting Clearinghouse; the Texas Parks and Wildlife Department; and directly affected landowners.
37. AEP Texas published notice of the application in the *Falfurrias Facts*, which has general circulation in Brooks County, on September 14, 2023; the *Enterprise*, which has general circulation in Jim Hogg and Duval counties, on September 13, 2023; the *Alice Echo-News Journal*, which has general circulation in Jim Wells County, on September 13, 2023; and the *Kingsville Record*, which has general circulation in Kleberg County, on September 14, 2023.
38. On September 28, 2023, AEP Texas filed affidavits attesting to the publication of notice of the application.
39. In SOAH Order No. 5 filed on October 18, 2023, the SOAH ALJ found the notice of the application sufficient.
40. On September 11, 13, 14, and 19, 2023, AEP Texas sent supplemental notice by first-class mail to four landowners who did not receive notice of the application due to recent land acquisition.

41. On September 12 and 24, 2023, AEP Texas filed the affidavit of Ms. Greuter attesting to the provision of supplemental notice of the application by mail from September 11 through September 19, 2023.
42. On October 2, 2023, AEP Texas sent supplemental notice by first-class mail to certain landowners who did not receive notice of the application due to changes in landowner addresses.
43. On October 3, 2023, AEP Texas filed the affidavit of Ms. Greuter attesting to the provision of supplemental notice of the application by mail on October 2, 2023.

**Intervenors**

44. In Order No. 2 filed on September 27, 2023, the SOAH ALJ granted the motions to intervene filed by W2M Limited Partnership and La India Ranch, LLC.
45. In SOAH Order No. 4 filed on October 11, 2023, the SOAH ALJ granted the motions to intervene filed by the following parties: Alfred C. Glassell, III; Buena Suerte Ranch, Ltd.; Ernesto Estrada; John Hall; James Clement, Jr., Clement GST Trust for James H. Clement, Jr., Mil Acres Menos, LP, Clement Equities and Martin Clement, II; Elizita Ranch, LLC; Falfurrias HL, LLC, Falfurrias CL, LLC, Falfurrias ML, LLC, Laborcitas Creek Ranch LP, Falfurrias 130, LLC, Falfurrias El Tule LLC, Falfurrias 1200 LLC (collectively LCR Landowner); Jose A. and Melda F. Perez; Hollis Mast; Will and Kittie Clark; Donnie Young; Sharon Cage Family Limited Partnership; P.C. Cage Ranch, Ltd.; Benjamin Haney; Ruben Guajardo; Phillip Earl Wright; Will Paul Jr. and Delia J. Wright; Sandra Fawn Mann; and Elda Flores.
46. In SOAH Order No. 5 filed on October 18, 2023, the SOAH ALJ granted the motions to intervene filed by the following parties: Mary Frances Dobbs; Maria Elena Salinas; Frederic Alden; El Tule, Ltd. (Walter Negley); Helen DuBois; Charles Schneider and John Schneider; Eshleman-Vogt Ranch; W5 Sisters Properties Ltd. (Marion Woolie); Will Paul and Candace Wright; John Disbro, Jr., Jose A. and Otila M. Garcia; and Richard H. Jukes Family.
47. In SOAH Order No. 6 filed on November 2, 2023, the SOAH ALJ (1) denied the motions to intervene filed by Josefita Garza, Thomas Medary, and Billy Wise and (2) dismissed the

following intervenors who did not file either direct testimony or a statement of position by the October 23, 2023 deadline for such filings: Alfred C. Glassell, III; John Hall; Jose A. and Melda F. Perez; Hollis Mast; Ruben Guajardo; Elda Flores; Mary Frances Dobbs; Maria Salinas; W5 Sisters Properties, Ltd. (Marion Woolie), John Disbro, Jr.; and Jose A. and Otila M. Garcia.

48. On November 15, 2023, Brasada Land, LLC filed a late motion to intervene.
49. In Commission Order No. 2 filed on December 4, 2023, the Commission ALJ denied the motion to intervene filed by Brasada Land.

**Alignment of Intervenors**

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

**Route Adequacy**

51. No party contested whether the application provided an adequate number of reasonably differentiated routes to conduct a proper evaluation.
52. 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**

53. On September 8, 2023, AEP Texas filed the direct testimonies of Wayman L. Smith, the director for West Transmission Planning for American Electric Power Service Corporation (AEPSC); Gregory A. Crane, a project manager principal in the transmission services department of AEPSC for the ERCOT region; Jack C. Garvin, a planning and engineering supervisor in the transmission-line engineering department of AEPSC for the ERCOT region; and Thomas J. Ademski, a project manager in the environmental division of Burns and McDonnell.
54. On October 23, 2023, the following parties filed direct testimony: Ernesto Estrada; Richard H. Jukes Family; Donnie Young; Will and Kittie Clark; El Tule, Ltd. (Walter Negley); Helen DuBois; Benjamin Haney; Buena Suerte Ranch, Ltd.; W2M Limited Partnership; La India Ranch, LLC; Elizita Ranch, LLC; Frederick Alden; P.C. Cage Ranch,

Ltd.; Sharon Cage Family Limited Partnership; James Clement, Jr., Clement GST Trust for James H. Clement Jr., Mil Acres Menos, LP, Clement Equities and Martin Clement II; Will Paul Jr. and Delia J. Wright; Phillip Earl Wright; Will Paul and Candace Wright; Eshleman-Vogt Ranch; Sandra Fawn Mann; and Charles Schneider and John Schneider.

55. On October 23, 2023, LCR Landowner filed a statement of position.
56. On November 7, 2023, the following parties filed cross-rebuttal testimony: La India Ranch, LLC; W2M Limited Partnership; Buena Suerte Ranch, Ltd.; Helen DuBois; Richard H. Jukes Family; Donnie Young; Will and Kittie Clark; and El Tule, Ltd.
57. On November 7, 2023, Commission Staff filed the direct testimony of David Bautista, P.E., an engineer in the Commission's infrastructure division.

**Referral to SOAH for Hearing**

58. On September 12, 2023, the Commission referred this docket to SOAH and filed a preliminary order specifying issues to be addressed in this proceeding.
59. In SOAH Order No. 2 filed on September 27, 2023, the SOAH ALJ provided notice of a hearing on the merits set for 9:00 a.m. on December 6, 2023 by videoconference.
60. On November 13, 2023, AEP Texas, Commission Staff, and all intervenors filed a unanimous agreement supporting construction of the transmission facilities on route J-Alt.
61. In SOAH Order No. 7 filed on November 14, 2023, the SOAH ALJ admitted the following into the evidentiary record:
  - a. AEP Texas's application and all attachments to the application, filed September 8, 2023;
  - b. direct testimony of Thomas J. Ademski, filed September 8, 2023;
  - c. direct testimony of Gregory A. Crane, filed September 8, 2023;
  - d. direct testimony of Jack C. Garvin, filed September 8, 2023;
  - e. direct testimony of Wayman L. Smith, filed September 8, 2023;
  - f. AEP Texas's proof of notice and publication, filed September 28, 2023, and supplemental affidavits of notice, filed September 12 and 24 and October 3, 2023;

- g. direct testimony of Ernesto Estrada, filed October 23, 2023;
- h. direct testimony of Jason E. Buntz on behalf of Helen DuBois and AP Ranch Fal, LP, Richard H. Jukes Family, Donnie Young and 285 Partners, LLC, Will and Kittie Clark, and El Tule, Ltd., filed October 23, 2023;
- i. direct testimony of Richard L. Jukes on behalf of Jukes Family, filed October 23, 2023;
- j. direct testimony of Sheriff Urbino (“Benny”) Martinez, filed October 23, 2023;
- k. direct testimony of Helen DuBois on behalf of AP Ranch Fal, LP, filed October 23, 2023;
- l. direct testimony of Ricky Rawlinson on behalf of AP Ranch Fal, LP, filed October 23, 2023;
- m. direct testimony of Will Clark on behalf of Will and Kittie Clark, filed October 23, 2023;
- n. direct testimony of Gary Harwell on behalf of Donnie Young and 285 Partners, LLC, filed October 23, 2023;
- o. direct testimony of Donald W. Young on behalf of Donnie Young and 285 Partners, LLC, filed October 23, 2023;
- p. direct testimony of Benjamin Haney, filed October 23, 2023;
- q. direct testimony of Brian C. Andrews on behalf of Buena Suerte Ranch, Ltd. and W2M Limited Partnership, filed October 23, 2023;
- r. direct testimony of Harold L. Hughes Jr., P.E., on behalf of La India Ranch, LLC, filed October 23, 2023;
- s. direct testimony of Kyle Gunn on behalf of La India Ranch, LLC, filed October 23, 2023;
- t. direct testimony of Joe Morales on behalf of El Tule, Ltd., filed October 23, 2023;
- u. direct testimony of William Rauch on behalf of Elizita Ranch, LLC, filed October 23, 2023;

- v. direct testimony of Frederick Alden, filed October 23, 2023;
- w. direct testimony of Mark D. Anderson on behalf of Elizita Ranch, Ltd., filed October 23, 2023;
- x. direct testimony of Presnall C. Cage on behalf of P.C. Cage Ranch, Ltd. and Sharon Cage Family Limited Partnership, filed October 23, 2023;
- y. direct testimony of James Clement, Jr. on behalf of James Clement, Jr., Clement GST Trust for James H. Clement, Jr., Mil Acres Menos, LP, Clement Equities and Martin Clement II, filed October 23, 2023;
- z. direct testimony of Will Paul Jr. and Delia J. Wright, filed October 23, 2023;
- aa. direct testimony of Phillip Earl Wright, filed October 23, 2023;
- bb. direct testimony of Will Paul III and Candace Wright, filed October 23, 2023;
- cc. direct testimony of Ben Eshleman on behalf of Eshleman-Vogt Ranch, filed October 23, 2023;
- dd. direct testimony of Sandra Fawn Mann, filed October 23, 2023;
- ee. direct testimony of Charles Schneider and John Schneider, filed October 23, 2023;
- ff. AEP Texas, Inc.'s response to James Clement, Jr., Clement GST Trust for James H. Clement, Jr., Mil Acres Menos, LP, Clement Equities and Martin Clement II's first request for information, filed November 3, 2023;
- gg. cross-rebuttal testimony of Harold L. Hughes, Jr., P.E. on behalf of La India Ranch, LLC, filed November 7, 2023;
- hh. cross-rebuttal testimony of Brian C. Andrews on behalf of W2M Limited Partnership and Buena Suerte Ranch, Ltd., filed November 7, 2023;
- ii. cross-rebuttal testimony of Jason E. Buntz on behalf of Helen DuBois and AP Ranch Fal, LP, Richard H. Jukes Family, Donnie Young and 285 Partners, LLC, Will and Kittie Clark, and El Tule, Ltd., filed November 7, 2023; and

jj. direct testimony of David Bautista, P.E., on behalf of Commission Staff, filed November 7, 2023.

62. In SOAH Order No. 7 filed on November 14, 2023, the SOAH ALJ dismissed the proceeding from SOAH's docket and remanded it to the Commission.

**Return from SOAH**

63. On December 12, 2023, AEP Texas filed supplemental information regarding station termination equipment and regarding the intervenor map.

64. In Order No. 3 filed on December 18, 2023, the Commission ALJ admitted the following evidence into the record: the final intervenor map filed by AEP Texas on November 8, 2023; and attachment A regarding supplemental information as attached to the motion to admit evidence filed on December 12, 2023.

**Adequacy of Existing Service and Need for Additional Service**

65. The Lower Rio Grande Valley area is primarily connected to the 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.

66. 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.

67. 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-Reforzar transmission line at issue in this proceeding.

68. The transmission facilities represent ERCOT's recommended solution to reliability issues in the Lower Rio Grande Valley area.
69. No party challenged the need for the transmission line, and Commission Staff recommended approval of the line.

**Routing of the Transmission Facilities**

70. The agreed route J-Alt consists of the following segments: 1, 3, 6, 9, 17, 23, 35, 41, 42, 47, 50, 58, 66, 71, 72, 83, 88, 91, 92, 100, and 102.
71. The agreed route consists entirely of noticed segments that were not changed or modified from the segments proposed in the application.
72. The agreed route is 39.26 miles in length.

**Effect of Granting the Application on AEP Texas and Other Utilities and Probable Improvement of Service or Lowering of Cost**

73. AEP Texas is the only electric utility involved in the construction of the transmission facilities.
74. The proposed transmission line will not be directly connected with the facilities owned by another electric utility.
75. It is likely that construction of the transmission facilities will result in a more reliable transmission system.
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 22 filed routes range from \$142,342,887 to \$194,191,132, excluding station costs.
78. The estimated cost to construct the agreed route is \$150,347,911, excluding substation costs.
79. The estimated cost of substation work for any route is approximately \$2,000,000 for termination equipment at the Cruce station and \$2,000,000 for the termination equipment at the Reforzar station.

80. The cost of the agreed route is reasonable considering the range of the cost estimates for the routes.

81. The transmission facilities will be financed through a combination of debt and equity.

**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 application routes’ centerlines ranges from one to 12.

84. The agreed route has five habitable structures within 500 feet of its centerline.

85. The construction of transmission facilities along the agreed route complies with the Commission’s policy of prudent avoidance.

**Community Values**

86. The principal concerns expressed in the questionnaire responses from the public meetings included maintaining distance from residences, businesses, and schools; minimizing length through grassland or pasture; minimizing the visibility of the line; maximizing length along property boundary lines; maximizing length along existing transmission lines; maximizing length along highways or other roads; and minimizing effects on streams and rivers.

87. The agreed route adequately addresses the expressed community values.

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

88. When developing routes, AEP Texas evaluated the use of existing compatible rights-of-way and paralleling of existing compatible rights-of-way and apparent property boundaries.

89. The routes in the application use or parallel existing compatible rights-of-way or parallel apparent property boundaries for 36% to 65% of the length of the route depending on the route selected.

90. The agreed route uses or parallels existing compatible rights-of-way or parallels apparent property boundaries for 55% of its length.

91. The agreed route uses or parallels existing compatible rights-of-way and apparent property boundaries to a reasonable extent.

**Engineering Constraints**

92. AEP Texas evaluated engineering and construction constraints when developing routes.
93. 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**

94. The area traversed by the alternative routes (study area) for the proposed transmission facilities is predominantly rural rangeland with oil and gas operations throughout the study area.
95. The study area is located within the Interior Coastal Plains and Coastal Prairies Physiographic Provinces. Elevations within the study area range between approximately 54 and 484 feet above mean sea level.
96. All the proposed segments proposed by AEP Texas in this proceeding and the agreed route can be safely and reliably constructed and operated without significant adverse effects on uses of property.

**Radio Towers and Other Electronic Installations**

97. No commercial AM radio transmitters were identified within 10,000 feet of the agreed route's centerline.
98. No FM radio transmitters, microwave relay stations, or other electronic installations were identified within 2,000 feet of the agreed route's centerline.
99. The agreed route will not have a significant effect on electronic communication facilities or operations in the study area.

**Airstrips and Airports**

100. There are no airports registered with the Federal Aviation Administration and equipped with runways shorter than or exactly 3,200 feet within 10,000 feet of the agreed route's centerline.

101. There are no airports registered with the Federal Aviation Administration and equipped with at least one runway longer than 3,200 feet within 20,000 feet of the agreed route's centerline.
102. There are no private airstrips within 10,000 feet of the agreed route's centerline.
103. There are no heliports within 5,000 feet of the agreed route's centerline.
104. It is unlikely that the transmission facilities will adversely affect any airports, airstrips, or heliports.

**Irrigation Systems**

105. None of the proposed routes, including the agreed route, cross agricultural lands with known mobile irrigation systems.
106. It is unlikely that the transmission facilities will adversely affect any agricultural lands with known mobile irrigation systems.

**Pipelines**

107. The proposed routes cross pipelines transmitting hydrocarbons ranging from 20 to 29 times, and they parallel oil and gas pipelines within 500 feet of the centerline for zero to 1.82 miles.
108. The agreed route crosses pipelines transmitting hydrocarbons 27 times and does not parallel any pipelines within 500 feet of the centerline.
109. It is unlikely that the transmission facilities will adversely affect any crossed or paralleled metallic pipelines that transport hydrocarbons.

**Recreational and Park Areas**

110. None of the proposed routes cross any recreational or park areas.
111. No parks or recreational areas are located within 1,000 feet of the centerline of any of the proposed routes.
112. There are no recreational or park areas within 1,000 feet of the agreed route's centerline.
113. It is unlikely that the transmission facilities will adversely affect the use and enjoyment of any recreational or park areas.

**Historical and Archaeological Values**

114. There is one recorded historical or archaeological site within 1,000 feet of the agreed route's centerline.
115. There are no recorded cemeteries within 1,000 feet of the agreed route's centerline.
116. There is one property listed on or determined eligible for listing on the National Register of Historic Places within 1,000 feet of the agreed route's centerline.
117. The agreed route crosses areas with a high potential for historical or archaeological sites for 13.35 miles.
118. It is unlikely that the transmission facilities will adversely affect historical or archaeological resources.

**Aesthetic Values**

119. The agreed route is located within the foreground visual zone of United States or state highways for 11.82 miles.
120. The agreed route is located within the foreground visual zone of farm-to-market or county roads for 3.41 miles.
121. No part of the proposed routes or the agreed route is located within the foreground visual zone of a park or recreational area.
122. The study area exhibits a degree of aesthetic quality typical for the region. The landscape within the study area has been altered by land use practices and infrastructure associated with agriculture, transportation, oil and gas activities, residential and commercial development, and existing electric transmission and distribution facilities.
123. Aesthetic values would be impacted 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**

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

125. Burns and McDonnell evaluated the effects of the transmission facilities on the environment, including endangered and threatened species.
126. Burns and McDonnell evaluated potential consequences for soil and water resources, the ecosystem (including endangered and threatened vegetation and fish and wildlife), and land use within the study area.
127. 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 Order.
128. The agreed route crosses upland woodlands for 16.38 miles.
129. The agreed route crosses bottomland or riparian woodlands for 0.2 miles.
130. The agreed route crosses wetlands mapped by the National Wetland Inventory for 0.24 miles.
131. The agreed route does not cross the known habitat of a federally listed endangered or threatened species of plant or animal.
132. It is unlikely that there will be any significant adverse consequences for populations of any federally listed endangered or threatened species.
133. 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.
134. It is appropriate for AEP Texas to minimize the amount of flora and fauna disturbed during construction of the transmission facilities.
135. 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.
136. 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.

137. 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's structures or the safe operation and maintenance of any transmission line.
138. 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.
139. 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.
140. 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.
141. It is unlikely that the transmission facilities will adversely affect the environmental integrity of the surrounding landscape.

**Texas Parks and Wildlife Department's Written Comments and Recommendations**

142. On November 8, 2023, the Texas Parks and Wildlife Department filed a letter making various comments and recommendations regarding the transmission facilities.
143. The Texas Parks and Wildlife Department's 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.
144. The Texas Parks and Wildlife Department identified route K as the route that best minimizes adverse effects on natural resources.
145. 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.
146. AEP Texas will comply with all applicable environmental laws and regulations, including those governing threatened and endangered species.
147. 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.
148. 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, AEP Texas will cooperate with the United States Fish and Wildlife Service, United States Army Corps of Engineers, and the Texas Commission on Environmental Quality as appropriate to coordinate permitting and perform any required mitigation.
149. Burns and McDonnell 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.

150. 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.
151. The standard mitigation requirements included in the ordering paragraphs of this Order, coupled with AEP Texas's current practices, 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.
152. 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.
153. This Order addresses only those recommendations by the Texas Parks and Wildlife Department for which there is record evidence.
154. The recommendations and comments made by the Texas Parks and Wildlife Department do not necessitate any modifications to the transmission facilities.

**Permits**

155. Before beginning construction of the transmission facilities approved by this Order, 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.
156. Before beginning construction of the transmission facilities approved by this Order, AEP Texas will obtain a miscellaneous easement from the General Land Office if the transmission line crosses any state-owned riverbed or navigable stream.
157. Before beginning construction of the transmission facilities approved by this Order, AEP Texas will obtain any necessary permits or clearances from federal, state, or local authorities.
158. 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 Texas Commission on Environmental Quality. In addition, because more than five acres will be disturbed during construction of the transmission facilities, it is appropriate for AEP Texas, before commencing construction, to prepare the necessary stormwater-pollution-prevention plan, to submit a notice of intent to the Texas Commission on Environmental Quality, and to comply with all other applicable requirements of the general permit.

159. 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 Order to identify water resources, cultural resources, potential migratory bird issues, and threatened and endangered species' habitats disrupted by the transmission line. As a result of these assessments, AEP Texas will identify all necessary permits from Brooks, Duval, Jim Hogg, Jim Wells, and Kleberg counties 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.
160. 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**

161. 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.

**Limitation of Authority**

162. 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.
163. Seven years is a reasonable and appropriate limit to place on the authority granted in this Order to construct the transmission facilities.

**Informal Disposition**

164. More than 15 days have passed since the completion of notice provided in this docket.

165. All the parties to this proceeding are signatories to the agreement
166. No hearing is necessary.
167. Commission Staff recommended approval of the application.
168. 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 facilities and to provide service to the public using those facilities.
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. AEP Texas provided notice of the application in accordance with PURA § 37.054 and 16 TAC § 22.52(a).
7. Additional notice of the approved route is not required under 16 TAC § 22.52(a)(2) because it consists entirely of properly noticed segments contained in the original CCN application.
8. AEP Texas held public meetings and provided notice of the public meetings in compliance with 16 TAC § 22.52(a)(4).
9. 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.

10. The Commission processed this docket in accordance with the requirements of PURA, the Administrative Procedure Act,<sup>3</sup> and Commission rules.
11. The transmission facilities using the agreed route are necessary for the service, accommodation, convenience, or safety of the public within the meaning of PURA § 37.056(a).
12. The Texas Coastal Management Program does not apply to any of the transmission facilities approved by this Order, and the requirements of 16 TAC § 25.102 do not apply to the application.
13. The Commission is required to approve or deny the application not later than the 180th day after it was filed under PURA § 37.057.
14. The proceeding meets the requirements for informal disposition under 16 TAC § 22.35.

### **III. Ordering Paragraphs**

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

1. The Commission approves the agreed route and amends AEP Texas's CCN number 30028 to the extent provided in this Order.
2. The Commission amends AEP Texas's CCN number 30028 to include the construction and operation of the transmission facilities, including a new double-circuit 345-kV transmission line along the agreed route J-Alt (segments 1, 3, 6, 9, 17, 23, 35, 41, 42, 47, 50, 58, 66, 71, 72, 83, 88, 91, 92, 100, and 102) with both circuits installed initially and station termination equipment at the future AEP Texas Cruce 345-kV station and the future AEP Texas Reforzar 345-kV station.
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 Order.

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<sup>3</sup> Administrative Procedure Act, Tex. Gov't Code §§ 2001.001–.902.

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 Order and cooperate 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 Order, 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 Order.
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 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 the United States Fish and Wildlife Service, April 2005. 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.

11. 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.
12. 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.
13. 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.
14. 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 Order. Any minor deviations from the approved route must only directly

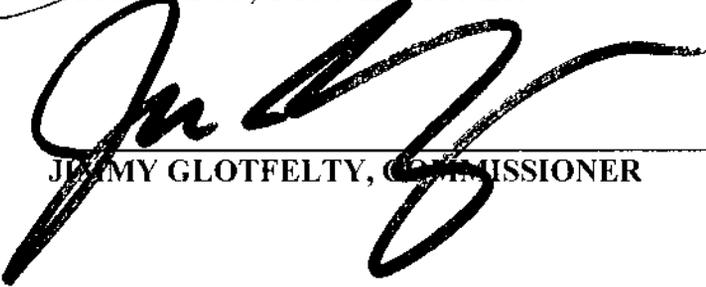
- affect landowners who were sent notice of the transmission line in accordance with 16 TAC § 22.52(a)(3) and have agreed to the minor deviation.
15. The Commission does not permit AEP Texas to deviate from the approved route in any instance in which the deviation would be more than a minor deviation without first further amending the relevant CCN.
  16. If possible, and subject to the other provisions of this Order, AEP Texas must prudently implement 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 Order to meet the Federal Aviation Administration's recommendations or requirements. If a material change would be necessary to meet the Federal Aviation Administration's recommendations or requirements, then AEP Texas must file an application to amend its CCN as necessary.
  17. AEP Texas must include the transmission facilities approved by this Order on its monthly construction progress reports before the start of construction to reflect the final estimated cost and schedule in accordance with 16 TAC § 25.83(b). In addition, 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.
  18. Entry of this Order 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.
  19. The Commission limits the authority granted by this Order to a period of seven years from the date this Order is signed unless the transmission line is commercially energized before that time.
  20. 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 the 1<sup>st</sup> day of January 2024.

PUBLIC UTILITY COMMISSION OF TEXAS

  
KATHLEEN JACKSON, INTERIM CHAIR

  
LORI COBOS, COMMISSIONER

  
JIMMY GLOTFELTY, COMMISSIONER