

Q. WHAT IS THE TRANSMISSION PROJECT?

A. The transmission Project is a 138 kV double-circuit transmission line with one circuit installed initially. The new transmission line will begin at the AEP TCC Tuleta Substation that is being constructed near an existing transmission line east of U.S. Highway 181 approximately 2 miles south of Pettus, Texas. The new transmission line will generally extend to the east from this point to the Euler Substation, which is proposed to be constructed at the intersection of Wilson Lane, West Air Base Road, and F.M. 883, and then will continue east until it reaches an existing substation located on the site of the Coletto Creek Power Station located approximately 2 miles northeast of the community of Fannin in Goliad County.

Q. WHY IS THE PROJECT NEEDED?

A. The growth of oil and natural gas production from the Eagle Ford Shale is creating electrical load requirements that cannot be met by the existing transmission facilities in the area. More specifically in the Bee and Goliad County area several large cryogenic processing plants and compression stations along the pipelines in those counties have been or are being constructed. These large electrical loads, total build out estimated to be 21 megawatts in Goliad County and 39 megawatts in Bee County, are large contributors to the overload of existing transmission facilities in the area and the need for new transmission facilities. To place these loads in perspective the electrical load served from the Goliad Substation is less than 10 megawatts. Studies have shown that numerous single line outages that could occur would result in considerable line overloads on existing transmission lines, which would then result in additional transmission line outages and loss of electric load in the area. The Electric Reliability Council of Texas (ERCOT) has determined that this transmission improvement, which is one of several transmission system improvements being made in the area, is necessary for the reliability of the transmission network and service of electric load.

Q. WHAT IS ERCOT?

A. In early 1996, the Public Utility Commission of Texas (PUC) issued revised rules to incorporate the Texas Legislature's changes to the Public Utility Regulatory Act (PURA) to create an Independent System Operator (ISO). Essentially an ISO is an independent, third-party entity that oversees the activities related to the reliable and safe transmission of electricity within a specified geographic area. However, as part of the electric retail choice implementation by the Texas Legislature, in the case of the ERCOT ISO, it also provides the platform for an open, competitive marketplace in the areas in Texas open to retail competition. Under PURA, the ERCOT ISO is required to perform four primary functions:

1. Ensure non-discriminatory access to the transmission and distribution systems for all electricity buyers and sellers.
2. Ensure the reliability and adequacy of the regional electric network.
3. Ensure that information related to customer retail choice is provided in a timely manner.
4. Ensure that electricity production and delivery are accurately accounted for among all regional generators and wholesale buyers and sellers.

Q. WHAT IS THE PUC?

A. The PUC is the state agency that was created by the Texas Legislature to provide statewide regulation of the rates and services of electric, telecommunications, and more recently water utilities. The final location of the Project will depend on which route segments from Tuleta to Euler and then Euler to Coletto Creek that the PUC approves after it considers the Certificate of Convenience and Necessity (CCN) application filed by AEP TCC.

Q. DOES THE PUC HAVE JURISDICTION OVER AEP TCC?

A. Yes, AEP TCC's activities are regulated by the PUC. AEP TCC must submit a CCN Application to the PUC to obtain approval to construct a new transmission line. In that CCN Application, AEP TCC must present to the PUC numerous alternative routes for the PUC to consider. In the CCN Application filed with the PUC for this project, AEP TCC filed 7 alternative routes for the Tuleta to Euler segment and 19 alternative routes for the Euler to Coletto Creek segment. If the PUC agrees with AEP TCC that the transmission line is needed, the PUC will then make the final determination of the transmission line routing to be used for this project for each of the segments. The PUC will approve only one route for each segment.

Q. HAS AN ENVIRONMENTAL ANALYSIS OF THE ROUTES BEEN INCLUDED IN THE CCN APPLICATION PRESENTED TO THE PUC?

A. Yes. AEP TCC worked with an experienced routing consultant to perform an environmental assessment and routing analysis for the proposed transmission line project. The routing consultant employs professional personnel with backgrounds in various environmental sciences, socioeconomics, and cultural resources. This document is one of the attachments included in the CCN Application filed with the PUC.

Q. DID AEP TCC INCLUDE PUBLIC INPUT INTO THE ROUTE DEVELOPMENT PROCESS?

A. Yes. Several open house format meetings were held in the general area of the Transmission Project. These meetings provided AEP TCC and its routing consultant the opportunity to obtain public input on the route links presented at those meetings. This input along with subsequent follow-up discussions with attendees and those that could not attend resulted in some modification of routing links, deletion of routing links, and addition of some links. This public input factored into the final development of the alternative routes submitted to the PUC.

Q. WHEN IS AEP TCC FILING THE CCN APPLICATION WITH THE PUC?

A. AEP TCC is filing the CCN Application with the PUC on June 26, 2015 in PUC Docket Number 44837.

Q. DOES AEP TCC NOTIFY LANDOWNERS OF THE CCN APPLICATION BEING FILED WITH THE PUC?

A. Yes. AEP TCC is required by the PUC to send direct mail notice to all landowners crossed by any of the route links filed in the CCN Application and any other landowners that have a habitable structure within 300 feet of the centerline of the Project on adjacent properties. AEP TCC is also required to file a public notice with a newspaper(s) that cover the area being crossed by the Project the week after the CCN Application is filed with the PUC.

Q. ARE THERE OTHERS NOTICED OF THE CCN APPLICATION BEING FILED WITH THE PUC?

A. Mail notice is also provided to other electric utilities providing electric service in the area of the Project, county and municipal officials in the area, Texas Parks and Wildlife Department, Office of Public Utility Counsel, and to companies known to own oil or natural gas pipelines that could be crossed by or paralleled by a route being considered.

Q. TYPICALLY WHEN WILL AEP TCC KNOW THAT THE CCN APPLICATION IS APPROVED?

A. The PUC has one year from the date of filing to approve a CCN Application unless there is a good cause to extend. A CCN Application can be approved in less than a year.

Q. HOW DOES A LANDOWNER KNOW THAT THE PUC HAS APPROVED A ROUTE FOR THE PROJECT?

A. Only after the PUC has approved a Final Order in the proceeding approving the CCN Application. In that Final Order approval the routing will be specified. AEP TCC will after the Final Order is issued by the PUC send direct mail notice to the landowners crossed by the approved routing. In that mail notice AEP TCC will provide a copy of the Final Order and map showing the approved routing.

Q. WHEN DOES AEP TCC EXPECT TO BEGIN CONSTRUCTION?

A. AEP TCC expects to begin easement and land acquisition in July 2016 and start construction in May 2017. However, timing of the CCN Application approval can change these expected dates.

Q. WHAT IS THE EXPECTED IN SERVICE DATE FOR THE TRANSMISSION PROJECT?

A. The target date for placing all transmission facilities in service is June 2018.

Q. WHAT IS AN EASEMENT?

A. An easement is a legal document that gives a utility certain rights to use privately owned land for a specific purpose. The landowner retains ownership of the property. The proposed project will require easements to be obtained from landowners on the route approved by the PUC. Easement rights would be purchased along the path of the transmission line as needed to allow for installation, operation, and maintenance of the transmission line.

Q. HOW WIDE IS AN EASEMENT?

A. The typical easement for this project will be 100 feet wide. Additional easement area may be necessary in some locations for specialized structures.

Q. HOW ARE LANDOWNERS IMPACTED BY EASEMENTS?

A. Easements provide the utility the ability to clear right-of-way and construct electric facilities within the easement boundaries. Clearing includes the removal of trees and shrubs in the easement that would interfere with the safe operation and maintenance of the transmission line. Erosion control measures are implemented during the clearing and construction process. After AEP TCC has obtained a necessary easement from a landowner, the landowner will be contacted prior to clearing and construction activities. AEP TCC will undertake reasonable efforts to minimize disturbances to the landowner's use of the property and the impact to landowner's property in general during clearing and construction activities. After completing construction of the transmission line, the surface of the easement area will be restored as nearly as possible to its original contours and grades and will be re-vegetated as necessary using native species, while giving consideration to landowner preferences. The landowner may continue to use the easement property, as long as the activity does not interfere with the construction, operation and maintenance of the line and does not jeopardize the safe use of the easement area. PUC rules require that a new easement restrict the new construction of any above-ground structures within the right-of-way.

Q. WHAT TYPE OF STRUCTURES WILL BE USED TO CONSTRUCT THE LINE?

A. AEP TCC anticipates that the typical structure will be either a steel or concrete single-pole structure. The typical single-pole structure will be between 90 to 110 feet tall with a typical span distance between structures of 625 feet. A structure height must provide the minimum clearances to the ground, roadways, structures, and other utility structures to comply with the National Electrical Safety Code (NESC). These clearance requirements are for the safety of the general public.

Q. ARE THE STRUCTURES SECURE AND SAFE?

A. Yes. AEP TCC designs and constructs transmission lines with safety in mind. The materials that are used comply with the strength requirements of all applicable codes, including the NESC (as required by Texas statute) and the American Standard Testing Materials Specifications. AEP TCC's design and construction practices meet or exceed all of these codes and specifications. These codes and specifications were developed in part to protect the general public from electrical shock. Also, if a severe event occurs such as extreme wind conditions, and causes an overhead conductor to break and fall to the ground, AEP TCC has protective devices in place to de-energize the line to further protect the general public. It is important to remember that a conductor on the ground should always be considered dangerous. AEP TCC requests that if one is found, contact with it should be avoided and AEP TCC should be called immediately.