



LCRA TRANSMISSION SERVICES CORPORATION



September 22, 2016

Guadalupe County
211 W Court St
Seguin, TX 78155

**RE: Notice of Approval and Final Order
Application of LCRA Transmission Services Corporation to Amend its Certificate of
Convenience and Necessity for the Proposed Zorn-Marion 345-kV Transmission Line in
Guadalupe County, Texas
PUBLIC UTILITY COMMISSION OF TEXAS (PUC) DOCKET NO. 45601**

Tract ID: R2-001

Dear Guadalupe County:

As you may be aware, LCRA Transmission Services Corporation (LCRA TSC) received approval on September 8, 2016, from the Public Utility Commission of Texas (PUC) to construct a 345-kilovolt (kV) transmission line to connect the Zorn and Marion substations in Guadalupe County. The PUC approved Route 10M consists of Segments S2-I-M-T-V-Y-P1-T1-W1. A map showing the PUC-approved route and a copy of the PUC's Final Order are enclosed.

The project is anticipated to be completed in May 2019.

The route approved by the PUC on September 8th does not cross your property referenced above at this time. Therefore, your land will not be directly affected by the new transmission line and is no longer the subject of this pending proceeding. This letter refers only to the parcel(s) of property listed above.

Please contact Lance Wenmohs at 1-800-776-5272, Ext. 4495 if you have questions or need additional information.

Sincerely,

Roxanne Hernandez
Sr. Regulatory Case Manager
Lower Colorado River Authority
P.O. Box 220, MS DSC-D204
Austin, Texas 78767-0220

Enclosures

RECEIVED

**PUC DOCKET NO. 45601
SOAH DOCKET NO. 473-16-2983**

APPLICATION OF LCRA	§	PUBLIC UTILITY COMMISSION
TRANSMISSION SERVICES	§	
CORPORATION TO AMEND ITS	§	OF TEXAS
CERTIFICATE OF CONVENIENCE	§	
AND NECESSITY FOR THE ZORN -	§	
MARION 345-KV TRANSMISSION	§	
LINE PROJECT IN GUADALUPE	§	
COUNTY	§	

ORDER

This Order addresses the application of LCRA Transmission Services Corporation to amend a certificate of convenience and necessity (CCN) in Guadalupe County. The application is approved for the reasons discussed in this Order.

On July 22, 2016, the administrative law judges (ALJs) of the State Office of Administrative Hearings (SOAH) issued a proposal for decision recommending that the Commission approve LCRA's application and adopt route 10M. On August 25, 2016, the ALJs filed a letter in response to the parties' exceptions and replies, recommending adoption of LCRA and Commission Staff's recommended changes to findings of fact and conclusions of law, except for Commission Staff's recommended change to finding of fact 97.

At the September 8, 2016 open meeting, the Commission heard oral argument from certain parties. During the meeting, LCRA agreed to work with Ms. Twyla Schroeder, Erin and Jason Christensen, and Mr. Archie Wohlfahrt to develop minor deviations of route 10M on each of their properties. LCRA also agreed to keep the Commission informed of the status of the development of minor deviations on the properties. The Commission adds finding of fact 17A to the procedural history to reflect the oral argument and the Commission's discussion at the September 8 open meeting, and adds finding of fact 61A to reflect the agreement of LCRA to aid in developing minor deviations to route 10M on the properties.

The Commission also finds that the preponderance of the evidence does not support proposed finding of facts 58 and 59. Based on the possibility of FAA notification requirements, it is possible that the FAA would find that the line impacts the New Braunfels Regional Airport.

Accordingly, the Commission deletes finding of fact 58 and 59 and adds findings of fact 56A-56C based on the presence of the New Braunfels Regional Airport. Other than these modifications, the Commission adopts the proposal for decision, as modified by the ALJ's letter dated August 25, including findings of fact and conclusions of law.

The Commission adopts the following findings of fact and conclusions of law.

I. Findings of Fact

Procedural History

1. LCRA Transmission Services Corporation is a non-profit corporation providing service under certificate of convenience and necessity (CCN) No. 30110.
2. On March 1, 2016, LCRA filed an application to amend its CCN in order to build, own, and operate a new 345-kilovolt (kV) transmission line in Guadalupe County capable of supporting a new circuit between the existing Zorn substation and the existing Marion substation and a future circuit on portions of the line requiring new structures.
3. With the application, LCRA filed the direct testimonies of Roxanne Hernandez, Aimee L. Pasquarella, Rob R. Reid, and Charles M. Dewitt.
4. The project has been deemed critical to reliability by the Electric Reliability Council of Texas (ERCOT).
5. On March 7, 2016, the Public Utility Commission of Texas (Commission) referred the Application to the State Office of Administrative Hearings (SOAH) and provided a list of issues to be addressed.
6. On March 16, 2016, Administrative Law Judge (ALJ) Stephanie Frazee issued SOAH Order No. 1 regarding the jurisdiction of the Commission and SOAH, establishing the deadline for a decision in this proceeding, scheduling a prehearing conference, setting the intervention deadline, and addressing issues relating to filing procedures, service, deadlines, responsive pleadings, discovery, and the requirement that all intervening parties file testimony and/or a statement of position.
7. On March 28, 2016, ALJs Stephanie Frazee and Travis Vickery held a prehearing conference.

8. On March 30, 2016, LCRA made a filing agreeing to extend the 180-day deadline for a decision in this proceeding until September 10, 2016.
9. On April 5, 2016, SOAH Order No. 2 was issued memorializing the prehearing conference, adopting the proposed procedure schedule, and granting motions to intervene filed by the following parties:

Walton Bartels	Josephine Miller	Melanie Schulze
Mark Bell	Nanette Neidhardt/Scioto Properties LLC	Phillip Schulze
Randall Borresen		

10. On April 20, 2016, Charles R. and Lori L. Krackau; Jerry W. Krackau; Lynnette K. Cranford (formerly Krackau); the Clarence A. Krackau Family Trust; Charles R. Krackau, Trustee; and the Estate of Lorine K. Krackau, Charles R. Krackau, Executor (collectively, the “Krackau Intervenors”) requested a hearing on route adequacy.
11. On April 22, 2016, the ALJs issued SOAH Order No. 3, granting the request for a hearing on route adequacy, suspending traditional service, and granting motions to intervene filed by the following parties:

Charles Aque	Donald Johnson	Betty Pittman
Carol Porter Bartram	Ethel Mae Jonas	Michael Poole
John Bartram	Lezlee Bartram Jurica	Patricia Poole-Dirst
Thomas Barrow	Marilyn Kadlecek	Viola Timmerman Porter
Edward & Joy Berberek	Kirk & Andrea Kelly	Regina Rehfeld
Kathleen Bryan	Patricia Kempf	Timothy Rehfeld
Charles & Terry Bump	Albert Kosko	Jodi Rodriguez
Carter & Chris Burke	Brett Kowald	Dennis Rohlf
Brian and Katherine Bushart	Charles R. & Lori L. Krackau	Lisa Rubey
Antonio Camareno, Jr.	Clarence A. Krackau Family Trust	Robert & Kerry Scheel
James & Christine Chessher	Jerry W. Krackau	Susan Schlameus
Jason and Erin Christensen	Lynnette K. (Krackau) Cranford	Darryl Schmidt
City of New Braunfels	The Estate of Lorine K. Krackau	Twyla Schmidt Schroeder
Janice Cuccia	Doris Kraft	W.W. Scott, Jr.
William Culp	Diane Kramer-Kretschmer	Alfred Shearin
Kathy Daigle	Long Creek Owners Association	Katherine Soliz

Rodney de Leon	William McLean	Brandi Stringer
Marcus & Rachel Dillon	Rebecca B. Meckel	Edwin Suhr
Angela Dilmac	Scott L. & Rosemary L. Mitchan	Curtis Timmerman
Todd Evans	Dr. Gery & Tanya Moczygemba	Katrin Traynor
Foresight Golf Partners 2001, Ltd.	Julie Morrow	Clarence Vetter
Danny Friesenhahn	James & Randy Mullins	Bruno & Helen Voigt
Joyce Friesenhahn	Julie Murphy	C. Shelby Wainwright, III
Raymond P. Friesenhahn	Jackie Nolte	Donald Walencey
Robert & Joan Friesenhahn	Billy Nowlin	Boone and Donna Waters
Golf Associates, Ltd.	Delores O'Dell	Joyce T. Weltner Living Trust
Guadalupe River Ranch, LP	Randy & Leandra Oliver	White Wing 2016, LLC
Holly Lutze Guerin & Andre Guerin	Sarah Ortiz	Archie Wohlfahrt
Laurie Herring	Barden Todd Patterson	Ledet Wood
Alan & Sara Holzgrafe	Brandon Paweleh	Rita Zwicke
BJ & Dixie Howard	Melanie Perry	

12. On April 25, 2016, the ALJs convened a hearing on route adequacy that was attended by LCRA, Commission Staff, and the Krackau Intervenors.
13. Following the hearing on route adequacy, the ALJs found that LCRA proved that its application proposed an adequate number of reasonably differentiated routes.
14. On May 2, 2016, the ALJs issued SOAH Order No. 4, memorializing their finding that the application contained an adequate number of routes and granting the motion to intervene filed by Thomas Dee Miller, II.
15. On May 27, 2016, the ALJs issued SOAH Order No. 6, denying the late-filed motion to intervene of Kevin Lizana, granting the request of Kathy McGee to withdraw as an intervenor, and dismissing the following parties for failing to file testimony or a statement of position on May 3, 2016:

Charles Aque	Marilyn Kadlecek	Patricia Poole-Dirst
Walton Bartels	Albert Kosko	Jodi Rodriguez
Mark Bell	Kevin Lizana	Susan Schlameus
Edward & Joy Berbersek	Thomas Dee Miller, II	Darryl Schmidt
Kathleen Bryan	Kathy McGee	Alfred Shearin

Brian and Katherine Bushart	William McLean	Edwin Suhr
Antonio Camareno, Jr.	Scott L. & Rosemary L. Mitchan	Curtis Timmerman
William Culp	Julie Morrow	Katrin Traynor
Kathy Daigle	James & Randy Mullins	Clarence Vetter
Rodney de Leon	Julie Murphy	Bruno & Helen Voigt
Angela Dilmac	Nanette Neidhardt	C. Shelby Wainwright, III
Todd Evans	Billy Nowlin	Donald Walencey
Laurie Herring	Delores O'Dell	Boone and Donna Waters
Alan & Sara Holzgrafe	Randy & Leandra Oliver	Joyce T. Weltner Living Trust
BJ & Dixie Howard	Brandon Paweleh	Archie Wohlfahrt
Donald Johnson	Betty Pittman	Ledet Wood
Ethel Mae Jonas	Michael Poole	Rita Zwicke

16. On June 20, 2016, ALJ Travis Vickery convened the hearing on the merits, which was completed that day.
17. The parties submitted post-hearing briefing, and the record closed on July 11, 2016.
- 17A. The Commission heard oral argument by certain parties at the September 8, 2016 open meeting, and discussed with LCRA the feasibility of implementing minor deviations on route 10M on the properties owned by Ms. Twyla Schroeder, Erin and Jason Christensen, and Mr. Archie Wohlfahrt.

Notice

18. Notice of a public open-house meeting held in Seguin, Texas on September 17, 2015, was mailed to the approximately 1,318 landowners who own property located within 500 feet of each preliminary alternative routing link.
19. Notice of the open-house meeting was additionally published in the *New Braunfels Herald-Zeitung* and the *Seguin Gazette* on September 6 and 13, 2015.
20. On March 22, 2016, LCRA filed proof of notice in the form of an affidavit indicating that notice of the application was: (a) published in newspapers having general circulation within the study area in Guadalupe County, namely the *Seguin Gazette* and the *New Braunfels Herald-Zeitung*; (b) sent by first-class mail to owners of all land within 500 feet of the

proposed centerline of any route segment; (c) sent by first-class mail to utilities providing similar service within five miles of the alternative routing options; (d) sent by first-class mail to county officials in Guadalupe County and the mayors of the cities within five miles of the project; and (e) sent by first-class mail to the Office of Public Utility Counsel.

21. LCRA provided a copy of the application to the Texas Parks & Wildlife Department (TPWD) on March 1, 2016.
22. LCRA's proof of notice contained copies of the notices provided.

The Application

23. The project is a 345-kV transmission line in Guadalupe County from the existing LCRA Zorn substation to the existing LCRA Marion substation.
24. The project will use the previously certificated open 345-kV position on existing structures between the Zorn substation and the vicinity of the existing LCRA Clear Springs substation, and then continue on new double-circuit single pole structures from the vicinity of the Clear Springs substation to the Marion substation.
25. The application seeks an amendment to LCRA's CCN authorizing LCRA to construct a new transmission line capable of supporting a new circuit from the Zorn substation to the Marion substation and a second circuit to be installed on the new double-circuit single pole structures in the future.
26. The ERCOT Board of Directors recommended the project to support the reliability of the ERCOT regional transmission system along the Interstate 35 corridor between San Antonio and Austin.
27. ERCOT designated the project as critical to the reliability of the ERCOT system.
28. LCRA implemented ERCOT's recommendation by presenting a project to the Commission that used the previously certificated open position on existing structures between the Zorn and Clear Springs substations and proposing a number of geographically diverse alternative routes between the open position on the existing Zorn to Clear Springs transmission line structures and the Marion substation.

Need for the Proposed Project

29. The project is needed to address the short- and long-term reliability of the ERCOT regional system in and along the Interstate-35 corridor between San Antonio and Austin, and to support the north to south bulk electric system transfers across 138-kV and 345-kV transmission lines within this corridor.
30. According to ERCOT, an additional north-to-south 345-kV circuit is needed by 2019 to prevent several violations of ERCOT's and the North American Electric Reliability Corporation's planning criteria within the corridor, including overloading of existing circuits.
31. ERCOT recommended that the circuit located between the vicinity of the Clear Springs substation and the Marion substation be installed on new double-circuit capable structures.
32. ERCOT received a notice that operations at the CPS Energy J.T. Deely generating station (845-megawatt) in Bexar County would be suspended by December 31, 2018, further adding to the need for the project.
33. All of the 19 routes under consideration in this docket, including the 15 presented in the application and the four additional routes identified by the parties, will satisfy the critical need for an additional 345-kV circuit between the Zorn and Marion substations.
34. Electric customers within the project area and other customers in the ERCOT system will benefit from the improved transmission system reliability and capacity provided by the project.

Routing of the Project

35. LCRA retained POWER Engineers, Inc. to prepare an environmental assessment and routing study (EA) for the project.
36. POWER used a project team with expertise in different disciplines (geology/soils, hydrology, terrestrial ecology, wetland ecology, land use/aesthetics, socioeconomics, and cultural resources, and archaeological and historical) to delineate and evaluate potential alternative routes for the proposed project based on environmental and land use conditions

- present along each potential route, reconnaissance surveys, and the public involvement process.
37. POWER examined potential routes taking into consideration the factors that appear in Public Utility Regulatory Act (PURA) § 37.056(c)(4)(A)-(D),¹ 16 Texas Administrative Code (TAC) § 25.101, and the Commission's CCN application form.
 38. LCRA held a public open house meeting on September 17, 2015, to solicit comments from landowners, public officials, and other interested residents regarding the preliminary alternative links.
 39. Information received from the public open house meeting and from local, state, and federal agencies was considered and incorporated into both POWER's routing analysis and the identification of alternative routes by LCRA.
 40. POWER evaluated 72 primary alternative route segments using 43 criteria that consider land use, aesthetics, ecology, and cultural resources.
 41. The portion of the project to be built on new structures within new right-of-way (ROW) will be approximately 9.5 to 13.6 miles in length, depending on the route selected.
 42. The total circuit length of the project between the Zorn and Marion substations will be approximately 18.4 to 23.6 miles, depending on the route selected.
 43. The route alternatives under consideration in this proceeding range in estimated total cost from approximately \$46 million to approximately \$62 million.
 44. LCRA considered and submitted an adequate number of geographically diverse routes.
 45. All 19 routes under consideration in this proceeding are viable, feasible, and reasonable from environmental, engineering, and cost perspectives.
 46. Staff and intervenors Southern Guadalupe River Alliance, Guadalupe River Ranch, LP; White Wing 2016, LLC; Holly and Andre Guerin, Melanie Schulze, Sarah Ortiz, and the Krackau Intervenors all support route 10M as the route that should be approved for the project.

¹ Public Utility Regulatory Act, Tex. Util. Code § 37.056(c)(4)(A)-(D) (West 2016).

47. The City of New Braunfels does not oppose construction of the project on route 10M.
48. Route 10M is composed of the following links: S2, I, M, T, V, Y, P1, T1, and W1.
49. Intervenors Twyla Schmidt Schroeder and Jason Christensen own property that is crossed by Segment T, which is a component of route 10M, and they oppose construction of the project on route 10M.
50. No significant impact to existing land use, socioeconomic, geological, hydrological, or wetland resources and no adverse effects to historical or archeological resources are anticipated as a result of construction of any of the filed or proposed routes, including route 10M.
51. Route 10M best addresses the requirements of PURA § 37.056 and 16 TAC § 25.101.

Community Values

52. The term “community values” is not formally defined by statute or in Commission rules.
53. In several CCN dockets, the Commission and Commission Staff have recognized a working definition of “community values” as “a shared appreciation of an area or other natural resource by a national, regional, or local community.”
54. All of the 19 routes under consideration in this proceeding were identified with attention to the community values of the project area.
55. Route 10M crosses 3.8 miles of cropland, 3.1 miles of pasture/rangeland, and no land irrigated by traveling irrigation systems.
56. Two airports registered with the Federal Aviation Administration (FAA), the New Braunfels Regional Airport and Huber Airpark Civic Club LLC, were identified within 20,000 feet of the centerline of one or more of the proposed routes.
- 56A. The New Braunfels Regional Airport has an estimated runway length of 6,503 feet.²
- 56B. FAA regulation 14 CFR § 77.9(b)(1) requires notification to the Federal Aviation Administration if the structure heights exceed the height of an imaginary surface extending outward and upward at a slope of 100 to 1 for a horizontal distance of 20,000 feet from the

² LCRA Exhibit 1, Environmental Assessment at 5-25, Table 5-18.

nearest point of the nearest runway of a public or military airport having at least one runway longer than 3,200 feet.

- 56C. Based on the scale and landowner map in LCRA's application, the nearest point on the New Braunfels Regional Airport's runway is approximately 16,896 feet from route 10M.
57. For each of the segments with the potential to impact aviation, the project could be designed and constructed using structures shorter than the maximum pole height of 175 feet (including shorter poles and low profile structures such as H-frames) to avoid potential interference with airport, airstrip, or heliport operations.
58. DELETED.
59. DELETED.
60. There are two FM radio transmitters, microwave towers, and other electronic installations within 2,000 feet of the centerline of route 10M and no AM radio transmitters located within 10,000 feet of the centerline of route 10M.
61. Commission Staff recommends, and LCRA agrees to cooperate with directly affected landowners to implement minor deviations in the approved route to minimize the impact of the project.
- 61A. At the September 8, 2016 open meeting, LCRA agreed to work with Ms. Twyla Schroeder, Erin and Jason Christensen, and Mr. Archie Wohlfahrt to develop minor deviations of route 10M on each of their properties. LCRA also agreed to keep the Commission informed of the status of the development of the minor deviations on the properties.
62. Project area routing constraints include the Guadalupe River (including Lake McQueeney and Lake Dunlap); wetlands and bottomland/riparian woodlands associated with the floodplains and tributaries of the Guadalupe River; the New Braunfels Regional Airport; and numerous developing communities.

Prudent Avoidance

63. The project has been routed in accordance with the Commission's policy of prudent avoidance.

64. LCRA and POWER used a constraints mapping process to identify and reduce the impact of the project on various constraints, including habitable structures.
65. Prudent avoidance is achieved by minimizing, through reasonable investments of money and effort, the number of habitable structures located in close proximity to the routes; by the use of the existing open position between the Zorn substation and the vicinity of the Clear Springs substation; and by the installation of double-circuit capable structures between the vicinity of the Clear Springs substation and the Marion substation.
66. All of the routes under consideration in this proceeding minimize the number of habitable structures located in close proximity to the routes, given the density of development and population in the study area.
67. Thirty-five habitable structures are located within 500 feet of the centerline of route 10M, which is the fewest number of habitable structures within 500 feet of the centerline of any route under consideration in this proceeding.

Parks and Recreation Areas

68. No parks or recreational areas are crossed by any route of the project.
69. One park or recreational area (the Bandit Golf Club) is located within 1,000 feet of the centerline of route 10M.
70. No route for the project will significantly impact the use or enjoyment of any park or recreational facility.

Historical and Aesthetic Values

71. There are 13 known or recorded historic or prehistoric archaeological sites, ten cemeteries, no Official Texas Historical Marker, and no National Register of Historic Places (NRHP) properties located within 1,000 feet of the centerline of one or more of the routes under consideration in this proceeding.
72. No significant impacts to historical or archaeological resources are anticipated as the result of construction of any of the routes proposed for the project.
73. No cultural resource sites are located within the ROW of route 10M, and only two cultural resource sites are within 1,000 feet of the centerline of route 10M.

74. There are no NRHP-listed sites crossed by or located within 1,000 feet of the centerline of route 10M.
75. Route 10M crosses 4.7 miles of area with high archeological site potential. Only two of the routes proposed in this proceeding have ROWs that traverse fewer amounts of land considered to be of high prehistoric and historic archeological site potential than route 10M.
76. In the event LCRA or its contractors encounter any artifacts or other cultural resources during project construction, all work will cease immediately in the vicinity of the resource and LCRA will report the discovery to the Texas Historical Commission.
77. Route 10M crosses within an estimated 1.4 miles of foreground visual zone of US and state highways, 2.1 miles of foreground visual zone of farm-to-market roads, and 2.4 miles of foreground visual zone of parks/recreational areas.
78. During construction, some temporary impacts to aesthetics may occur from the presence of construction equipment, recent disturbance from clearing and construction, clearing debris, and construction materials along the ROW.
79. Following construction, the ROW will be allowed to revegetate naturally or will be artificially revegetated where necessary; construction equipment and material will be removed; and debris and trash will be disposed.
80. The project ROW would not present a view dissimilar to other linear ROWs throughout the area following completion of construction and restoration activities.
81. Aesthetic impacts of the proposed transmission line have been considered and minimized to the extent possible.

Environmental Integrity

82. With respect to overall environmental integrity, the project will cause short term impacts to soil, water, and ecological resources.
83. POWER contacted the U.S. Fish & Wildlife Service (USFWS) and TPWD to obtain information regarding the possibility of encountering any endangered or threatened species in the area affected by the project.

84. The project is not anticipated to adversely impact populations of any federally listed endangered or threatened species.
85. POWER studied and analyzed potential impacts to water resources, ecology (including endangered/threatened vegetation and fish and wildlife), and land use within the study area for the project.
86. POWER performed an evaluation of the impacts of the project on endangered and threatened species.
87. No significant impacts to wetland resources, ecological resources, endangered and threatened species, or land use are anticipated as a result of the construction of the project.
88. Before construction, LCRA will conduct a natural resources assessment to consider threatened and endangered wildlife and plant species along the approved route.
89. Areas along creeks and streams provide a source of water and habitat and are often corridors for wildlife to move through that area.
90. LCRA is able to mitigate the environmental impacts of stream crossings by (1) crossing the streams at right angles (where feasible), which minimizes clearing, (2) crossing the streams at their narrowest points (where feasible), and (3) installing erosion control measures.
91. Construction of the project will have no significant impact on geological features or resources of the area.
92. None of the routes filed or proposed cross any USFWS National Wildlife Refuge system land.
93. To protect raptors and migratory birds, Commission Staff recommends that LCRA follow the procedures outlined in the following publications for protecting raptors: *Suggested Practices for Avian Protection on Power Lines: The State of the Art in 2006*, Avian Power Line Interaction Committee (APLIC), 2006 and the *Avian Protection Plan Guidelines* published by APLIC in April, 2005.

94. Commission Staff also recommends that LCRA minimize the amount of flora and fauna disturbed during construction of the project, except to the extent necessary to establish appropriate ROW clearance for the project.
95. Commission Staff also recommends that LCRA revegetate using native species and consider landowner preferences in doing so.
96. Commission Staff also recommends, to the maximum extent practicable, that LCRA avoid adverse environmental impacts to sensitive plant and animal species and their habitats as identified by TPWD and USFWS.
97. Commission Staff also recommends that LCRA implement erosion control measures as appropriate and return each affected landowner's property to its original contours unless otherwise agreed to by the landowners or where different contours or grades are necessary to ensure the safety or stability of the project's structures or the safe operation and maintenance of the line.
98. Commission Staff also recommends that LCRA exercise extreme care to avoid affecting non-targeted vegetation or animal life when using chemical herbicides to control vegetation within the ROW.
99. Commission Staff also recommends that LCRA use best management practices to minimize the potential impact to migratory birds and threatened or endangered species.

Compatible Corridors

100. Each segment of each route was developed to use and/or parallel existing compatible ROW, property lines, parcel lines, fence lines, or other natural or cultural features, where feasible and reasonable.
101. Route 10M parallels 1.2 miles of other existing ROW and 1.7 miles of apparent property lines.
102. Route 10M requires approximately 9.5 miles of new ROW and is the shortest route under consideration in terms of new ROW.
103. Route 10M parallels existing compatible corridors (including apparent property boundaries and roads) to a reasonable extent.

104. LCRA does not propose to place any structures of the transmission line within any highway ROW for reasons including, but not limited to, safety, reliability, and compliance with the Texas Department of Transportation's (TxDOT) Utility Accommodation Rules.
105. Where the proposed transmission line is parallel to TxDOT roads, LCRA will place the transmission line structures on private property and not within the road ROW.
106. Where the proposed transmission line crosses a state-maintained road or highway, LCRA will obtain a crossing permit from TxDOT.
107. If any portion of the transmission line will be accessed from a state-maintained road or highway, LCRA will obtain the appropriate permit from TxDOT.

Coastal Management Program

108. The project is not located within the Coastal Management Program boundary as defined in 31 TAC § 503.1.

Estimated Costs

109. LCRA derived estimated cost information from a variety of sources, including segment data from the EA, preliminary designs and costs from LCRA vendors and contractors, contract pricing models, construction cost estimates based on a review of the project area, and ROW acquisition estimates derived from taxing authority data.
110. LCRA's estimated costs for each alternative route in this proceeding are as follows:

Route	Total Cost Estimate
10M	\$46,810,000
10	\$47,675,000
5	\$47,853,000
5A	\$49,037,000
Modified 10M	\$49,316,000
2	\$50,072,000
4	\$50,144,000
10-5H	\$50,453,000
14	\$50,556,000
11	\$50,811,000
6	\$51,826,000
12	\$52,154,000
7	\$56,196,000
1	\$59,705,000
3	\$60,990,000
15	\$61,360,000
9	\$61,375,000
13	\$61,556,000
8	\$61,605,000

- 111. A potential modification to segment T on Ms. Schroeder's property would cost approximately \$1,730,000, plus approximately \$82,000 in ROW acquisition costs.
- 112. Route 10M has an estimated cost of \$46,810,000 and is the least costly route under consideration.

TPWD's Comments and Recommendations

- 113. TPWD filed comments and recommendations on July 1, 2015, and May 4, 2016.
- 114. No modifications to the project are required as a result of the recommendations and comments made by TPWD.
- 115. The Commission expects transmission providers such as LCRA to carefully examine and propose appropriate design, construction, cleanup, and maintenance techniques to avoid undue environmental and land use impacts.
- 116. LCRA agrees to comply with TPWD's recommendations where reasonable and possible, consistent with the need to complete the project in a timely and cost-effective manner.

117. TPWD provided comments and recommendations regarding the project and potential impacts on sensitive fish/wildlife resources, habitats or other sensitive natural resources. This information provides some sound and reasonable advice.
118. POWER and LCRA have taken into consideration several of the recommendations offered by TPWD.
119. The TPWD letter does not take into consideration PURA § 37.056 or 16 TAC § 25.101.
120. LCRA does not gain access to private property until after a route is approved by the Commission, thus, LCRA identified known/occupied areas of endangered or threatened species habitat based on information in the Texas Natural Diversity Database and other available information.
121. Once a route is approved by the Commission, LCRA can undertake on-the-ground measures to identify potential endangered or threatened species habitat and respond appropriately.
122. TPWD made a number of recommendations concerning mitigation. These were:
 - Phase separation of lines;
 - Line markers;
 - Seasonal ROW clearing;
 - Use of erosion controls and sediment runoff control measures;
 - Stream crossing best management practices;
 - Flora and fauna surveys;
 - Survey of approved route to determine potential impact to Texas tortoise, Texas horned lizard, and timber rattlesnake;
 - A biological monitor for the project; and
 - A mitigation plan.
123. LCRA will revegetate the new ROW as necessary and according to LCRA's vegetation management practices, the storm water pollution prevention plan developed for construction of the project, and, in many instances, landowner preferences or requests.

124. LCRA's standard vegetation removal, construction, and maintenance practices adequately mitigate concerns expressed by TPWD.
125. LCRA will comply with applicable state and federal laws and regulations with regard to construction of the project.
126. Use of the storm water pollution prevention plan will implement appropriate strategies to deal with erosion and soil stability.
127. Vegetation removal will be limited to necessary removals to establish appropriate access and clearances.
128. Unnecessary tree/vegetation clearing along stream and river banks can be avoided and herbicide use will be restricted.
129. LCRA will perform revegetation with concern for landowner and operations interests.
130. Avoidance and mitigation procedures will be used by LCRA to comply with laws protecting federally listed species.
131. LCRA will use appropriate avian protection procedures.
132. The following TPWD recommendations or comments should not be adopted for the issuance of a final order in this docket because they are not necessary or are not operationally practicable: (a) that impacts associated with habitat loss and fragmentation be examined further before a route is selected, and (b) that LCRA have a biological monitor on hand during clearing and construction activities to protect state-listed reptile species.

II. Conclusions of Law

1. LCRA is an electric utility as defined in PURA §§ 11.004 and 31.002(6).
2. The Commission has jurisdiction over this matter pursuant to PURA §§ 14.001, 32.001, 37.051, 37.053, and 37.056.
3. SOAH has jurisdiction over this proceeding pursuant to PURA § 14.053 and Texas Government Code § 2003.049.

4. This docket was processed in accordance with the requirements of PURA, the Administrative Procedure Act, Texas Government Code Chapter 2001, and the Commission's rules.
5. The project was deemed by ERCOT as critical to reliability and was processed in accordance with 16 Texas Administrative Code § 25.101(b)(3)(D).
6. Pursuant to 16 TAC § 25.101(b)(3)(A)(ii)(I), ERCOT's recommendation shall be given "great weight" in determining the need for a proposed transmission line project.
7. LCRA provided proper notice of the application in compliance with PURA § 37.054 and 16 TAC § 22.52(a).
8. The application is sufficient and notice was adequate.
9. LCRA provided notice of the public open house meeting consistent with 16 TAC § 22.52(a)(4).
10. LCRA is entitled to approval of the application as described in the findings of fact, using route 10M taking into consideration the factors set out in PURA § 37.056(c)(4)(A)-(D) and (F).
11. All of the routes under consideration comply with the routing factors in PURA § 37.056 and 16 TAC § 25.101, including the Commission's policy of prudent avoidance.
12. The project is necessary for the service, accommodation, convenience or safety of the public within the meaning of PURA § 37.056(a), taking into consideration the applicable factors set out in PURA § 37.056(c) and 16 TAC § 25.101.
13. Route 10M best addresses the requirements of PURA § 37.056 and 16 TAC § 25.101.

III. Ordering Paragraphs

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

1. LCRA Transmission Services Corporation's CCN No. 30110 is amended and LCRA Transmission Services Corporation's application to build a new 345-kV transmission line in Guadalupe County, capable of supporting a new circuit from the Zorn substation to the

Marion substation and capable of supporting a second circuit to be installed in the future on the new double-circuit single pole structures is approved. The proposed transmission line project will follow route 10M, which consists of segments S2, I, M, T, V, Y, P1, T1, and W1.

2. In the event LCRA Transmission Services Corporation or its contractors encounter any artifacts or other cultural resources during project construction, LCRA Transmission Services Corporation shall cease work immediately in the vicinity of the resource and report the discovery to the Texas Historical Commission and take action as directed by the Texas Historical Commission.
3. LCRA Transmission Services Corporation shall use best management practices to minimize the potential impact to migratory birds and threatened or endangered species.
4. LCRA Transmission Services Corporation shall follow the procedures outlined in the following publication for protecting raptors: *Suggested Practices for Avian Protection on Power Lines, The State of the Art in 2006*, Avian Power Line Interaction Committee (APLIC), 2006, and the *Avian Protection Plan Guidelines* published by APLIC in April 2005. Also, LCRA Transmission Services Corporation will consult *Reducing Avian Collisions with Power Lines: The State of the Art in 2012* (2012). LCRA Transmission Services Corporation shall take precautions to avoid disturbing occupied nests and shall take steps to minimize the impact of construction on migratory birds, especially during nesting season.
5. LCRA Transmission Services Corporation shall exercise extreme care to avoid affecting non-targeted vegetation or animal life when using chemical herbicides for controlling vegetation within the ROW, and any herbicide shall comply with rules and guidelines established in the Federal Insecticide, Fungicide and Rodenticide Act and with Texas Department of Agriculture regulations.
6. LCRA Transmission Services Corporation shall minimize the amount of flora and fauna disturbed during construction of the proposed transmission line project, except to the extent necessary to establish appropriate ROW clearance for the transmission line. LCRA Transmission Services Corporation shall revegetate using native species, considering

landowner preferences in doing so. To the maximum extent practicable, LCRA Transmission Services Corporation shall avoid adverse environmental impacts to sensitive plant and animal species and their habitats as identified by TPWD and the United States Fish and Wildlife Service.

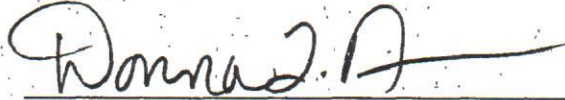
7. LCRA Transmission Services Corporation shall implement erosion control measures as appropriate. LCRA Transmission Services Corporation shall return each affected landowner's property to its original contours and grades unless otherwise agreed to by the landowners or landowners' representatives. LCRA Transmission Services Corporation shall not be required to restore original contours and grade where a different contour or grade is necessary to ensure the safety or stability of the project's structures or the safe operation and maintenance of the line.
8. LCRA Transmission Services Corporation shall cooperate with directly affected landowners to implement minor deviations in the approved route to minimize the impact of the proposed transmission line project. Any minor deviations in the approved route shall only directly affect landowners who received notice of the transmission line in accordance with 16 TAC § 22.52(a)(3) and shall directly affect only those landowners who have agreed to the minor deviation.
9. LCRA Transmission Services Corporation shall be permitted to deviate from the approved route in any instance in which the deviation would be more than a minor deviation, but only if the following two conditions are met. First, LCRA Transmission Services Corporation shall receive consent from all landowners who would be affected by the deviation regardless of whether the affected landowner received notice of or participated in this proceeding. Second, the deviation shall result in a reasonable direct path toward the terminus of the line and not cause an unreasonable increase in cost or delay the project. Unless these two conditions are met, this paragraph does not authorize LCRA Transmission Services Corporation to deviate from the approved route except as allowed by the other ordering paragraphs in this Order.
10. LCRA Transmission Services Corporation shall work with Ms. Twyla Schroeder, Erin and Jason Christensen, and Mr. Archie Wohlfahrt to develop minor deviations of route 10M,

consistent with ordering paragraph 9, on each of the their properties. LCRA Transmission Services Corporation shall inform the Commission of the status of the development of the minor deviations on the properties by providing filings in this docket.

11. If possible and subject to the other provisions of this order, LCRA Transmission Services Corporation shall prudently implement appropriate final design for this transmission line so as to avoid being subject to the FAA's notification requirements. If required by federal law, LCRA Transmission Services Corporation shall notify and work with the FAA in order to ensure compliance with applicable federal laws and regulations.
12. LCRA Transmission Services Corporation shall update the reporting of this project on their monthly construction progress report before the start of construction to reflect final estimated cost and schedule, in accordance with 16 TAC § 25.83(b).
13. All other motions, requests for entry of specific findings of fact or conclusions of law, and any other requests for general or specific relief, if not expressly granted, are denied.

Signed at Austin, Texas the 15th day of September 2016.

PUBLIC UTILITY COMMISSION OF TEXAS



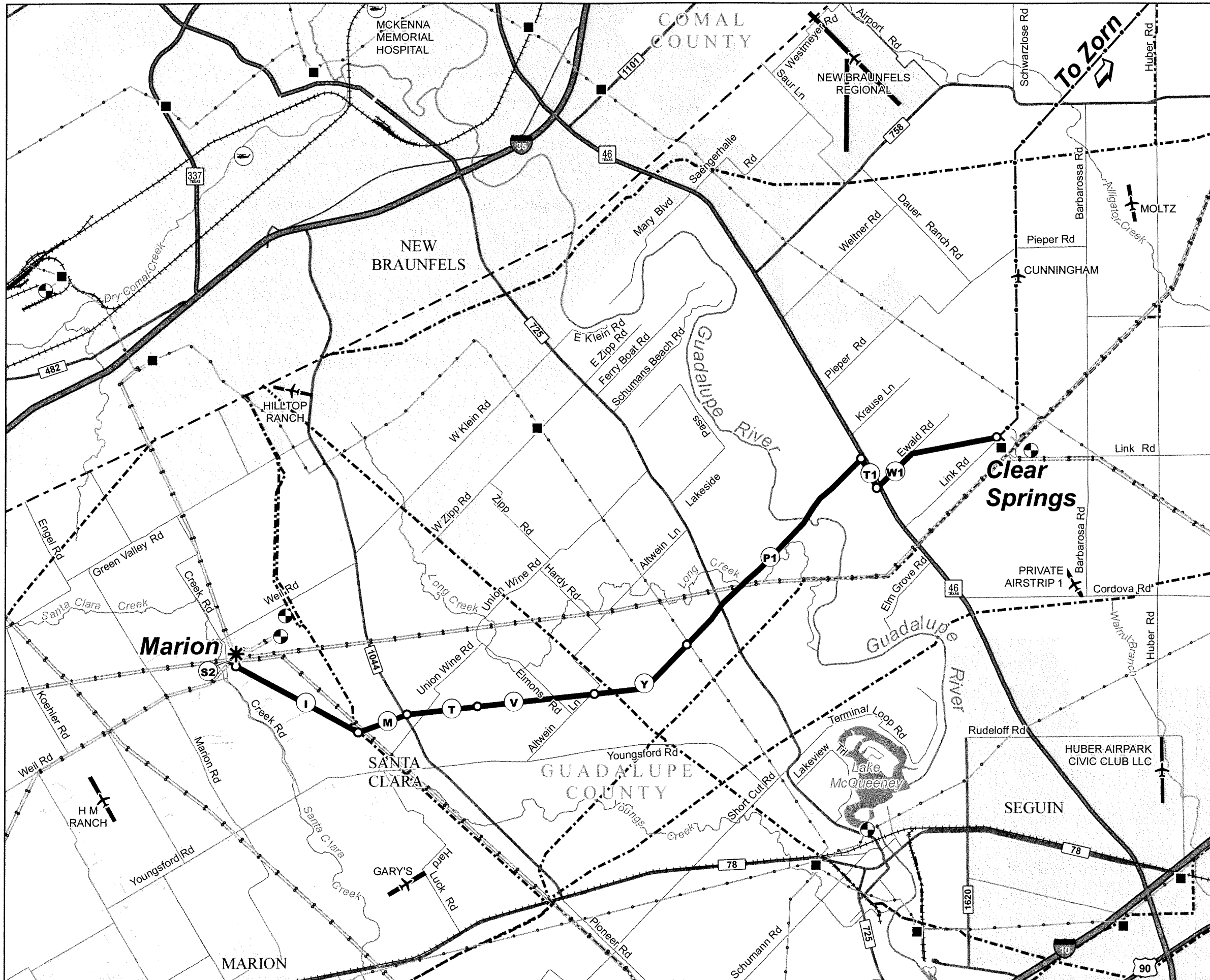
DONNA L. NELSON, CHAIRMAN



KENNETH W. ANDERSON, JR., COMMISSIONER



BRANDY MARTY MARQUEZ, COMMISSIONER



Zorn to Marion
345-kV Transmission Line Project

PUC Approved Route
Route 10M: S2-I-M-T-V-Y-P1-T1-W1

Project Components

- Project Endpoint
- PUC Approved Route Segment, Node and Label
- Existing Project Transmission Line

Existing Utilities

- Generation
- Substation
- Existing Transmission Line
- Existing Double Circuit Transmission Line
- Pipeline

Transportation

- Interstate Highway
- US Highway
- State Highway
- Railroad
- Airport or Airstrip
- Heliport
- Farm to Market Road
- Major Road
- Local Road

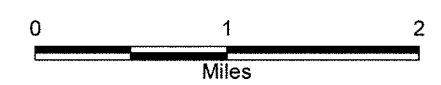
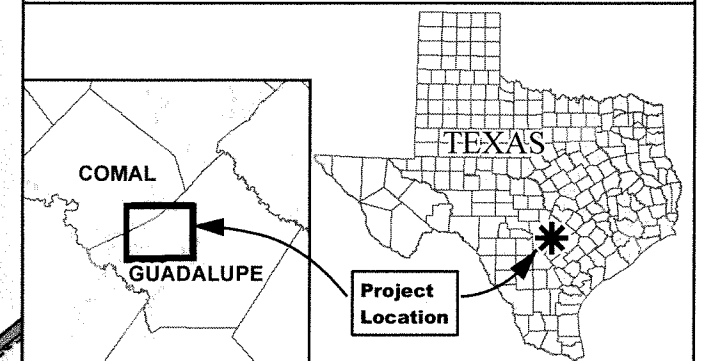
Surface Waters

- River
- Stream
- Lake or Pond

Administrative Boundaries

- County Boundary
- City Boundary

Note: Some legend symbols are enlarged for easier identification.



Date: 9/13/2016

