PUC DOCKET NO. 55365
SOAH DOCKET NO. 473-23-26934

APPLICATION OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC TO AMEND A CERTIFICATE OF CONVENIENCE AND NECESSITY FOR A 138-KV TRANSMISSION LINE WITHIN CHAMBERS COUNTY	**§ § § § § §**	**PUBLIC UTILITY COMMISSION OF TEXAS**

ORDER

This Order addresses the application of CenterPoint Energy Houston Electric, LLC to amend its certificate of convenience and necessity (CCN) to construct, own, and operate a 138-kilovolt (kV) double-circuit transmission line that will loop the existing 138-kV Chevron-to-Langston line and connect it to the new 138-kV Kilgore distribution substation in Chambers County. Because the proposed transmission facilities will loop an existing circuit into a new load-serving station, the Electric Reliability Council of Texas, Inc. (ERCOT) has not reviewed the proposal and has not deemed this transmission line as critical to the reliability of the ERCOT system.

CenterPoint filed a unanimous agreement to route the transmission line along route 10. The Commission approves the agreed route and amends CenterPoint's CCN number 30086 to the extent provided by this Order.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicant

1. CenterPoint Energy Houston Electric, LLC is a Texas limited liability company registered with the Texas secretary of state under filing number 800119842.

2. CenterPoint owns and operates for compensation in Texas facilities and equipment to transmit and distribute electricity in the ERCOT region.

3. CenterPoint holds certificate of convenience and necessity number 30086 to provide service to the public.

Application

4. On August 15, 2023, CenterPoint filed a request for a docket number and motion to modify the intervention period and to refer the case to the State Office of Administrative Hearings (SOAH).

5. In Order No. 1 filed on August 16, 2023, the Commission administrative law judge (ALJ) modified the deadline to intervene to 30 days and deferred the SOAH referral request to a future order.

6. On August 30, 2023, CenterPoint filed an application to amend its CCN for the proposed construction of a new transmission line and new substation.

7. CenterPoint retained Halff Associates, Inc. to prepare an environmental assessment and routing analysis, which CenterPoint attached to the application.

8. In the application, CenterPoint stated that route 10 best addressed the requirements of PURA[1] and the Commission's rules.

9. In SOAH Order No. 2 filed on September 21, 2023, the SOAH ALJs found the application sufficient.

Description of the Transmission Facilities

10. CenterPoint proposes to construct a new 138-kV double-circuit transmission line that will loop the existing 138-kV Chevron substation-to-Langston substation circuit 86 in the CenterPoint transmission network and connect it to the new CenterPoint Kilgore distribution substation. The transmission line will originate in the city of Mont Belvieu and terminate in the city of Baytown.

11. In this Order, the term *transmission facilities* includes the transmission line and the new Kilgore substation.

12. CenterPoint plans to construct the transmission line on mainly double-circuit steel lattice towers with a vertical phase configuration in an 80-foot-wide right-of-way. The typical height of a lattice steel tower with a vertical phase configuration can range from

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

approximately 90 to 140 feet depending on the terrain and required National Electrical Safety Code clearances.

13. Depending on the terrain and other considerations, different right-of-way widths and alternative structure types may be required. CenterPoint may use tubular steel poles or concrete poles with a vertical configuration in an 80-foot-wide right-of-way and flat-tap steel structures with a horizontal configuration in a 180-foot-wide right-of-way to approach and dip under existing transmission lines. The typical height of a flat-tap steel structure with a horizontal-phase configuration ranges from approximately 35 to 55 feet. The typical height of a concrete fiber-only stub pole ranges from approximately 45 to 70 feet.

14. CenterPoint plans to use 959-kilocircular-mil aluminum conductor, steel supported trapezoid wire, with two conductors per phase, having a continuous summer static current rating of 3,512 amperes and a continuous static line capacity of 838 megavolt-amperes.

15. The proposed Kilgore distribution substation will initially include two 100-megavolt-ampere, 138-to-35-kV power transformers and four distribution feeders leaving the substation site. The substation will also include aluminum tubular bussing, a control cubicle, a static mass for lightning protection, fault interrupting devices, and devices and equipment needed for the four distribution feeders leaving the substation site. The transmission-line circuit entering the substation will have an associated H-frame dead-end structure and line sectionalizing switches.

16. CenterPoint expects that the substation facility will require a 15-acre parcel, with an estimated footprint of 805 feet, 800 feet, 780 feet, and 840 feet.

17. The Kilgore substation will have the ability and space to add two more 100-megavolt-ampere, 138-to-35-kV power transformers and 12 more distribution feeders, thus accommodating a total of four 100-megavolt-ampere, 138-to-35-kV power transformers and 16 distribution feeders with minimal modifications.

18. CenterPoint proposed 20 alternative routes and two alternative substation sites.

19. The alternative routes range in length from approximately 2.27 to 5.66 miles.

20. All alternative routes are viable and constructible.

Schedule

21. CenterPoint estimated that it would finalize engineering and design by October 2024, acquire all rights-of-way and land by February 2025, procure material and equipment by October 2025, complete construction by May 2026, and energize the transmission facilities approved by this Order by June 2026.

Public Input

22. To develop information on community values for the transmission facilities, CenterPoint held a public meeting on October 13, 2022 at the Baytown Community Center, located at 2407 Market Street, Baytown, TX.

23. CenterPoint directly mailed individual notification letters announcing the public meeting to 324 landowners whose property is located within 300 feet of each of the preliminary transmission-line segments. CenterPoint obtained the landowners' names and addresses from the Chambers County tax rolls database. The notice included a map of the study area depicting the preliminary route segments and a document with frequently asked questions.

24. CenterPoint sent written notice of the public meeting to 44 local officials and government agencies. In addition, CenterPoint publicized the public meeting through a public notice published in the *Houston Chronicle* and *The Baytown Sun* on October 4, 2022.

25. A total of 15 people signed in as attending the public meeting.

26. CenterPoint received completed questionnaires from five individuals.

27. Information from the public meeting and from local, state, and federal agencies was evaluated and incorporated into the selection of recommended and alternative routes by CenterPoint.

Notice of Application

28. On August 30, 2023, CenterPoint sent written notice of the application by first-class mail to municipal officials of the City of Baytown and the City of Mont Belvieu.

29. On August 30, 2023, CenterPoint sent written notice of the application by first-class mail to county officials in Chambers County.

30. On August 30, 2023, CenterPoint 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.

31. On August 30, 2023, CenterPoint sent written notice of the application by first-class mail to each landowner, as stated on the current county tax roll in Chambers County, who could be directly affected by the transmission facilities on any of the proposed routes.

32. On August 30, 2023, CenterPoint sent written notice of the application by first-class mail to owners of pipelines with facilities paralleled or crossed by a proposed route.

33. On August 30, 2023, CenterPoint sent notice of the application to the Office of Public Utility Counsel (OPUC).

34. On August 30, 2023, CenterPoint sent written notice of the application by certified mail to the Department of Defense Military Aviation and Installation Assurance Siting Clearinghouse.

35. On August 30, 2023, CenterPoint sent a copy of the environmental assessment and routing analysis by certified mail to the Texas Parks and Wildlife Department.

36. On September 18, 2023, CenterPoint filed the affidavit of Bradley J. Diehl, manager of transmission policy for CenterPoint, attesting to the provision of notice to municipalities within five miles, Chambers County officials, neighboring utilities, OPUC, Department of Defense Military Aviation and Installation Assurance Siting Clearinghouse, the Texas Parks and Wildlife Department, owners of pipelines, and directly affected landowners.

37. On September 7, 2023, CenterPoint published notice in the *Houston Chronicle* and *The Baytown Sun*, which are newspapers of general circulation in Chambers County.

38. On September 18, 2023, CenterPoint filed affidavits attesting to the publication of notice of the application.

39. In SOAH Order No. 3 filed on October 3, 2023, the SOAH ALJs found the notice of the application sufficient.

Intervenors

40. In SOAH Order No. 3 filed on October 3, 2023, the SOAH ALJs granted the motion to intervene filed by Tyler Fitzgerald. Because the time for response to motions to intervene had not expired, the SOAH ALJs provisionally granted the motions to intervene filed by Chambers County Logistics Terminal, L.P. by Chambers County Associates Inc., its sole general partner (represented by Kathleen Bracquene), Herman Lowery, Gail Enderli, Bart Enderli, Sherry and Royce Majors, Michelle Culpepper, and Elizabeth Cravens. No objection to these interventions was subsequently filed.

41. In SOAH Order No. 4 filed on November 9, 2023, the SOAH ALJs dismissed the following intervenors for failure to file direct testimony or a statement of position by the October 6, 2023 deadline: Tyler Fitzgerald, Gail Enderli, Bart Enderli, Sherry and Royce Majors, and Michelle Culpepper.

Alignment of Intervenors

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

Route Adequacy

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

44. 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.

Testimony

45. On August 30, 2023, CenterPoint filed the direct testimonies of Bradley J. Diehl, manager of transmission policy for CenterPoint; Chris Sanderson, environmental scientist and environmental team leader for Halff Associates, Inc.; and Jacob P. Tomczyszyn, manager of the transmission design department for CenterPoint.

46. On October 6, 2023, Herman Lowery filed his direct testimony; Chambers County Logistics Terminal, L.P. filed the direct testimony of Hans D'Hooghe; and Elizabeth Cravens filed her direct testimony.

47. On October 20, 2023, Commission Staff filed the direct testimony of John Poole.

48. On October 30, 2023, CenterPoint filed the supplemental direct testimony of Bradley J. Diehl.

49. On November 9, 2023, CenterPoint filed the affidavit of Bradley J. Diehl attesting to additional information regarding need for the proposed transmission facilities.

50. On November 17, 2023, Commission Staff filed the supplemental testimony of John Poole recommending that CenterPoint's application be approved.

Referral to SOAH for Hearing

51. On August 31, 2023, the Commission referred this docket to SOAH and filed a preliminary order specifying issues to be addressed in this proceeding.

52. In SOAH Order No. 2 filed on September 21, 2023, the SOAH ALJs provided notice of a hearing on the merits set for 9:00 a.m. on November 9–10, 2023 by videoconference.

53. On November 7, 2023, CenterPoint and Commission Staff filed a joint motion to establish a revised procedural schedule and seek a good-cause exception to extend the deadline to allow for administrative approval of the application under 16 Texas Administrative Code (TAC) § 25.101(b)(3)(C).

54. In SOAH Order No. 4 filed on November 9, 2023, the SOAH ALJs adopted the proposed procedural schedule and declined the parties' request for a good-cause exception.

55. On December 1, 2023, CenterPoint filed a unanimous agreement between the parties, agreeing on route 10.

56. In SOAH Order No. 6 filed on December 4, 2023, the SOAH ALJs admitted the following evidence into the record of the proceeding:

    a. CenterPoint's application to amend a CCN for a 138-kV transmission line in Chambers County, including all attachments, filed on August 30, 2023;

    b. the direct testimonies, including all attachments and exhibits, of Chris Sanderson, Bradley J. Diehl, and Jacob P. Tomczyszyn, filed on August 30, 2023;

    c. CenterPoint's actions to aid the Commission's review, filed on August 30, 2023;

d. CenterPoint's native attachments to the application, Table 4-1 and Attachment 3, filed on September 13, 2023;

e. Commission Staff's recommendation on sufficiency of the application filed on September 13, 2023;

f. CenterPoint's affidavit attesting to proof of notice, including attachments, filed on September 18, 2023;

g. Commission Staff's recommendation on the sufficiency of notice, filed on September 26, 2023;

h. the direct testimony, including all attachments and exhibits, of Herman Lowery, filed on October 6, 2023;

i. the direct testimony of Chambers County Logistics Terminal, L.P., filed on October 6, 2023;

j. the direct testimony, including all attachments and exhibits, of Elizabeth Cravens, filed on October 6, 2023;

k. the direct testimony, including all attachments, of Commission Staff witness John Poole, filed on October 20, 2023;

l. the supplemental direct testimony of Bradley J. Diehl, filed on October 30, 2023;

m. CenterPoint's submission of additional information regarding need, filed on November 9, 2023;

n. Commission Staff's recommendation on final disposition, including the supplemental testimony of John Poole, filed on November 9, 2023; and

o. the agreement and proposed order, filed on December 1, 2023.

57. On December 4, 2023, the SOAH ALJs remanded this proceeding to the Commission.

Return from SOAH

58. On January 17, 2024, CenterPoint filed the affidavit of Bradley J. Diehl attesting to additional information supporting the estimated cost of the proposed Kilgore distribution station.

59. In Order No. 2 filed on January 25, 2024, the Commission ALJ admitted into the record the affidavit of Bradley J. Diehl and attached exhibit A, filed on January 17, 2024.

Adequacy of Existing Service and Need for Additional Service

60. Western Chambers County is served by two existing 35-kV distribution substations (Jordan and Trinity Bay) and one existing 12-kV distribution substation (Mont Belvieu). The new 138-kV Kilgore distribution substation is needed to support these substations in serving existing customers, area load growth, and multiple commercial and residential developments planned for the area.

61. Over five years (2018 through 2022), the three existing substations have experienced a 14.25% combined load growth, from 132.99 MW to 151.94 MW.

62. Because of industrial, commercial, and residential developments planned in the area, CenterPoint forecasts that the distribution load currently served from the three existing substations will grow approximately 39 MW between 2023 and 2032, with a combined load increase of almost 20% between 2023 and 2032.

63. Although the existing distribution substations in the area are not yet at their full capacity, given current load forecasts, two circuits—one at Jordan and one at Trinity Bay—could be overloaded by 2027, the year the proposed Kilgore substation would come online if approved. Two other circuits—one at Jordan and one at Trinity Bay—could come within 5 MW of overloading by that date.

64. Upgrading voltage or bundling of conductors of existing facilities or adding transformers would not provide the additional capacity necessary to serve forecasted load growth. The existing distribution substations have limited capacity to serve more load, have physical limitations that restrict their expansion, and are further away from some areas of new load growth that the new Kilgore substation would serve.

65. The Mont Belvieu substation operates at a 12-kV voltage level that does not provide sufficient capacity to support the forecasted load growth. Upgrading the voltage at Mont Belvieu to 35 kV would require upgrading all distribution lines serving customers and all customer interconnections. A dual voltage substation at Mont Belvieu is not feasible because the substation does not have the physical space to add 35-kV transformers. The Trinity Bay substation is 6.5 to 7 miles from the area that the new Kilgore substation would serve and has limited physical space for distribution feeders even if additional transformers

are added. While the Jordan substation has space, its actual load is already higher than CenterPoint's forecast for 2024 and it is 4.5 to 5 miles from the area that the new Kilgore substation would serve.

66. Locating a new substation closer to the load center will increase circuit capacity to better serve existing and new distribution customers and support the rapid load growth in this fast-growing area.

67. In addition, this new substation will help reduce distribution overhead feeder exposure, circuit customer counts, and average feeder loading in the area, which will improve circuit reliability for distribution customers.

68. CenterPoint evaluated four interconnection options to connect the new 138-kV Kilgore substation to CenterPoint's existing 138-kV transmission circuits. CenterPoint's original study recommended double tapping the new Kilgore substation via an approximately 3-mile-long transmission line connecting to both circuit 52 between Eagle station and Winfre station and circuit 86 between Langston station and Mont Belvieu station. However, after updating load forecasts and developing engineering estimates to prepare its application in this proceeding, CenterPoint requests to instead loop new Kilgore substation via an approximately 2.6-mile-long transmission line connecting to circuit 86 between Chevron station and Langston station. CenterPoint predicts that this proposal will on average be about 12% less expensive than an option that requires a second tap.

69. As a radial transmission line to serve a new load, the transmission line qualifies as a neutral tier 4 transmission line under ERCOT Protocol 3.11.4. Accordingly, the transmission line was not submitted for review by the ERCOT regional planning group.

70. The need for a transmission line is satisfied by any of the proposed alternative routes.

71. No party challenged the need for the transmission facilities, and Commission Staff recommended that the proposed transmission facilities are the best option to meet the demonstrated need.

Routing of the Transmission Facilities

72. The agreed route 10 consists of the following segments: A2, B3, C5, D5, E5, I3, I2, K4, N31, and N33.

73. The agreed route consists entirely of noticed segments that were not changed or modified from the segments proposed in the application.

74. The agreed route is 2.49 miles in length.

Effect of Granting the Application on CenterPoint and other Utilities and Probable Improvement of Service or Lowering of Cost

75. CenterPoint is the only electric utility involved in the construction of the transmission facilities, and no other electric utility's existing facilities will be used.

76. The proposed transmission line will not serve another electric utility or connect with the facilities owned by another electric utility.

77. The agreed route begins at the existing 138-kV Chevron substation-to-Langston substation circuit 86 transmission line and terminates at the proposed Kilgore substation, all owned by CenterPoint.

78. It is likely that the construction of the transmission facilities will result in a more reliable transmission system that adequately serves load in the area.

79. It is unlikely that the construction of the transmission facilities will adversely affect service by other utilities in the area.

Estimated Costs

80. The estimated construction costs of the 20 filed routes range from approximately $59,741,000 to $98,779,000, including substation costs.

81. The estimated cost of substation work ranges from $20,832,000 to $22,832,000, depending on the route selected.

82. The estimated cost of the agreed route is $59,741,000, including $38,909,000 for transmission construction and $20,832,000 for substation costs.

83. The estimated cost of the agreed route is reasonable given the range of the cost estimates for the routes.

84. CenterPoint will finance the proposed transmission facilities from its general corporate funds.

Prudent Avoidance

85. Prudent avoidance, as defined in 16 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."

86. The number of habitable structures within 300 feet of the application routes' centerlines ranges from 1 to 198.

87. The agreed route has 39 habitable structures within 300 feet of its centerline.

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

Community Values

89. The principal concerns expressed in the questionnaire responses from the public meeting included noise and health and avoiding wildlife, wetlands, and residential areas. Responses also ranked roads and highways as the most important existing features that the proposed transmission line should follow.

90. CenterPoint evaluated comments received during the public meeting and comments from agencies and officials.

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

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

92. When developing routes, CenterPoint evaluated the use of existing compatible rights-of-way and paralleling of existing compatible rights-of-way and apparent property boundaries.

93. The routes in the application use or parallel existing compatible rights-of-way or parallel apparent property boundaries for 28% to 80% of the length of the route depending on the route selected.

94. The agreed route uses or parallels existing compatible rights-of-way or parallels apparent property boundaries for 53% of its length.

95. The routes in the application do not use or parallel existing transmission-line easement for 1.99 miles to 3.27 miles, depending on the route selected.

96. The agreed route does not use or parallel existing transmission-line easement and will require 2.49 miles of new right-of-way.

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

Engineering Constraints

98. CenterPoint evaluated engineering and construction constraints when developing routes.

99. CenterPoint did not identify any engineering constraints that would prevent the construction of transmission facilities along the agreed route.

Land Uses and Land Types

100. The study area boundary was defined to provide an area large enough to develop an adequate set of geographically diverse routes. The western boundary of the study area is defined by an existing 345-kV transmission line which is paralleled for a portion of this boundary and is adjacent to the Chambers and Harris County line. The eastern boundary of the study area is defined by State Highway 99; a portion of this boundary parallels the side of State Highway 99. The northern study boundary is located north of Interstate Highway 10 in the City of Mont Belvieu. The southern study area boundary is located south of Kilgore Parkway.

101. The evaluation criteria used to compare potential land-use outcomes include overall route length, the length of route paralleling existing corridors (including apparent property lines), the proximity of the route to habitable structures, potential effects on recreational and park areas, and the length of route across various land-use types. An analysis of the existing land use adjacent to the proposed right-of-way was required to evaluate the potential outcomes.

102. The land-use evaluation placed the greatest importance on the length of the route, number of habitable structures along the route, and percentage of the route parallel with apparent features.

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

Radio Towers and Other Electronic Installations

104. No commercial AM radio transmitters were identified within 10,000 feet of the agreed route's centerline.

105. Two FM radio transmitters, microwave relay stations, or other electronic installations were identified within 2,000 feet of the agreed route's centerline.

106. The agreed route will not have a significant effect on electronic communication facilities or operations in the study area.

Airstrips and Airports

107. 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 centerline of any of the proposed alternative routes.

108. The number of airports registered with the Federal Aviation Administration and equipped with at least one runway longer than 3,200 feet within 20,000 feet of an alternative route centerline ranges from one (with respect to two of the alternative routes) to three (with respect to six of the alternative routes).

109. There are two 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.

110. There are no private airstrips within 10,000 feet of the proposed centerline of any of the alternative routes.

111. There is one heliport within 5,000 feet of fifteen of the alternative route centerlines.

112. There is one heliport within 5,000 feet of the agreed route centerline.

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

Irrigation Systems

114. None of the proposed alternative routes cross any pasture or cropland using any known mobile irrigation systems.

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

Pipelines

116. All of the proposed alternative routes parallel metallic pipeline rights-of-way, ranging from 372 feet to 12,870 feet.

117. The agreed route parallels metallic pipelines transmitting hydrocarbons for 372 feet.

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

Recreational and Park Areas

119. Three of the proposed alternative routes cross recreational and park areas. The proposed routes cross up to 315 feet of recreational and park areas, depending on the route selected. The centerlines of the proposed alternative routes are located within 1,000 feet of up to one additional recreational and park area.

120. The agreed route does not cross recreational and park areas, and there are no recreational or park areas within 1,000 feet of its centerline.

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

Historical and Archaeological Values

122. One official Texas historical marker and three recorded archaeological sites were identified within 1,000 feet of alternative routes.

123. The agreed route crosses no recorded historical or archeological sites.

124. There is one recorded historical or archeological site within 1,000 feet of the agreed route's centerline.

125. There are no properties listed on or determined eligible for listing on the National Register of Historic Places within 1,000 feet of any alternative route's centerline.

126. It is unlikely that the transmission facilities will adversely affect historical or archaeological resources.

Aesthetic Values

127. All of the proposed routes are within the foreground visual zone of United States and state highways, ranging from 6,299 feet to 17,283 feet.

128. The agreed route is located within the foreground visual zone of United States or state highways for 7,002 feet.

129. All of the proposed routes are located within the foreground visual zone of farm-to-market or county roads, ranging from 3,644 feet to 24,017 feet.

130. The agreed route is located within the foreground visual zone of farm-to-market and county roads for 9,979 feet.

131. Of the 20 proposed alternative routes, 14 are located within the foreground visual zone of any parks or recreational areas. The length of route within the foreground visual zone of parks ranges from zero to 6,089 feet.

132. The agreed route is located within the foreground visual zone of parks or recreation areas for 3,836 feet.

133. It is unlikely that the presence of transmission facilities along the agreed route will adversely affect the aesthetic quality of the surrounding landscape.

Environmental Integrity

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

135. Halff Associates, Inc. evaluated the effects of the transmission facilities on the environment, including endangered and threatened species.

136. Halff Associates, Inc. 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.

137. 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.

138. The agreed route crosses upland woodlands for 1,843 feet.

139. The agreed route crosses bottomland or riparian woodlands for 179 feet.

140. The agreed route crosses wetlands mapped by the National Wetland Inventory for 232 feet.

141. The agreed route does not cross the known habitat of a federally listed endangered or threatened species of plant or animal.

142. All the proposed alternative routes would cross multiple surface waters, including ephemeral, intermittent, and perennial streams, wetlands, and ponds. Structures would be located outside of the ordinary high-water mark of surface waters, when feasible. No significant burden on these surface waters is anticipated for any of the proposed alternative routes.

143. All the proposed alternative routes cross upland woodland and bottomland forest and therefore may potentially burden wildlife. These burdens, however, are anticipated to be temporary and minimal. The greatest potential burden to wildlife would result from the clearing of brushland and woodland habitat, clearing the right-of-way within 100 feet of streams, and clearing or crossing bottomland and riparian woodlands and wetlands.

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

145. CenterPoint will mitigate any effect on federally listed plant or animal species according to standard practices and measures taken in accordance with the Endangered Species Act.

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

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

148. It is appropriate for CenterPoint to avoid, to the maximum extent reasonably possible, causing adverse environmental effects on sensitive plant and animal species and their habitats as identified by the Texas Parks and Wildlife Department and the United States Fish and Wildlife Service.

149. It is appropriate for CenterPoint 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 CenterPoint 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.

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

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

152. It is appropriate for CenterPoint to use best management practices to minimize any potential harm that the agreed route presents to migratory birds and threatened or endangered species.

153. It is unlikely that the transmission facilities will adversely affect the environmental integrity of the surrounding landscape.

Texas Parks and Wildlife Department's Written Comments, Recommendations

154. On October 25, 2023, Texas Parks and Wildlife Department filed a letter containing comments and recommendations regarding the proposed transmission line.

155. 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.

156. Texas Parks and Wildlife Department identified the agreed route 10 as the route that best minimizes adverse outcomes to natural resources and utilizes the most existing rights-of-way.

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

158. CenterPoint will comply with all applicable environmental laws and regulations, including those governing threatened and endangered species.

159. CenterPoint will comply with all applicable regulatory requirements in constructing the proposed transmission facilities, including any applicable requirements under section 404 of the Clean Water Act.

160. If construction affects federally listed species or their habitats or affects water under the jurisdiction of the United States Army Corps of Engineers or the Texas Commission on Environmental Quality, CenterPoint will cooperate with the United States Fish and Wildlife Service, the United States Army Corps of Engineers, and the Texas Commission on Environmental Quality as appropriate to obtain permitting and perform any required mitigation.

161. Halff Associates, Inc. relied on habitat descriptions from various sources, including the Texas Natural Diversity Database, other sources provided by the Texas Parks and Wildlife Department, and observations from field reconnaissance to determine whether habitats for some species are present in the area surrounding the transmission facilities.

162. CenterPoint will cooperate with the United States Fish and Wildlife Service and the Texas Parks and Wildlife Department to the extent that field surveys identify threatened or endangered species' habitats.

163. The standard mitigation requirements included in the ordering paragraphs of this Order, coupled with CenterPoint'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.

164. The Commission does not address the Texas Parks and Wildlife Department's recommendations for which there is not record evidence to provide sufficient justification, adequate rationale, or an analysis of any benefits or costs associated with the recommendation.

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

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

Permits

167. Before beginning construction of the transmission facilities approved by this Order, CenterPoint will obtain any necessary permits from the Texas Department of Transportation or any other applicable state agency if the facilities cross state-owned or -maintained properties, roads, or highways.

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

169. Before beginning construction of the transmission facilities approved by this Order, CenterPoint will obtain any necessary permits or clearances from federal, state, or local authorities.

170. It is appropriate for CenterPoint, 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 CenterPoint, 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.

171. It is appropriate for CenterPoint 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, CenterPoint will identify all necessary permits from Chambers County and federal and state agencies. CenterPoint will comply with the relevant permit conditions during construction and operation of the transmission facilities along the agreed route.

172. After designing and engineering the alignments, structure locations, and structure heights, CenterPoint will determine the need to notify the Federal Aviation Administration based on the final structure locations and designs. If necessary, CenterPoint 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 Plan

173. All 20 alternative routes are located either wholly within or partially within the coastal management program boundary as defined in 31 TAC § 27.1.

174. The agreed route crosses approximately 2.48 miles of land within the coastal management program boundary, as defined in 31 TAC § 27.1(a).

175. Coastal natural resource areas, as defined under Texas Natural Resources Code § 33.203 and 31 TAC § 26.3(a)(8), include waters of the open Gulf of Mexico, waters under tidal influence, submerged lands, coastal wetlands, submerged aquatic vegetation, tidal sand and mud flats, oyster reefs, hard substrate reefs, coastal barriers, coastal shore areas, gulf beaches, critical dune areas, special hazard areas (floodplains, etc.), critical erosion areas, coastal historic areas, and coastal preserves.

176. Coastal barrier resource system units and other areas identified and generally depicted on the maps on file with the United States secretary of state entitled "Coastal Barrier Resources System," dated October 24, 1990, as replaced, modified, revised, or corrected under 16 United States Code § 3505.

177. The coastal-facility designation line, as defined by 31 TAC § 19.2(a)(22), delineates the area seaward of which facilities, such as transmission facilities, may be subject to the certification requirements of 31 TAC § 19.12.

178. The agreed route, like all of the proposed alternative routes, does not cross any coastal barrier resource system units or other protected areas seaward of the coastal-facility designation line.

179. Sixteen of the 20 alternative routes cross national-water-initiative mapped wetlands, with lengths traversed ranging from 154 feet to 845 feet; the agreed route crosses national-water-initiative mapped wetlands for 232 feet. Eighteen of the alternative routes cross floodplains mapped by the Federal Emergency Management Agency (FEMA), with lengths traversed ranging from 75 feet to 5,484 feet; the agreed route crosses FEMA-mapped floodplains for 75 feet.

180. CenterPoint will construct transmission facilities along the agreed route in accordance with the Coastal Management Program's goals under 31 TAC § 26.12 and policies under 31 TAC § 26.16(a).

181. Construction of the transmission facilities approved by this Order along the agreed route minimizes adverse effects on coastal natural resource areas routing adjacent and parallel to existing rights-of-way and in previously disturbed areas where practicable; routing of the agreed route according to best management practices; issuance of notice to the public,

directly affected landowners, landowners within 300 feet of the centerline of the agreed route, municipalities, counties, pipeline owners, and state, local, and federal agencies; and by receiving public comment filings, landowner interventions, and input from state, local, and federal agencies.

182. CenterPoint aligned the agreed route outside any coastal barrier resource system units or other protected areas and aligned the portion of the agreed route located seaward of the coastal facility designation line adjacent and parallel to existing rights-of-way and in previously disturbed areas when practicable.

Limitation of Authority

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

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

Good-Cause Exception

185. Halff Associates, Inc. solicited comments and information from the Department of Defense Military Aviation and Installation Assurance Siting Clearinghouse regarding the transmission facilities by certified mail on August 4, 2022.

186. The Department of Defense Military Aviation and Installation Assurance Siting Clearinghouse had actual notice of the proposed transmission facilities before CenterPoint held a public meeting on October 13, 2022.

Informal Disposition

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

188. The only parties to this proceeding are CenterPoint, Commission Staff, Herman Lowery, Chamber County Logistics Terminal, L.P., and Elizabeth Cravens.

189. All the parties to this proceeding are signatories to the agreement.

190. No hearing is necessary.

191. Commission Staff recommended approval of the application.

192. This decision is not adverse to any party.

II. Conclusions of Law

The Commission makes the following conclusions of law.

1. CenterPoint is a public utility as defined in PURA § 11.004 and an electric utility as defined in PURA § 31.002(6).

2. CenterPoint 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. CenterPoint provided notice of the application in accordance with PURA § 37.054 and 16 TAC § 22.52.

7. The Commission ALJ modified the deadline to file a motion to intervene in this proceeding from 45 days to 30 days after the application is filed, in accordance with 16 TAC § 22.104(b).

8. There is good cause under 16 TAC § 22.5(b) to modify the requirement in 16 TAC § 22.52 that the notice of the application state that the intervention deadline is 30 days from the date the application is filed.

9. Additional notice of the approved route is not required under 16 TAC § 22.52(a)(2) or (a)(3) because it consists entirely of properly noticed segments contained in the original CCN application.

10. CenterPoint held a public meeting and provided notice of that public meeting in accordance with 16 TAC § 22.52(a)(4), except that CenterPoint did not provide notice of the public meeting to the Department of Defense Military Aviation and Installation Assurance Siting Clearinghouse.

11. Good cause exists under 16 TAC § 22.5 to grant an exception to the requirement in 16 TAC § 22.52(a)(4) that notice of the public meeting held by CenterPoint on October 13, 2022 be provided to the Department of Defense Military Aviation and Installation Assurance Siting Clearinghouse.

12. The Commission processed this docket in accordance with the requirements of PURA, the Administrative Procedure Act,[2] and the Commission's rules.

13. 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).

14. The transmission facilities using the agreed route comply with the Texas coastal management program's requirements under 16 TAC § 25.102, goals under 31 TAC § 26.12, and applicable policies under 31 TAC § 26.16(a).

15. The Commission must approve or deny the application not later than the 180th day after it was filed under PURA § 37.057.

16. 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 CenterPoint's CCN number 30086 to include the construction and operation of the transmission facilities along the agreed route (segments A2, B3, C5, D5, E5, I3, I2, K4, N31, and N33), which comprises approximately 2.49 miles of double-circuit 138-kV transmission line in Chambers County.

2. CenterPoint 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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[2] Administrative Procedure Act, Tex. Gov't Code §§ 2001.001–.902.

3. CenterPoint must conduct surveys, if not already completed, to identify metallic pipelines that could be affected by the transmission lines 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.

4. CenterPoint 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 CenterPoint fails to obtain any such permit, license, plan, or permission, it must notify the Commission immediately.

5. CenterPoint 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.

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

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

8. CenterPoint 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.

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

Interaction Committee and United States Fish and Wildlife Service, April 2005. CenterPoint must take precautions to avoid disturbing occupied nests and take steps to minimize the burden of the construction on migratory birds during the nesting season of the migratory bird species identified in the area of construction.

10. CenterPoint 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.

11. CenterPoint 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, CenterPoint must re-vegetate using native species and must consider landowner preferences and wildlife needs in doing so. Furthermore, to the maximum extent practicable, CenterPoint 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.

12. CenterPoint 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, CenterPoint 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 CenterPoint 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.

13. To the maximum extent practicable, CenterPoint must minimize any potential adverse effects of the construction of the transmission facilities on coastal natural resource areas by designing and constructing the transmission facilities according to best management practices.

14. CenterPoint 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 CenterPoint 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, CenterPoint 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, CenterPoint must notify and work with the Federal Aviation Administration to ensure compliance with applicable federal laws and regulations. The Commission does not authorize CenterPoint 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 CenterPoint must file an application to amend its CCN as necessary.

17. CenterPoint 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, CenterPoint must provide final construction costs, with any necessary explanation for cost variance, after the completion of construction when CenterPoint 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 facilities are 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 7th **day of** March **2024.**

PUBLIC UTILITY COMMISSION OF TEXAS

LORI COBOS, COMMISSIONER

JIMMY GLOTFELTY, COMMISSIONER

KATHLEEN JACKSON, COMMISSIONER

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