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PUC DOCKET NO. 57957 SOAH DOCKET NO. 473-25-18574

APPLICATION OF CENTERPOINT	§	PUBLIC UTILITY COMMISSION
ENERGY HOUSTON ELECTRIC, LLC	§	
TO AMEND ITS CERTIFICATE OF	§	OF TEXAS
CONVENIENCE AND NECESSITY TO	§	
REBUILD A 138-KV TRANSMISSION	§	
LINE IN GALVESTON COUNTY	§	

NOTICE OF APPROVAL

This Notice of Approval addresses the application of CenterPoint Energy Houston Electric, LLC to amend its certificate of convenience and necessity (CCN) number 30086 for the rebuild of a 138-kilovolt (kV) transmission line in Galveston County. The Commission amends CCN number 30086 to include the construction, ownership, and operation of the rebuilt transmission line to the extent provided in this Notice of Approval.

I. Findings of Fact

The Commission makes the following findings of fact.

<u>Applicant</u>

- CenterPoint Houston is a Texas limited liability company registered with the Texas secretary of state under filing number 800119842.
- CenterPoint Houston owns and operates for compensation in Texas facilities and equipment to transmit and distribute electricity in the Electric Reliability Council of Texas (ERCOT) region.
- 3. CenterPoint Houston holds CCN number 30086 to provide service to the public.

Application

4. On April 30, 2025, CenterPoint Houston filed an application to amend its CCN number 30086 to rebuild the Stewart-to-West Bay 138-kV double-circuit transmission line in Galveston County, replacing aging materials, including wooden poles, with engineered structures of concrete and steel.

- 5. CenterPoint Houston hired POWER Engineers, Inc. to prepare an environmental assessment and routing analysis for the proposed transmission line rebuild, which was included as part of the application.
- 6. In State Office of Administrative Hearings (SOAH) Order No. 2 filed on May 23, 2025, the SOAH administrative law judge (ALJ) found the application sufficient.

Description of the Proposed Transmission Facilities

- 7. CenterPoint Houston seeks approval to rebuild a portion of an existing 138-kV double-circuit transmission line that connects the existing Stewart and West Bay substations.
- 8. The start of the proposed transmission line rebuild is 0.34 miles northwest of the intersection of Farm-to-Market Road 3005 and 13 Mile Road. The proposed transmission line rebuild will extend 10.78 miles to the West Bay substation, which is located 0.17 miles west of the intersection of Farm-to-Market Road 3005 and Catalina Drive.
- 9. The proposed transmission facilities will be located entirely within Galveston County.
- 10. In this Notice of Approval, the term *transmission facilities* means the proposed transmission line rebuild.
- 11. The typical structures for the rebuilt transmission line will be double-circuit tubular concrete or steel poles with a vertical phase configuration in an existing road right-of-way. CenterPoint Houston may acquire up to 25 feet of additional aerial right-of-way to provide space to safely operate and maintain the proposed transmission facilities.
- 12. The typical structure height of the tubular concrete or steel poles is approximately 105 feet.
- 13. CenterPoint Houston plans to use trapezoidal-shaped aluminum stranded conductor with a carbon fiber thermoset-matrix supported stranded core with one conductor per phase, having a continuous summer static current rating of 1,783 amperes and a continuous summer static line capacity of 417 megavolt-amperes.
- 14. Cost estimates for the proposed transmission facilities were provided in the application, and these estimates include the costs of engineering, acquiring right-of-way, procurement of materials and equipment, construction of facilities, and administration.
- 15. The proposed transmission line is 10.78 miles in length.

16. The typical width of the right-of-way will be 50 feet, including up to 25 feet of newly acquired aerial easement. All necessary ground right-of-way has been acquired and approximately 55% of the needed overall right-of-way for the proposed transmission line has been acquired.

Schedule

17. CenterPoint Houston estimates it will complete engineering and design by December 2025, acquire rights-of-way and land by October 2026, procure material and equipment by September 2026, complete construction of facilities by August 2027, and energize the facilities by August 2027.

Public Input

- On September 26, 2024, POWER Engineers mailed consultation letters to various public officials and agencies informing them of the proposed transmission facilities and giving them an opportunity to provide information about the proposed transmission facilities and the general transmission facilities area. In response, POWER Engineers received information from various public officials and agencies.
- 19. Copies of correspondence to and from the various state and federal regulatory agencies, and local and county officials and departments, are included in appendix A of the environmental assessment and routing analysis.
- 20. To develop information on community values for the transmission facilities, CenterPoint Houston held a public meeting at Parker Elementary School in the City of Galveston on November 21, 2024.
- On October 31, 2024, CenterPoint Houston mailed 1,108 landowners within 320 feet of the centerline of the transmission line individual notices of the in-person public meeting. The notice included a link to a website that provided more information about the proposed transmission facilities and a copy of a questionnaire for the public to provide feedback on the proposed transmission facilities.
- 22. Eight people signed in at the public meeting, and CenterPoint Houston received two completed questionnaires.

23. All agency comments, concerns, and information received were taken into consideration by POWER Engineers and CenterPoint Houston in preparation of the routing analysis and development of the proposed transmission facilities. In addition, information from the public meeting was evaluated and incorporated into the environmental assessment and the transmission line's route selection.

Notice of the Application

- On April 30, 2025, CenterPoint Houston sent written notice of the filing of the application by first-class mail to the following:
 - a. directly affected landowners;
 - municipal officials of the City of Galveston, City of Jamaica Beach, and City of Hitchcock; and
 - c. county officials of Galveston County.
- On April 30, 2025, CenterPoint Houston sent notice by certified mail to the Department of Defense Military Aviation and Installation Assurance Siting Clearinghouse.
- On May 2, 2025, CenterPoint Houston sent notice by electronic mail to the Office of Public Utility Counsel (OPUC).
- 27. On May 2, 2025, CenterPoint Houston sent a copy of the environmental assessment and application by first-class mail to the Texas Parks and Wildlife Department.
- 28. On May 20, 2025, CenterPoint Houston filed the following:
 - a. the affidavit of Bradley J. Diehl, director of high voltage resilience engineering for CenterPoint Houston, attesting to the provision of notice to municipalities within five miles of the proposed transmission facilities; county officials in Galveston County; OPUC; the Department of Defense Military Aviation and Installation Assurance Siting Clearinghouse; the Texas Parks and Wildlife Department; and directly affected landowners; and
 - a publisher's affidavit attesting to the publication of notice of the application in the Galveston Daily News, a newspaper having general circulation in Galveston County, on May 1, 2025.

29. In SOAH Order No. 2 filed on May 23, 2025, the SOAH ALJ found notice sufficient.

Referral to SOAH for Hearing and Remand to the Commission

- 30. On May 5, 2025, the Commission referred this docket to SOAH and filed a preliminary order that, among other things, established a decision deadline and specified issues to be addressed in this proceeding.
- 31. In SOAH Order No. 1 filed on May 6, 2025, the SOAH ALJ provided notice of a prehearing conference scheduled for May 20, 2025.
- 32. On May 20, 2025, the SOAH ALJ convened the prehearing conference scheduled by SOAH Order No. 1. The sole parties or persons to appear were CenterPoint Houston, through its counsel and other representatives, and Commission Staff, through counsel.
- 33. In SOAH Order No. 2 filed on May 23, 2025, the SOAH ALJ established a procedural schedule that, among other things, set the dates for the final prehearing conference and the hearing on the merits.
- 34. In SOAH Order No. 4 filed on May 30, 2025, the SOAH ALJ amended the procedural schedule, including the dates for the final prehearing conference and the hearing on the merits.
- 35. In SOAH Order No. 10 filed on June 27, 2025, the SOAH ALJ canceled the final prehearing conference and the hearing on the merits, dismissed the case from SOAH's docket, and remanded this docket to the Commission.

Intervenors

- 36. In SOAH Order No. 2 filed on May 23, 2025, the SOAH ALJ granted the motions to intervene of Irwin Dreyfus and Hijo de Playa, LLC.
- In SOAH Order No. 5 filed on June 6, 2025, the SOAH ALJ granted the motions to intervene of Sandra Bucaram, Charles D. Litton, and Stephen Miller.
- 38. In SOAH Order No. 6 filed on June 11, 2025, the SOAH ALJ granted the motions to intervene of Margaret Stroud and Melanie Ekblad.
- 39. In SOAH Order No. 8 filed on June 16, 2025, the SOAH ALJ granted the motion to intervene of Eva Maximous.

- 40. On June 25, 2025, Hijo de Playa withdrew its intervention in the proceeding.
- 41. In SOAH Order No. 10 filed on June 27, 2025, the SOAH ALJ dismissed the following intervenors who did not file testimony or a position statement by the deadline: Irwin Dreyfus, Sandra Bucaram, Charles D. Litton, Stephen Miller, Margaret Stroud, Melanie Ekblad, and Eva Maximous.

Testimony

- 42. On April 30, 2025, CenterPoint Houston filed the direct testimonies of Mr. Diehl; Denise M. Williams, project manager for POWER Engineers; Lucas Suelflow, project manager for Burns & McDonnell; and Heather Crowley Caramanica, manager of surveying and acquisitions for transmission projects for CenterPoint Houston.
- 43. On June 23, 2025, Commission Staff filed the direct testimony of its witness, Michael Noth, P.E., engineer in the Commission's infrastructure division.
- 44. On June 27, 2025, Commission Staff filed errata to the direct testimony of Mr. Noth.

Evidentiary Record

- 45. In SOAH Order No. 10 filed on June 27, 2025, the SOAH ALJ admitted the following evidence into the record of this proceeding:
 - a. CenterPoint Houston's application filed on April 30, 2025;
 - the direct testimonies and exhibits of CenterPoint Houston witnesses Mr. Diehl,
 Ms. Williams, Mr. Suelflow, and Ms. Caramanica filed on April 30, 2025;
 - c. CenterPoint Houston's actions to aid in commission review filed on April 30, 2025;
 - d. CenterPoint Houston's affidavit attesting to the provision of notice filed on May 20, 2025;
 - e. Commission Staff's recommendation on the sufficiency of the application and notice filed on May 21, 2025;
 - f. SOAH Order No. 2 finding CenterPoint Houston's application and notices sufficient filed on May 23, 2025;
 - g. the direct testimony of Commission Staff witness Mr. Noth filed on June 23, 2025;
 and

h. the errata to the direct testimony of Commission Staff witness Mr. Noth filed on June 27, 2025.

Route Adequacy

- 46. CenterPoint Houston presented a single route for consideration by the Commission.
- 47. On May 27 and June 9, 2025, Hijo de Playa requested a hearing on the adequacy of the route proposed in CenterPoint Houston's application.
- 48. In SOAH Order No. 7 filed on June 12, 2025, the SOAH ALJ found that Hijo de Playa's objections to the proposed transmission facilities did not involve the adequacy of the route and therefore cancelled the route adequacy hearing upon a finding that no party challenged the adequacy of the route.
- 49. No party filed testimony or a statement of position challenging whether the application provided an adequate number of reasonably differentiated routes to conduct a proper evaluation.
- 50. The application provided an adequate and sufficiently delineated route to conduct a proper evaluation.

Adequacy of Existing Service and Need for Additional Service

- 51. The proposed transmission line is needed to improve system resiliency by replacing the existing transmission line's aging materials, including wooden poles, with engineered materials. This portion of the Stewart-to-West Bay transmission line was originally constructed in 1986, reconstructed in 2006, and reconductored in 2017.
- 52. CenterPoint Houston's engineers determined that the wooden transmission poles were either structurally deficient or did not meet current standards for wind requirements.
- 53. This transmission line is the single feed into the West Bay substation, and the wooden poles present an outage concern for those customers served from the West Bay substation.
- 54. No party challenged the need for the proposed transmission line, and Commission Staff recommended approval of the proposed transmission facilities.
- 55. CenterPoint Houston demonstrated a reasonable need for the proposed transmission facilities.

Alternatives to the Proposed Transmission Facilities

- 56. Distribution alternatives were not analyzed because the proposed transmission line is a transmission-hardening effort to improve resiliency by replacing wooden transmission poles with concrete or steel poles, not a project to serve new distribution load.
- 57. The proposed transmission line is needed for transmission hardening to improve resiliency. As such, upgrading voltage, bundling of conductors of existing facilities, or adding transformers were not feasible alternatives.
- 58. CenterPoint Houston did not consider distributed generation as an alternative to the proposed transmission facilities.
- 59. CenterPoint Houston considered rebuilding one of the circuits on the other side of Farm-to-Market Road 3005. However, due to the already congested road right-of-way with distribution and neighborhood homes, CenterPoint Houston decided the option with the least amount of impact on the community would be to rebuild the line following the existing alignment.
- 60. Because this proposed transmission line is a rebuild of an existing double 138-kV circuit for system hardening, there were no other reasonable transmission alternatives.

Effect of Amending the CCN on Other Utilities

- 61. The proposed transmission facilities will not directly connect to any other electric utility.
- 62. No other electric utility is involved with the construction of the proposed transmission facilities.
- 63. The proposed transmission facilities do not use existing facilities owned by any other electric utility.
- 64. It is unlikely that the construction of the proposed transmission facilities will adversely affect service by other utilities in the area.

Probable Improvement of Service and Lowering Consumer Cost

65. The proposed transmission line is needed for system hardening to address outage concerns in the Galveston area and will result in improvement in CenterPoint Houston's ability to reliably serve its customers.

The proposed transmission line rebuild is not being proposed to, and is not expected to, result in a lowering of costs to customers.

Estimated Costs

- 67. The estimated cost of the proposed transmission facilities is \$105,297,000.
- 68. The estimated cost of the proposed transmission facilities includes cost of engineering, acquiring right-of-way, procurement of materials and supplies, site preparation, construction and labor, and administrative costs.
- 69. The total estimated cost of the proposed transmission facilities is reasonable.
- 70. The proposed transmission facilities will be financed entirely through CenterPoint Houston's general corporate funds.

Prudent Avoidance

- 71. Prudent avoidance, as defined in 16 Texas Administrative Code (TAC) § 25.101(a)(6), is the limiting of exposures to electric and magnetic fields that can be avoided with reasonable investments of money and effort.
- 72. There are 900 known habitable structures located within 300 feet of the proposed route's centerline.
- 73. These 900 habitable structures are the same habitable structures already located within 300 feet of the existing transmission line.
- 74. Rebuilding the line in a new location would create more new impacts than using the route of the existing transmission line.
- 75. The construction of transmission facilities along the proposed route complies with the Commission's policy of prudent avoidance.

Community Values

- 76. Information regarding community values was received from local, state, and federal agencies and incorporated into the environmental assessment and the transmission line's route selection.
- 77. A summary of the comments from federal, state, and local officials was provided in the environmental assessment and routing analysis, including comments from the Federal

Aviation Administration, Federal Emergency Management Agency, the Railroad Commission of Texas, the Texas Department of Transportation, the Texas General Land Office, the Texas Historical Commission, the Texas Parks and Wildlife Department, the United States Army Corps of Engineers, and the United States Fish and Wildlife Service.

78. The proposed transmission line adequately addresses the expressed community values.

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

- 79. When developing the proposed route, CenterPoint Houston and POWER Engineers evaluated the use of existing compatible rights-of-way and paralleling of existing compatible rights-of-way and apparent property boundaries.
- 80. The proposed transmission line uses existing rights-of-way for 10.78 miles, which is 100% of its length.
- 81. The proposed route uses or parallels existing compatible corridors to a reasonable extent.

Engineering Constraints

- 82. CenterPoint Houston evaluated engineering and construction constraints when developing the proposed route.
- 83. There are no significant engineering constraints along the proposed route that cannot be resolved with additional consideration by CenterPoint Houston during the design and construction phases of the proposed transmission line.
- 84. CenterPoint Houston did not identify any engineering constraints that would prevent the construction of transmission facilities along the proposed route.

Other Comparisons of Land Uses and Land Types

- 85. The study area is generally situated on the west end of Galveston Island in Galveston County. Portions of the City of Galveston and the City of Jamaica Beach are located within the study area.
- 86. Land use categories occurring within the study area include residential, commercial, agricultural land or cropland, pastureland, and state-owned land. The proposed route does not cross agricultural land, cropland, or pastureland.

87. The transmission facilities proposed by CenterPoint Houston in this proceeding can be safely and reliably constructed and operated without significant adverse effects on uses of property.

a. Radio Towers and Other Electronic Installations

- 88. There are no known commercial AM radio transmitters located within 10,000 feet of the centerline of the proposed route.
- 89. There are no known FM radio transmitters located within 2,000 feet of the proposed route.
- 90. There are two other electronic communication towers located within 2,000 feet of the centerline of the proposed route.
- 91. It is unlikely that the proposed transmission facilities along the proposed route will adversely affect any communication facilities or operations in the study area.

b. Airstrips, Airports and Heliports

- 92. There are no public or military airports registered with the Federal Aviation Administration with at least one runway longer than 3,200 feet located within 20,000 feet of the centerline of the proposed route.
- 93. There are no public or military airports registered with the Federal Aviation Administration with at least one runway shorter than or equal to 3,200 feet within 10,000 feet of the centerline of the proposed route.
- 94. There are no heliports located within 5,000 feet of the proposed route.
- 95. There are no private airstrips located within 10,000 feet of the proposed route.
- 96. It is unlikely that the proposed transmission facilities along the proposed route will adversely affect any airports, airstrips, or heliports.

c. Irrigation Systems

- 97. The proposed route does not cross any land irrigated by known mobile irrigation systems.
- 98. It is unlikely that the proposed transmission facilities will adversely affect any agricultural lands with known mobile irrigation systems.

d. Pipelines

99. The proposed route does not cross any known pipelines.

100. It is unlikely that the proposed transmission facilities will adversely affect any pipelines that transport hydrocarbons.

Recreational and Park Areas

- 101. The proposed route crosses the Galveston Island State Park for 1.59 miles.
- 102. There are no other recreational or park areas within 1,000 feet of the proposed route.
- 103. It is unlikely that the proposed transmission facilities will adversely affect the use and enjoyment of any recreational or park areas.

Historical and Archaeological Areas

- 104. The proposed transmission line crosses one recorded cultural resource site eligible for listing on the National Register of Historic Places for approximately 638 feet. The site is a campsite with pre-contact ceramics, rocks, and animal bone fragments. The proposed transmission line structures will either span the recorded boundary of the site or be built where the existing transmission line structures are currently located.
- 105. There are five additional recorded cultural resource sites located within 1,000 feet of the centerline of the proposed route, consisting of three archeological sites and two shipwrecks.
- 106. The proposed route crosses land with high archaeological or historical site potential for 5.54 miles.
- 107. There is one cemetery within 1,000 feet of the centerline of the proposed route.
- 108. It is unlikely that the proposed transmission facilities will adversely affect historical or archaeological resources.

Aesthetic Values

- 109. The proposed route is located within the foreground visual zone of recreational and park areas for 2.42 miles.
- 110. The proposed route is located within the foreground visual zone of farm-to-market roads for 10.78 miles.
- 111. Transmission lines would not be a new visual element in this area given the current existence of transmission lines along the proposed route.

112. It is unlikely that the proposed transmission facilities will have a significant adverse effect on the aesthetic quality of the surrounding landscape.

Environmental Integrity

- 113. The environmental assessment and routing analysis analyzed the possible impacts of the proposed transmission line on numerous environmental factors.
- 114. POWER Engineers evaluated the effects of the proposed transmission facilities on the environment, including endangered and threatened species.
- 115. POWER Engineers evaluated potential consequences for soil and water resources, the ecosystem (including endangered and threatened vegetation, fish, and wildlife), and land use within the study area.
- 116. Current county listings for federally- and state-listed threatened and endangered species were obtained from the United States Fish and Wildlife Service and Texas Parks and Wildlife Department. Habitat locations designated critical by the United States Fish and Wildlife Service were included in the review.
- 117. Construction and operation of the transmission facilities will have no significant effect on the physiography, geologic features or mineral resources of the area.
- 118. Construction and operation of the proposed transmission facilities will have no significant impact on the soil resources of the area.
- 119. Construction and operation of the proposed transmission facilities will have no significant impact on the surface water resources of the area.
- 120. Construction and operation of the proposed transmission facilities are anticipated to have no significant impact on the groundwater resources of the area.
- 121. Construction and operation of the proposed transmission facilities are anticipated to have no significant impact on the aquatic resources of the area.
- 122. There are no federally-listed endangered plant species with potential to occur within the study area.
- 123. There are twenty-one federally-listed endangered or threatened fish and wildlife species with potential to occur in the study area: the green sea turtle, hawksbill sea turtle, Kemp's

- Ridley sea turtle, leatherback sea turtle, loggerhead sea turtle, Attwater's greater prairiechicken, eastern black rail, Eskimo curlew, piping plover, rufa red knot, whooping crane, oceanic whitetip shark, smalltooth sawfish, blue whale, finback whale, humpback whale, North Atlantic right whale, Rice's whale, sei whale, sperm whale and West Indian manatee.
- 124. There are forty state-listed threatened or endangered fish and wildlife species with potential to occur in the study area.
- 125. Federally-determined critical habitat has been designated in the study area for two endangered or threatened species.
- 126. After approval of the route, field surveys may be performed, if necessary, to identify potential suitable habitat for federally- or state-listed fish and wildlife species and determine the need for any additional species-specific surveys. If potential suitable habitat is identified or federally- or state-listed animal species are observed during a field survey of the approved route, CenterPoint Houston may further coordinate with the Texas Parks and Wildlife Department and United States Fish and Wildlife Service to determine avoidance and mitigation strategies.
- 127. CenterPoint Houston can construct the transmission facilities in an ecologically sensitive manner along the proposed route.
- 128. CenterPoint Houston will mitigate any effect on endangered or threatened plant, fish and wildlife species according to standard practices and measures taken in accordance with the Endangered Species Act.
- 129. It is appropriate for CenterPoint Houston to 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 the 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. It is appropriate for CenterPoint Houston 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.
- 130. It is appropriate for CenterPoint Houston to minimize the amount of flora and fauna disturbed during construction of the proposed transmission facilities.
- 131. It is appropriate for CenterPoint Houston to re-vegetate cleared and disturbed areas using native species and consider landowner preferences and wildlife needs in doing so.
- 132. It is appropriate for CenterPoint Houston to avoid, to the maximum extent reasonably possible, causing adverse environmental impacts to 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.
- 133. It is appropriate for CenterPoint Houston to implement erosion-control measures and return each affected landowner's property to its original contours and grades unless the landowner agrees otherwise. However, it is not appropriate for CenterPoint Houston to restore original contours and grades where different contours or grades are necessary to ensure the safety or stability of any transmission line.
- 134. It is appropriate for CenterPoint Houston to exercise extreme care to avoid affecting non-targeted vegetation or animal life when using chemical herbicides to control vegetation within the 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.
- 135. It is appropriate for CenterPoint Houston to use best management practices to minimize the potential burden on migratory birds and threatened or endangered species.
- 136. It is unlikely that the presence of transmission facilities will adversely affect the environmental integrity of the surrounding landscape.

Texas Parks and Wildlife Department's Comments and Recommendations

137. The Texas Parks and Wildlife Department was provided a complete copy of the application, including the environmental assessment, for the proposed transmission facilities.

- 138. The Texas Parks and Wildlife Department has not filed comments or recommendations regarding the proposed transmission facilities.
- 139. Before beginning construction, it is appropriate for CenterPoint Houston to undertake appropriate measures to identify whether a habitat for potential endangered or threatened species exists and to respond appropriately.
- 140. CenterPoint Houston will use avoidance or mitigation procedures, as appropriate, to comply with laws protecting federally listed species.
- 141. CenterPoint Houston will re-vegetate rights-of-way as necessary and according to CenterPoint Houston's vegetation management practices, the storm water pollution prevention plan developed for construction of the proposed transmission line, if any, and landowner preferences or requests.
- 142. CenterPoint Houston will use appropriate avian protection procedures.
- 143. CenterPoint Houston will comply with all environmental laws and regulations, including those governing threatened and endangered species.
- 144. CenterPoint Houston will comply with all applicable regulatory requirements in constructing the transmission facilities, including any applicable requirements under section 404 of the Clean Water Act.
- 145. CenterPoint Houston will cooperate with the United States Fish and Wildlife Service and the Texas Parks and Wildlife Department if threatened or endangered species' habitats are identified during field surveys.
- 146. If construction impacts federally-identified species or their habitat or impacts water under the authority of the United States Army Corps of Engineers or the Texas Commission on Environmental Quality (TCEQ), CenterPoint Houston will cooperate with the United States Fish and Wildlife Service, United States Army Corps of Engineers, and TCEQ, as appropriate, to obtain permitting and perform any required mitigation.
- 147. The standard mitigation requirements included in the ordering paragraphs in this Notice of Approval, coupled with CenterPoint Houston's standard practices, are reasonable measures for a transmission service provider to undertake when constructing a transmission line.

<u>Permits</u>

- 148. Before beginning construction of the transmission facilities approved by this Notice of Approval, it is appropriate for CenterPoint Houston to 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.
- 149. Before beginning construction of the transmission facilities approved by this Notice of Approval, CenterPoint Houston will obtain a miscellaneous easement from the General Land Office if the transmission line crosses any state-owned riverbed or navigable stream.
- 150. Before beginning construction of the transmission facilities approved by this Notice of Approval, CenterPoint Houston will obtain any necessary permits or clearances from federal, state, or local authorities.
- 151. Before commencing construction of the transmission facilities approved by this Notice of Approval, it is appropriate for CenterPoint Houston to obtain a general permit to discharge under the Texas pollutant discharge elimination system for storm water discharges associated with construction activities as required by the TCEQ. In addition, it is appropriate for CenterPoint Houston, before commencing construction, to prepare the necessary storm water pollution prevention plan, if required, to submit a notice of intent to the TCEQ, and to comply with all other applicable requirements of the general permit.
- 152. Before beginning construction of the transmission facilities approved by this Notice of Approval, it is appropriate for CenterPoint Houston to conduct a field assessment of the entire length of the transmission line to identify water resources, cultural resources, potential migratory bird issues, and threatened and endangered species' habitat impacted as a result of the transmission line. As a result of this assessment, CenterPoint Houston will identify any additional permits that are necessary, consult any required agencies, obtain all necessary permits or clearances from federal, state, or local authorities, and comply with the relevant permit conditions during construction and operation of the transmission line.
- 153. After designing and engineering the alignments, structure locations, and structure heights, CenterPoint Houston will make a final determination of the need for Federal Aviation Administration notification based on the final structure locations and designs. If necessary, CenterPoint Houston will use lower-than-typical structure heights, line marking, or line

lighting on certain structures to avoid or accommodate Federal Aviation Administration requirements.

Coastal Management Program

- 154. The proposed route is located wholly within the coastal management program boundary as defined in 31 TAC § 27.1.
- 155. Coastal natural resources 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.
- 156. Coastal barrier resource system units and other areas are 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.
- 157. The coastal facilities 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.
- 158. The entire proposed route is located seaward of the coastal facilities designation line.
- 159. Coastal Natural Resource Areas identified for the proposed route include special hazard areas (Federal Emergency Management Agency floodplains) and coastal wetlands, but may also include waters of the open Gulf of Mexico, waters under tidal influence, submerged lands, 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.
- 160. CenterPoint Houston will construct transmission facilities in accordance with the Coastal Management Program's goals under 31 TAC § 26.12 and policies under 31 TAC § 26.16(a).

161. Construction of the proposed transmission facilities along the proposed route minimizes adverse effects on coastal natural resource areas by routing adjacent and parallel to existing rights-of-way and in previously disturbed areas where practicable; routing of the proposed route according to best management practices; issuance of notice to the public, directly affected landowners, landowners within 300 feet of the centerline of the proposed 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.

Limitation of Authority

- 162. It is not reasonable and appropriate for a CCN order to be valid indefinitely because it is issued based on the facts known at the time of issuance.
- 163. Seven years is a reasonable and appropriate limit to place on the authority granted in this Notice of Approval to construct the proposed transmission facilities.

Informal Disposition

- 164. More than 15 days have passed since the completion of notice provided in this docket.
- 165. Six protestors filed comments.
- 166. Eight parties intervened in this proceeding, but all intervening parties either withdrew or were dismissed from the case.
- 167. CenterPoint Houston and Commission Staff are the only remaining parties to this proceeding.
- 168. All parties to this proceeding support the proposed route.
- 169. No hearing is needed.
- 170. Commission Staff recommends approval of the application.
- 171. This decision is not adverse to any party.

II. Conclusions of Law

The Commission makes the following conclusions of law.

- 1. The Commission has authority over this matter under PURA¹ §§ 14.001, 32.001, 37.051, 37.053, 37.054, and 37.056.
- CenterPoint Houston is a public utility as defined in PURA § 11.004 and an electric utility as defined in PURA § 31.002(6).
- 3. CenterPoint Houston must obtain the approval of the Commission to construct the proposed transmission line and provide service to the public using the proposed transmission facilities under PURA § 37.053.
- SOAH exercised authority over this proceeding under PURA § 14.053 and Texas Government Code §§ 2003.021 and 2003.049.
- 5. The application is sufficient under 16 TAC § 22.75(d).
- 6. The application complies with the requirements of 16 TAC § 25.101.
- CenterPoint Houston provided notice of the application in compliance with PURA § 37.054 and 16 TAC § 22.52(a).
- 8. CenterPoint Houston held a public meeting and provided notice of that public meeting in accordance with 16 TAC § 22.52(a)(4).
- 9. The hearing on the merits was set and notice of the hearing was provided in compliance with PURA § 37.054 and Tex. Government Code §§ 2001.051 and 2001.052.
- 10. The Commission processed this docket in accordance with the requirements of PURA, the Administrative Procedure Act,² and Commission rules.
- 11. The proposed transmission facilities are necessary for the service, accommodation, convenience, or safety of the public within the meaning of PURA § 37.056(a).
- 12. The proposed transmission facilities comply with PURA § 37.056(c)(4) and 16 TAC § 25.101(b)(3)(B), including the Commission's policy of prudent avoidance, to the extent reasonable to moderate the impact on the affected community and landowners.

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

² Tex. Gov't Code §§ 2001.001–903.

- The proposed transmission facilities using the route approved by this Notice of Approval 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).
- 14. The Commission has reviewed this proposed action for consistency with the Texas Coastal Management Program goals and policies and has determined that the proposed action is consistent with the applicable goals and policies, in accordance with 31 TAC § 29.30(b)(1).
- 15. The Commission has reviewed this proposed action for consistency with the Texas Coastal Management Program goals and policies and has determined that the proposed action will not have a direct and significant adverse effect on the coastal natural resource areas identified in the applicable policies, in accordance with 31 TAC § 29.30(b)(2).
- 16. The requirements for administrative approval in 16 TAC § 25.101(b)(3)(C) have been met in this proceeding.
- 17. The requirements for informal disposition in 16 TAC § 22.35 have been met in this proceeding.

III. Ordering Paragraphs

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

- The Commission amends CCN number 30086 to include the construction, ownership, and
 operation of the transmission facilities to the extent provided in this Notice of Approval,
 including the proposed rebuild of the Stewart-to-West Bay 138-kV transmission line in
 Galveston County.
- 2. CenterPoint Houston 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 metallic pipelines that are paralleled by the transmission facilities approved by Notice of Approval.
- CenterPoint Houston must conduct surveys, if not already completed, to identify metallic pipelines that could be affected by the transmission line approved by this Notice of

- Approval and coordinate with pipeline owners in modeling and analyzing potential hazards because of alternating-current interference affecting metallic pipelines being paralleled.
- CenterPoint Houston must comply with all applicable local, state, and federal laws, regulations, and permits.
- 5. CenterPoint Houston must obtain all permits, licenses, plans, and permission required by state and federal law that are necessary to construct the proposed transmission line. If CenterPoint Houston fails to obtain any such permit, license, plan, or permission, it must notify the Commission immediately.
- 6. CenterPoint Houston must identify any additional permits that are necessary, consult any required agencies (such as the United States Army Corps of Engineers and the United States Fish and Wildlife Service), obtain all necessary environmental permits, and comply with the relevant conditions during construction and operation of the transmission facilities approved by this Notice of Approval.
- 7. If CenterPoint Houston or its contractors encounter any archaeological artifacts or other cultural resources during construction, work must cease immediately in the vicinity of the artifact or resource, and CenterPoint Houston must report the discovery to, and act as directed by, the Texas Historical Commission.
- 8. Before beginning construction, CenterPoint Houston must undertake reasonable measures to identify whether a potential habitat for endangered or threatened species exists and must respond as required by applicable law or permit.
- CenterPoint Houston must use best management practices to minimize the potential harm to migratory birds and threatened or endangered species created by the approved transmission facilities.
- 10. CenterPoint Houston 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 the 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.
- 11. CenterPoint Houston must take precautions to avoid disturbing occupied nests and to minimize the burden of the construction of the approved transmission facilities on migratory birds during the nesting season of the migratory bird species identified in the area of construction.
- 12. CenterPoint Houston 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 the rules and guidelines established in the Federal Insecticide, Fungicide, and Rodenticide Act and with Texas Department of Agriculture regulations.
- 13. CenterPoint Houston 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 facilities.
- 14. CenterPoint Houston must re-vegetate using native species and to consider landowner preferences and wildlife needs in doing so.
- 15. To the maximum extent practical, CenterPoint Houston 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.
- 16. CenterPoint Houston must implement reasonable 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 the implementation special precautions as determined reasonable to minimize the effect of vehicular traffic over the areas.
- 17. CenterPoint Houston must take reasonable measures to 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, CenterPoint Houston is not required to restore the original contours and grades where a different contour or grade is necessary to ensure the safety or stability of the transmission facilities or the safe construction, operation, and maintenance of any transmission line.

- 18. CenterPoint Houston must cooperate with directly affected landowners to implement minor deviations from the approved route to minimize the disruptive effect of the transmission facilities approved by this Notice of Approval. Any minor deviations from the approved route must only directly affect landowners who were sent notice of the transmission line in accordance with 16 TAC § 22.52(a)(3) and have agreed to the minor deviation.
- 19. If possible, and subject to the other provisions of this Notice of Approval, CenterPoint Houston 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 Houston must notify and work with the Federal Aviation Administration to ensure compliance with applicable federal laws and regulations. The Commission does not authorize CenterPoint Houston to deviate materially from this Notice of Approval to meet the Federal Aviation Administration's recommendations or requirements. If a material change would be necessary to meet the Federal Aviation Administration's recommendations or requirements, then CenterPoint Houston must file an application to amend its CCN as necessary.
- 20. The Commission does not permit CenterPoint Houston to deviate from the approved route in any instance in which the deviation would be more than a minor deviation without first further amending its CCN.
- 21. CenterPoint Houston must include the transmission facilities approved by this Notice of Approval on its monthly construction progress reports before the start of construction to reflect the final estimated cost and schedule in accordance with 16 TAC § 25.83(b). In addition, CenterPoint Houston must provide final construction costs, with any necessary explanation for cost variance, after completion of construction when all charges have been identified.
- CenterPoint Houston must, to the greatest extent practicable, span any coastal wetlands or submerged aquatic vegetation as defined by 31 TAC § 26.3(b) and Texas Water Code § 11.502.
- CenterPoint Houston must minimize to the greatest practicable extent any potential adverse effects of the construction of the transmission facilities on coastal natural resource areas,

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including coastal wetlands or submerged aquatic vegetation, by designing and constructing the transmission facilities according to best management practices.

- 24. CenterPoint Houston must coordinate with the United States Army Corps of Engineers before clearing and construction to ensure compliance with applicable requirements to avoid, minimize, and mitigate impacts to waters of the United States and Coastal Natural Resource Areas, including associated coastal wetlands and special hazard areas.
- 25. The Commission limits the authority granted by this Notice of Approval to a period of seven years from the date this Notice of Approval is signed unless the transmission line is commercially energized before that time.
- 26. The Commission denies all other motions and any other requests for general or specific relief that have not been expressly granted.

Signed at Austin, Texas on the 11th day of August 2025.

PUBLIC UTILITY COMMISSION OF TEXAS

AARON HAAS

ADMINISTRATIVE LAW JUDGE