



Control Number: 37049



Item Number: 30

Addendum StartPage: 0

Barry T. Smitherman
Chairman



Rick Perry
Governor

Public Utility Commission of Texas

37049
COMMUNICATIONS SECTION
RECEIVED
AUG 11 2009
3:56
FILING CLERK

August 4, 2009

K. Vivian Saiz, City Secretary
City of Junction
730 Main Street
Junction, Texas 76849

Dear Ms. Saiz,

Thanks for sending me the copy of the resolution recently passed by the City of Junction. Because the application for a CCN by LCRA, to build transmission lines between Kendall and McCamey substations, will be filed here at the Commission in the near future, I have filed a copy of your letter and my response in that docket. I appreciate the city's concerns. My family had a ranch in the Hill Country when I was a boy and we still have very fond memories of that beautiful property.

Texas is a leader in the development of renewable energy resources. Renewable energy reduces our dependence upon volatile commodities that raise the price of electricity. And, if climate change legislation is approved in Washington, we will need lots of renewable energy in order to further dampen the electricity price increases that will result from taxes placed on burning fossil fuels. A recent study by our electric grid operator estimates that building enough transmission to move 18,500 MW of wind energy reduces the negative price impacts of climate change legislation on Texans by about 30%.

Our predominant renewable resource today is wind, and the best wind resources are located in West Texas and the Panhandle. In order to get that resource from where the wind blows to where most of the people in Texas live, which is the I-35 corridor and parts east, we must build high capacity transmission lines through parts of our state which before today may have had little to no transmission infrastructure. This lack of high voltage transmission between I-20 and I-35 has also contributed to congestion on the ERCOT grid, which has produced price spikes in South Texas and the Houston area.

You should know that the Commission, in an Open Meeting scheduled on July 30, directed LCRA to consider as many route options as possible. When the case finally comes before the Commission, we will balance the cost of route options which are longer and probably more expensive against those that follow a more direct and less expensive path.

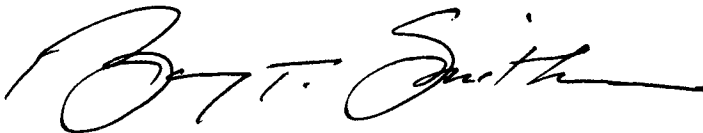


The use of monopole structures has been selectively used in the past, but because of the higher up front capital costs, monopole use is done on a case-by case basis and may depend upon landowner or municipal participation to reduce costs. Burying transmission lines is almost always prohibitively expensive.

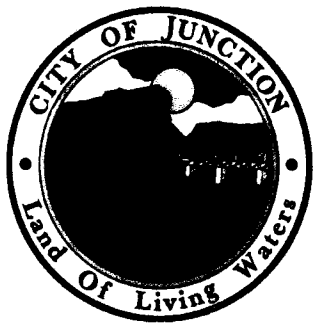
Because the cost of transmission is paid for by all ratepayers within the ERCOT grid, the Commission historically has placed a lot of weight on keeping costs low. However, other factors, as required by statute and our rules, are also important and will be considered during our deliberations.

Thanks again for writing.

Sincerely,

A handwritten signature in black ink, appearing to read "Barry T. Smitherman". The signature is fluid and cursive, with the first name "Barry" being the most prominent part.

Barry T. Smitherman



CITY OF JUNCTION

730 MAIN STREET
JUNCTION, TEXAS 76849

325.446.2622
325.446.3003 FAX

RECEIVED
JUL 27 2009
Chairman's Office

July 21, 2009

Chairman Smitherman and Commissioners
Public Utility Commission
1701 N. Congress
Austin, Texas 78701

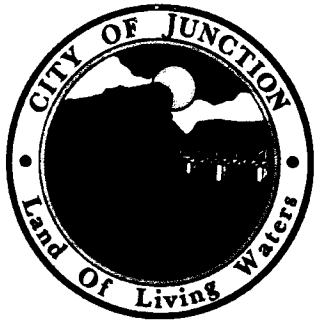
Dear Sirs:

Enclosed is a Resolution passed by the Junction City Council at its regular meeting held on July 13, 2009. The City of Junction requests that you reconsider and/or re-evaluate the current proposed plan.

If you have any questions or need additional information, please do not hesitate to call Mayor Shannon R. Bynum at 832-256-3335.

Sincerely,

K. Vivian Saiz
City Secretary
City of Junction



CITY OF JUNCTION

730 MAIN STREET
JUNCTION, TEXAS 76849

325.446.2622
325.446.3003 FAX

RESOLUTION

WHEREAS, the State of Texas is pursuing an aggressive strategy to increase the electricity generating capacity from renewable energy technologies;

WHEREAS, a plan was developed by the Public Utilities Commission of Texas ("PUC") to construct transmission capacity to deliver generated power from the five designated Competitive Renewable Energy Zones ("CREZ") to electric customers in the metropolitan areas, said plan containing massive structures and transmission lines that will cross over portions of Kimble County;

WHEREAS, the PUC has selected the Lower Colorado River Authority Transmission Services Corporation ("LCRA TSC") to construct and operate the segments of the transmission line that will be located in Kimble County;

WHEREAS, these transmission lines with their massive structures will create a visual scar across our county, will constitute a permanent disfigurement of the scenic Texas Hill Country landscape, and will potentially have dramatic, negative economic and health consequences for our residents by affecting tourism and devaluing property;

WHEREAS, the LCRA TSC specified the use of lattice structures in its bid to the PUC, and that such lattice structures have a huge footprint and will maximize the negative visual impact and economic consequences of the transmission lines in our beautiful Hill Country county;

WHEREAS, a group of local landowners and business leaders have organized a group called the Clear View Alliance ("CVA") to voice their concerns regarding the LCRA TSC's proposed routes (or links) through Texas Hill Country counties, including Kimble County; and

WHEREAS, the City of Junction supports the pursuit of renewable energy sources and recognizes the need to deliver the energy to market.

NOW THEREFORE BE IT RESOLVED BY THE CITY OF JUNCTION:

1. That the City of Junction urges the PUC and the LCRA TSC to respect the input of the citizens of the Hill Country, including the numerous members of the CVA and landowners of Kimble County, and consider the negative and potentially devastating economical, environmental, ecological, historical, riparian, recreational, aesthetic and health impacts and consequences a transmission line (of the scope and magnitude proposed by LCRA TSC) would have on the virtually unblemished landscape of Kimble County and its landowners and citizens;
2. That the City of Junction urges the PUC and the LCRA TSC to **expand the presently-identified study area** for the possible transmission of energy from the proposed McCamey D

- Station in northern Schleicher County to the proposed Westwind Station to be located in northern Kerr County or southern Gillespie County
3. That the City of Junction strongly urges the PUC and LCRA TSC to **adopt the proposed alternate route following, utilizing and/or paralleling existing 138kV transmission line(s) traveling through Menard, Mason and Gillespie Counties** (as identified in Exhibit A attached hereto and incorporated herein by reference) to minimize the sacrifice of new lands and adhere to PUC's and LCRA TSC's preference to follow, utilize and/or parallel existing easements and rights-of-ways, as recommended by the CVA and citizens of Kimble County.
 4. That the City of Junction urges the PUC and LCRA TSC to adopt the above-referenced alternate route because: (i) the costs associated with any new, permanent transmission line should not be the SOLE determining factor for the respective line's location—rather equal or even greater weight should also be given to anticipated detrimental impacts such a line is expected to have on landowners, the environment, land use and local economies; (ii) this alternate route applies commonly-held preferences for following, utilizing and/or paralleling existing easements and rights-of-way as much as possible; and (iii) this alternate route only marginally lengthens the distance between the proposed McCamey D and Westwind Stations (which can still be located to derive maximum benefit of this alternate route) while substantially reducing the encroachment of a line into pristine areas of the Hill Country and Kimble County;
 5. That in the unlikely event that the PUC and the LCRA TSC refuse to expand the current study area and adopt the above-referenced alternate route, the City Council of the City of Junction requests and demands a detailed environmental impact study (in lieu of a lesser-detailed environmental assessment) of each proposed route in and through Kimble County;
 6. That in the unlikely event that the PUC and the LCRA TSC refuse to expand the current study area and adopt the above-referenced alternate route, the City Council of the City of Junction urges these entities (i) **to utilize the smallest appropriate single or monopole structures (instead of lattice tower structures)** having the least significant economic degradation and negative aesthetic impact in the implementation of the CREZ transmission line plan affecting Kimble County and (ii) **bury all transmission lines underground that will cross Kimble County in developed, populated, riparian, historical and recreational areas** as part of the CREZ transmission line plan;
 7. Further, that in the unlikely event that the PUC and the LCRA TSC refuse to expand the current study area and adopt the above-referenced alternate route, the City Council of the City of Junction urges these entities to **mitigate issues associated with or eliminate consideration of proposed links b19 and/or b21 because of their proximity to Kimble County Airport** in conflict with Federal Aviation Administration criteria for proposed ground structures and their anticipated negative impacts to (i) aviation approaches to Runway 17; (ii) approaching aircraft resulting from EMF interference; (iii) the frequency of utilization of Kimble County Airport by aviators; and (iv) airport fuel sales and our local economy; and
 8. Further, that in the unlikely event that the PUC and the LCRA TSC refuse to expand the current study area and adopt the above-referenced alternate route, the City Council of the City of Junction urges these entities, based upon scientific data provided by the CVA and public statements made by representatives of LCRA TSC relating to the approximate safe distances appropriate to reduce or minimize any potential harmful effects and health hazards associated

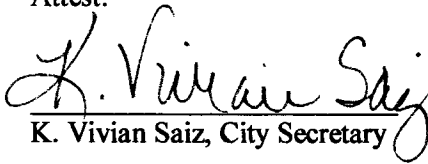
with high-voltage transmission lines, to adopt rules dictating that **any and all 345 kV transmission lines constructed through Kimble County maintain a minimum distance of at least 1,400 feet from the centerline of the proposed route or easement to any existing habitable structure and/or its surrounding buildings and structures.**

ACCORDINGLY on this 13th day of July 2009, in a meeting of the City Council of the City of Junction, duly convened and acting in its capacity as governing body at Junction, Texas this Resolution is hereby adopted.



Shannon R. Bynum, Mayor

Attest:



K. Vivian Saiz, City Secretary