

OPEN MEETING - ITEM 11 1/13/2011

1 dealing with this for a year-and-a-half. There are no
2 easy solutions. If you go from McCamey D to Kendall
3 you're going through the heart of the Hill Country. And
4 we tried to give you as many options as we could with
5 crossovers and z sections and overnoticing so you had
6 that the opportunity to move a line if you thought you
7 needed to.

8 But there are no easy solutions.
9 Regardless of where you put this line, somebody is going
10 to be unhappy. And the two solutions that I think
11 you're focusing on right now, MK15 -- Staff's MK15 --
12 and 62, they're not bad solutions at all.

13 COMM. NELSON: But noting that I still
14 have major heartburn over the airport issue --

15 CHAIRMAN SMITHERMAN: On the airport
16 issue, yeah --

17 COMM. NELSON: -- and if I were king of
18 the forest I'd probably do it on the south portion and
19 not bury them and just try to work out the issue
20 concerns they all have.

21 MR. RODRIGUEZ: And we'll be glad to
22 continue to look at that. I would say that we looked at
23 solutions south of the river in Junction. The problem
24 is you've got FAA issues. You've got river issues.
25 You've got safety issues, and then you've got the city.

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1 CHAIRMAN SMITHERMAN: Most of the city is
2 there.

3 MR. RODRIGUEZ: Yeah. I mean, if you get
4 south -- you move further south and you flatten the
5 line, you may have notice issues. But you get down
6 there by the park and the baseball field and -- I mean,
7 ultimately it's the Commission's call, but usually it's
8 our intent to try and stay away from cities if we can.
9 You come down very close to where the block alignment of
10 the city begins to shows up. And, you know, if it's
11 possible to move down there, we'll look at it and we'll
12 be glad to work with the CVA folks. But it doesn't come
13 without issues.

14 COMM. NELSON: I understand.

15 CHAIRMAN SMITHERMAN: Do you guys have any
16 more discussion?

17 MR. ROSS: Commissioners, Joel Will Ross
18 on behalf of my family, three entities, and I just want
19 to touch with you on the notice issue and the overnotice
20 issue. Clear View Alliance addressed it.

21 My family we have three -- we were unique
22 in this whole docket in that three of my family
23 entities, two of which are in Sonora, one in Junction,
24 were victims of the overnotice deal -- and I don't know
25 if y'all are aware of all the docket -- the motions to

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1 dismiss and all that flying around. I won't revisit
2 that, but all of our properties, both in Sonora and in
3 Junction -- we own two of the motels south of I-10 there
4 at the intersection of 83 and I-10, not a single
5 property was crossed by any of LCRA's routes that have
6 been proposed in the EA. We were around, yet we were
7 noticed.

8 But in Sonora the closest route to us, Y2C
9 is three-quarters of a mile away. We have property
10 that's over a mile away. And the reason I want to bring
11 this up is -- Chairman Smitherman, you brought this up a
12 little earlier -- if somebody has been notified but yet
13 they don't have a route across them, you're not going to
14 go there. I applaud you for saying that, because we
15 were faced with the catch 22, "Well, do we intervene and
16 subject ourself to your jurisdiction that we could get
17 the route or just lie behind the log and not do anything
18 and still run the risk of having it because we didn't --

19 COMM. ANDERSON: Well, yeah. I mean, the
20 reason -- the reason notice doesn't particularly bother
21 me is because of -- we haven't -- we've encouraged the
22 TSPs to give us maximum -- maximum flexibility. And you
23 were right to intervene because anybody -- and this is
24 an issue with respect to one of the landowner
25 modifications that I'm going to have to think about. I

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1 think the bottom line is legally, if you're noticed,
2 that means that the route can go on your property. You
3 know, whether you participate or not, intervening does
4 nothing to -- it has nothing to do with submitting to
5 the jurisdiction. If you're noticed, the line can go.

6 MR. ROSS: And I guess where I'm going
7 with that is the way we were so unique -- uniquely
8 affected here is that you get out in the country, any of
9 the other links, where it went across the fence line of
10 one ranch, the neighbor looking across the fence did not
11 get notice, well, they're out. They don't have to
12 intervene. We were forced to intervene even though we
13 were in the same position. We do not have a line --

14 COMM. NELSON: We have another case
15 recently where we had people almost crying because they
16 were like half a mile away from the line and they wanted
17 notice. I mean, seriously, this is an area where we
18 cannot keep people happy.

19 MR. ROSS: And I'm just bringing this up
20 for your information because you asked and you mentioned
21 that it's in some of the briefing. It put us in a --
22 what the hell do we do?

23 COMM. ANDERSON: Well, you made the
24 right --

25 MR. ROSS: And so we --

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1 MR. RODRIGUEZ: Could I say something?

2 MR. ROSS: Yeah.

3 MR. RODRIGUEZ: Joe Will and I have been
4 talking about this for months, and I understand exactly
5 what he's saying. We had that situation come up in
6 Clear Springs to Hutto where we had folks who were
7 noticed. They did not intervene. And Cooper Land
8 Development suggested an alternative which bumped it off
9 their property across the road onto flowed landowners
10 who did not intervene and that adjustment was adopted by
11 the Commission. We sort of get whipsawed --

12 COMM. NELSON: I wasn't part of that
13 decision by the way.

14 (Laughter)

15 COMM. ANDERSON: There's one-- there's at
16 least one modification as apparently Staff is
17 recommending where it would move off one property owner
18 onto another property owner who did not intervene -- or
19 property owners that were noticed.

20 MR. RODRIGUEZ: Well, and I think we took
21 our cue, rightly or wrongly, from Gillespie-Newton where
22 I think y'all had wanted to move the line to property --
23 to the property -- to the property boundaries and it was
24 kind of a long move, but we had not noticed somebody on
25 the other side and we were trying to obviate that and

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1 give you-all as much --

2 COMM. ANDERSON: And I have absolutely no
3 criticism.

4 CHAIRMAN SMITHERMAN: I think we've -- I
5 think we've come to the end of this discussion. So we
6 will take this item up again in our next Open Meeting.
7 Thank you-all for coming.

8 This meeting of the Public Utility
9 Commission is adjourned.

10 (Proceedings adjourned at 5:22 p.m.)

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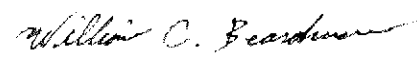
C E R T I F I C A T E

STATE OF TEXAS)
COUNTY OF TRAVIS)

We, Lou Ray and William C. Beardmore,
Certified Shorthand Reporters in and for the State of
Texas, do hereby certify that the above-mentioned matter
occurred as hereinbefore set out.

WE FURTHER CERTIFY THAT the proceedings of
such were reported by us or under our supervision, later
reduced to typewritten form under our supervision and
control and that the foregoing pages are a full, true,
and correct transcription of the original notes.

IN WITNESS WHEREOF, we have hereunto set
our hand and seal this 13th day of January 2011.



Digitally signed by William C.
Beardmore
Date: 2011.04.29 14:38:09 -07:00
Reason: Transcript prepared by
W.C.B.
Location: Austin, TX

WILLIAM BEARDMORE
Certified Shorthand Reporter
CSR No. 918-Expires 12/31/12

Firm Registration No. 276
Kennedy Reporting Service, Inc.
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Suite II-120
Austin, Texas 78759
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LOU RAY
Certified Shorthand Reporter
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LCRA TRANSMISSION SERVICES CORPORATION

Attachment D

RECEIVED
11 JAN 19 PM 2:14
PUBLIC UTILITY COMMISSION
FILING CLERK

January 19, 2011

Chairman Barry T. Smitherman
Commissioner Donna L. Nelson
Commissioner Kenneth W. Anderson, Jr.
Public Utility Commission of Texas
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

CERTIFIED TO BE A TRUE AND CORRECT
COPY OF THE ORIGINAL ON FILE WITH THE
PUBLIC UTILITY COMMISSION OF TEXAS
CENTRAL RECORDS DIVISION

BY: Ginette Hazard
DATE: April 29, 2011



Re: SOAH Docket No. 473-10-5546; PUC Docket No. 38354, *Application of LCRA Transmission Services Corporation to Amend Its Certificate of Convenience and Necessity for the McCamey D to Kendall to Gillespie 345-kV CREZ Transmission Line in Schleicher, Sutton, Menard, Kimble, Mason, Gillespie, Kerr, and Kendall Counties*

Dear Commissioners:

Based on questions raised at last week's Open Meeting LCRA TSC representatives went back out to the field this past weekend to inspect the area around Junction south of I-10 and south of the Kimble County Airport to investigate whether an acceptable and safe alternative could be found to accommodate the issues raised by Clear View Alliance (CVA) at the Open Meeting. While there, LCRA TSC's engineers also reconnoitered the area north of the airport to see if a better solution could be found to address the concerns raised by the Segrest parties and Commissioner Nelson. On Monday, LCRA TSC real estate representatives diligently researched the Kimble County tax records to make sure that any possible routing alternatives presented here did not raise notice issues. This letter contains LCRA TSC's findings as well as additional information and comments that might be useful to the Commission as it reconvenes this Thursday, January 20th to continue deliberating on this case.

As a threshold matter, LCRA TSC is aware that Comm. PROC. R. 22.71(j) generally prohibits the filing of material, such as this letter, addressed to the Commissioners within seven (7) days of an open meeting. LCRA TSC respectfully suggests that the issues to which we are responding in this letter were raised in questions by the Commissioners and CVA, and as such, come within the exception provided in subsection (j)(2)(A). Similarly, LCRA TSC is providing the information in this letter to respond to issues raised by CVA and the Segrest parties. As such we believe this letter addresses matters under negotiation among the parties and thereby comes within the exception provided in subsection (j)(2)(B). Finally, because of the urgency and timeliness of the issues addressed in this letter, and because the information necessary to discuss the issues was gathered this past weekend, we respectfully request the Commission to find that good cause exists to file this letter one day before the Open Meeting at which this docket will be taken up.

Kimble County Airport – Southern Route

At the Open Meeting of January 13th CVA suggested a routing alternative that would pass south of the Kimble County Airport and south of the North Llano River. CVA's proposed configuration, as understood by LCRA TSC is attached as **Exhibit A**. LCRA TSC expressed serious misgivings about CVA's proposal on two grounds. First, in the opinion of LCRA TSC's transmission engineers the structure located approximately 2,400 feet directly south of the airport runway is not safe because if it is constructed tall enough (i.e., 120 feet) to allow for the necessary spans across the river it will pierce the obstacle clearance slope of 90 feet currently defined by a line of trees south of the airport. LCRA TSC does not believe it is appropriate to construct structures that would make the transmission line the new obstacle in place of the existing tree line particularly when there are other routing options available.

However, on Saturday, January 15th LCRA TSC's engineers studied and photographed the area in question and designed a routing alternative that would address CVA's concerns and would allow safe construction of the transmission line in the same area south of the Kimble County Airport. LCRA TSC's proposed routing alternative is shown in **Exhibit B**. As shown in Exhibit B, the route would traverse the affected area a little further south of CVA's proposal with the tower location immediately south of the airport being approximately 3,000 feet from the airport runway rather than 2,400 feet as proposed by CVA. However, by crossing the North Llano River further west, and then re-crossing the river again further east LCRA TSC's proposed routing alternative allows a shorter crossing of the river (thereby allowing the use of a shorter span) and a more gentle approach towards the area immediately south of the airport runway.

This configuration also allows the line to be lowered and flattened on specialty structures so that by the time it crosses the flight path immediately south of the runway the transmission line will be below both the Federal Aviation Administration (FAA) Part 77 surfaces as well as the obstacle clearance slope. In other words, in LCRA TSC's opinion this new proposed configuration can be constructed safely and efficiently. In terms of cost, currently MK63¹, as filed (including approximately \$54 million for undergrounding south of the airport), is estimated to cost \$360.5 million. By constructing the alternative discussed here the need for underground construction is eliminated and the estimated cost for MK63 drops by \$49 million to approximately \$311 million.

To be clear, flattening the line and allowing it to pass safely under the prescribed slopes will require a broader right-of-way (ROW) of approximately 200 feet wide. However, that is not unusual given the factors at play here. Furthermore, despite the fact that this proposed adjustment enters the City of Junction (albeit in a relatively less built-up area) there appears to be ample room to construct this alternative in the area despite the fact much of the area in question is located in a flood plain, which presents its own set of engineering challenges. Nonetheless, LCRA TSC believes that these circumstances can be accommodated as a result of its further study this past weekend.

¹ For comparison purposes LCRA TSC inserted its modification into "MK63", which is a route that passes through the willing landowner AC Ranches on the western side of the study area and follows I-10 through Kerrville on the eastern side. However, this modification could work for other routes, such as MK33 or "MK15 Segrest" as well.

LCRA TSC's second area of concern related to notice; specifically, whether CVA's proposed routing alternative would raise notice issues. LCRA TSC determined that, indeed, CVA's proposed routing alternative did not resolve all potential notice issues. Nevertheless, by performing additional landowner research on Monday January 17th,² LCRA TSC has confirmed that its proposed routing alternative can be constructed entirely on noticed landowners, thereby obviating any potential notice issues. LCRA TSC has also considered this new potential routing configuration and compared its effect on certain important routing metrics as compared to original alignment of MK63. Those results are contained in **Exhibit C**, attached hereto.

LCRA TSC would note that it did not propose such an alternative in its original application. LCRA TSC's mandate, following the September 2009 Joint Motion to Delay, was to add additional routes following the US 277/I-10 and AEP/LCRA TSC 138-kV line corridors. In designing these routes, LCRA TSC occasionally left these designated corridors briefly to avoid entirely the cities of Eldorado, Sonora, Menard, and Mason, and also created alternative routes around both the cities of Junction and Kerrville. LCRA TSC did not propose an alternative such as the one described here because of certain impacts. That is, it deviates from the I-10 corridor to cross the North Llano River twice, increasing the clearing of riparian vegetation. It puts a 200-foot ROW through a portion of the City of Junction (albeit in a relatively less built-up area). It has the potential, depending on final alignment, to impact two businesses which LCRA TSC has identified as a gravel-mining operation and a set of barns for raising chickens. Finally, it puts a stretch of the line into the floodplain. Given these factors, LCRA TSC believed at the time that a reroute avoiding the City of Junction and passing two miles away from the airport to the north was a reasonable solution. Nonetheless, after reviewing the issues outlined above LCRA TSC believes that if the Commission decides to approve the southern bypass of the Kimble County Airport as described herein it can do so confidently. LCRA TSC would note none of these factors listed here is a fatal flaw to building a line south of the North Llano River, and LCRA TSC believes this line is reasonable and constructible, and would only impact noticed landowners.

In short, if the Commission would prefer that the line traverse the area south of the Kimble County Airport then LCRA TSC's proposed routing alternative can accomplish this goal efficiently and safely, while reducing the cost of route MK63 (or any route that uses the segments south of the airport) by \$49 million. LCRA TSC would note that this routing alternative is located as far south of the river as necessary to remain below the two applicable FAA flight surfaces, but as far north as possible to stay away as best we could from the residents of the City of Junction. If the Commission chooses to approve this routing alternative, LCRA TSC would request as much flexibility as possible to possibly adjust and straighten the proposed routing adjustment post-order, thereby saving additional costs.

Kimble County Airport – Northern Route

A second area of concern was raised predominantly by the Segrest intervenors with respect to the "b19 reroutes" to the north of the Kimble County Airport. The administrative law judges (ALJs)

² As an aside LCRA TSC would note that Monday, January 17th was a holiday. However, the Kimble County offices were open and LCRA TSC representatives were in Junction all day performing their landowner research.

recommended this reroute as a way to avoid having to traverse through the City of Junction, and as a way to avoid having to incur the approximately \$54 million to build the transmission line underground immediately south of the airport and along I-10. LCRA TSC believes its current proposed routing alternative north of the Kimble County Airport, adopted by the ALJs in the PFD, is perfectly acceptable. Despite the concerns raised by certain of the parties, the b19 reroutes are safe and can be built as recommended in the PFD.

Nevertheless, to address concerns raised by the Segrest parties and Commissioner Nelson at the Open Meeting of January 13th, LCRA TSC's engineers reviewed and inspected the area again over the January 15th weekend and can propose the following routing adjustments to address these concerns. One minor adjustment to the existing segment would simply move the segment slightly to the north in order to make use of a dip in terrain depicted on the USGS topographic maps, at a cost of less than \$1 million. The field visit confirmed the existence of this topographic drop on Highway 83, which connects lower topography on both the east and west sides of the highway. The visit also confirmed the existence of an unmarked unlighted distribution line to the south of the segment as currently proposed. The distribution line was not previously mentioned but is directly in the path of departure, which is the subject of the concerns expressed by some at the Open Meeting of January 13th.

Another potential proposed reroute would more closely follow the northern and eastern property lines of the Whichard property (Parcel ID b19b-001) and the northern property line of the Shelby Springs Ranches LLC (Parcel ID b19c-001).³ By pinning the transmission line on the northern and eastern property lines as described in the two above-mentioned adjustments (one of which was proposed by Mr. Whichard as part of a landowner-requested "Attachment 13" routing adjustment), and by lowering the height of the transmission structures, LCRA TSC can put additional distance between the northern end of the runway and the location of the transmission line. This more involved reroute could add as much as \$10 million to the estimated cost of routes MK15 Staff Modified and MK62.

Again, the current routing alternative, which is located almost two miles from the end of the runway and which is recommended in the PFD, is safe and acceptable; the proposed routing alternatives suggested herein are even more so. LCRA TSC can use the same flattened structures and the same 200-foot ROW proposed for the southern crossing of the Kimble County Airport, described above, to lower the line in relation to the northern end of the runway.

Regardless of whether the Commission chooses to pass by the Kimble County Airport to the north or to the south, LCRA TSC believes it has given the Commission two good routing alternatives from which to choose, in addition to the numerous other routing alternatives that do not cross near to the Kimble County Airport or the City of Junction at all (e.g. LCRA TSC's Preferred Route, MK13).

³ Mr. Whichard is an intervenor in this case. Shelby Springs Ranch was noticed but did not intervene.

City of Kerrville and Kerr County Issues.

During the Open Meeting of January 13th Commissioner Anderson asked representatives for Kerrville and Kerr County their opinion of a routing proposal suggested by LCRA TSC in its Reply to Exceptions. That suggested alternative would apply if MK62 or MK63 were adopted and would have the transmission line cross I-10 from the north side to the south side to avoid the mobile home park, then cross back to the north side of I-10 in the immediate vicinity of the Atkission car dealership. It should be understood that in LCRA TSC's discussions with counsel for Kerrville, Kerr County, KPUB, and Atkission (the "Kerrville Group"), they remain opposed to any route which uses I-10 through the City of Kerrville. That being said, LCRA TSC and counsel for Kerrville and Kerr County have discussed this possible alternative and agree that the southern alternative discussed during the Open Meeting is not a realistic alternative if the line is not to be buried through Kerrville, and would request that the Commission drop the alternative from further consideration. Should the Commission choose a route that traverses through Kerrville along I-10 and that will not be buried, the northern path along the north frontage of I-10 would be preferable. Having said this, it should not be understood in any way or fashion that any of the Kerrville Group concedes that the route should traverse through Kerrville along I-10 at all. On the contrary, the only issue here is whether or not an aerial southern crossing along I-10 through Kerrville should be an alternative open for consideration. After discussing the matter with counsel for the Kerrville Group, LCRA TSC would respectfully suggest that it is not.

Routing Modifications along Staff MK15, MK62, and MK63.

LCRA TSC has compiled a list of landowner-proposed routing modifications from its Attachment 13, Supplemental Attachment 13, and post-hearing route modifications submitted by CVA. These documents (other than the post-hearing adjustments from CVA) were admitted into the record as landowner-proposed routing modifications that the Commission could entertain and adopt should it choose a route that crosses these individuals' respective properties. LCRA TSC has compiled those modifications as **Exhibit D** for the Commission's convenience, and would respectfully request that if the Commission chooses any of these alternatives that the Order be written to clearly reflect such direction.

In addition, LCRA TSC has provided an estimated cost for each of the landowner-proposed routing modifications attached hereto (except for a modification on the McGowan property that was discussed only at the January 13th Open Meeting). LCRA TSC is concerned that there may be additional landowner-requested modifications that come to light after the Order in this case is entered. To the extent any of the attached landowner modifications are adopted in the Order in this case, LCRA TSC would welcome the Commission's direction regarding a proper dollar threshold the Commission would consider reasonable with respect to landowner-requested routing modifications that are *not* reflected in the landowner-proposed routing modification materials, and that may be proposed by landowners once LCRA TSC personnel go out into the field to begin surveying work for the transmission line.

Proposed Ordering Paragraphs Raised by Commissioner Nelson.

In her memo of January 12th Commissioner Nelson suggested several ordering paragraphs. LCRA TSC would respectfully request a reconsideration of three of those paragraphs, as described below.

First, Commissioner Nelson suggested ordering paragraphs 6 and 7 pertaining to LCRA TSC's dealings with the United States Fish and Wildlife Service (USFWS). LCRA TSC has been working with USFWS for almost 18 months to secure an Endangered Species Act §10(a) permit as part of a comprehensive Habitat Conservation Plan (HCP). While LCRA TSC understands the basis for Commissioner Nelson's ordering paragraphs, LCRA TSC is concerned that Ordering Paragraphs 6 and 7 may be redundant, if not conflicting, when considered in light of the ongoing §10(a) permitting process. Requiring LCRA TSC to engage in mitigation measures that could conflict with directives established through the §10(a) permit/HCP could cause unnecessary conflicts between federal permits and state orders. LCRA TSC respectfully suggests that ordering paragraphs 6 and 7 are not necessary because they cover precisely the subject matter of LCRA TSC's requested Section 10(a) permit and HCP, both of which are currently under discussion with the USFWS, the agency with subject matter jurisdiction over federally listed endangered or protected species issues.

Second, ordering paragraph 11 is also potentially problematical in that it requires LCRA TSC to return each affected landowner's property to its original contours unless agreed to by the landowners or their representatives. On its face the ordering paragraph appears benign. However, LCRA TSC must construct in areas of topography in and near natural features such that there are occasions when it is necessary to adjust the contours to ensure the safety and stability of the towers or poles. Requiring LCRA TSC to return the property to its original contours could jeopardize the safety of the line in those instances where the contours have been altered to permit stabilization of the structures. LCRA TSC would request that the ordering paragraph language contained in the PFD be retained, and would welcome a discussion of this point at the Open Meeting on Thursday.

The request to utilize the particular restoration language requested by LCRA TSC here stems from experience with construction over the last decade. This experience includes, in part, the 345-kV rebuild of a portion of the Kendall-Cagnon 345-kV transmission line certificated by the Commission in September, 2005 (in Docket No. 29065) and located in the area between Comfort and San Antonio that has topographical features similar to those LCRA TSC will find in many areas through which this transmission line will traverse. As a result of this experience LCRA TSC requested and received in the Order certificating its proposed Clear Springs to Hutto 345-kV project (PUC Docket No. 33978) the type of flexibility language proposed by it in this proceeding. The language may be found in FOF 210 and Ordering Paragraph No. 3 in the Commission's Order dated October 10, 2008 in Docket No. 33978 and is further explained in the SOAH PFD (June 30, 2008) at page 81.

Letter to PUC Commissioners

January 19, 2011

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LCRA TSC appreciates the care and attention the Commission gave to this case at the Open Meeting on January 13th and trusts the issues addressed in this letter will be useful to the Commission as it continues its deliberations on Thursday January 20th.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Fernando Rodriguez". The signature is fluid and cursive, with a long, sweeping underline.

Fernando Rodriguez

Associate General Counsel

cc: Margaret Pemberton
Scottie Aplin
All parties (via PUC Interchange)

McCamey D to Kendall Segment Y11 - CVA Route Mod

- Segment as Proposed
- CVA Modification
- KCA Approach Surfaces
- Segment Y11 Underground
- ○ Approx Str Location
- □ Mod 6-Pole Dead-end
- □ Mod Twin H-frame



EXHIBIT A

N. Llano River Crossing 2
Floodplain Elev = 1701 ft
Req'd Span = 1300 ft

Critical Structure Location
Ground Elev = 1681 ft (20 ft below FP)
Max Str. Ht under Obs. Slope = 90 ft
Min Str. Ht to be over Floodplain = 120 ft
NOT FEASIBLE

KCA South Runway
Elev = 1701 ft
Obstacle Slope = 34:1

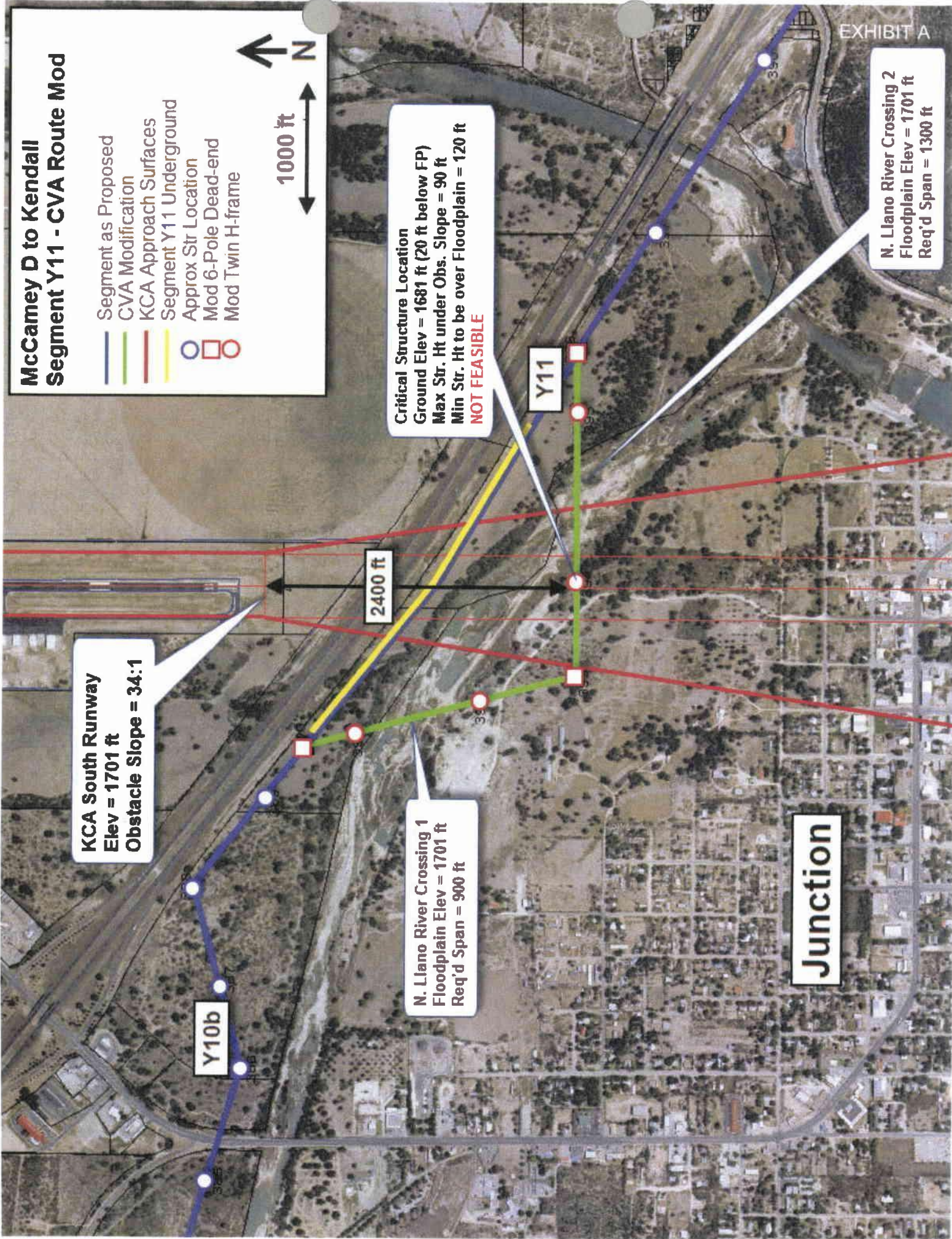
N. Llano River Crossing 1
Floodplain Elev = 1701 ft
Req'd Span = 900 ft

Junction

2400 ft

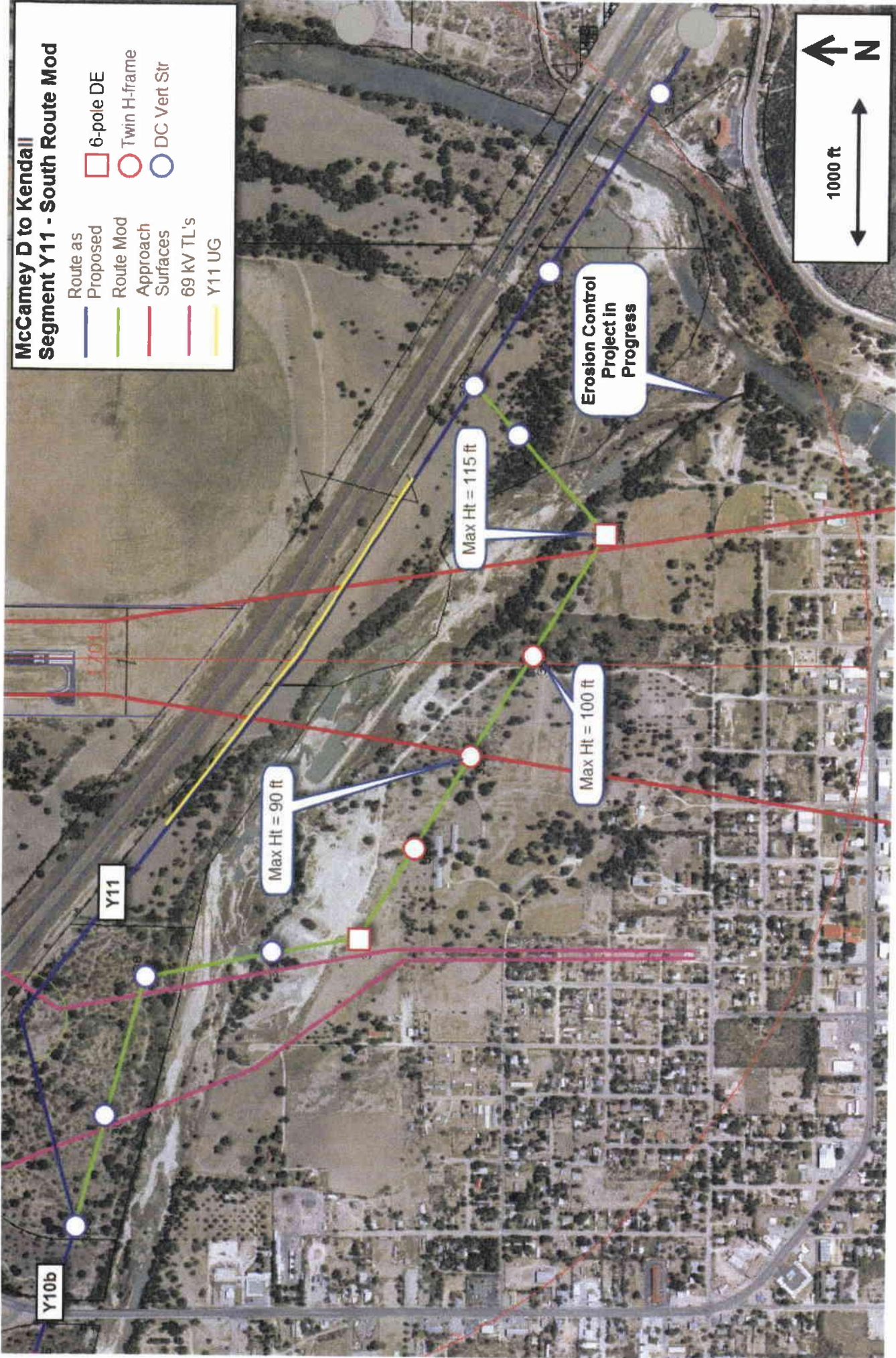
Y10b

Y11



McCamey D to Kendall Segment Y11 - South Route Mod

Route as Proposed	6-pole DE
Route Mod	Twin H-frame
Approach Surfaces	DC Vert Str
69 kV TL's	
Y11 UG	



1000 ft

↑ N

**SEGMENT Y11 SOUTH ROUTE MODIFICATION: PROPOSED ROUTE MODIFICATION ON SEGMENTS Y10b
AND Y11**

The Segment Y11 South Route Modification starts on Segment Y10b west of US 83 in Junction, then goes in a southeasterly direction for approximately 1700 feet on the north side of the North Llano River. It then turns south and crosses the North Llano River on a southerly alignment that parallels an existing 69 kV transmission line for approximately 1450 feet, before turning again to the southeast to parallel the River on the south bank. At this point, the line transitions from double-circuit vertical structures to low profile 6-pole dead-ends and twin tangent H-frames. The line then continues in a southeasterly direction for approximately 3150 feet with low profile construction, and then turns to the northeast to cross to the north bank of the North Llano River, continuing for approximately 1350 feet until it intersects again with Segment Y11. The route modification includes monopole construction for some structures that are located in the floodplain, and additional estimated costs for erosion mitigation measures.

For routes containing segments Y10b and Y11

LCRA TSC Engineering representatives have reviewed the proposed modification and determined that it is technically feasible. The proposed modification would:

- remove two (2) tangent structures and three (3) deadend structures.
- remove a 2500-foot section of underground construction
- add three (3) steel tangent poles and one (1) steel twin dead-end pole structure.
- add three (3) twin tangent H-frame structures,
- add two (2) 6-pole dead-end structures,
- add approximately 0.2 miles to the length of the project,
- widen the right-of-way by 60' (from 140' to 200') for approximately 0.9 miles , and
- reduce the estimated project cost of any route including Segments Y10b and Y11 by approximately \$49M.

ENVIRONMENTAL DATA FOR ALTERNATIVE ROUTE EVALUATION
 MCCAMEY D - KENDALL-GILLESPIE 345-KV PROJECT
 Y11

LAND USE	Original Alignment	Proposed Alignment
1 Length of alternative link	6,630	7,660
2 Number of habitable structures ¹ within 500 ft of ROW centerline	0	0
3 Length of ROW parallel to existing transmission line ROW	0	1,454
4 Length of ROW parallel to other existing compatible ROW (highways, roads, pipelines, etc.)	5,172	0
5 Number of parks/recreational areas within 1,000 ft of ROW centerline	0	1
ECOLOGY		
6 Length of ROW across bottomland/riparian woodland	2,980	4,013
7 Number of river crossings	0	2
8 Length of ROW parallel (within 100 ft) to streams or rivers	0	0
9 Length of ROW across 100-year floodplains	6,630	7,660
CULTURAL RESOURCES		
10 Number of recorded historic and prehistoric sites crossed	0	0
11 Number of additional recorded historic and prehistoric sites within 1,000 ft of ROW centerline	0	0
12 Number of National Register-listed or determined-eligible sites crossed	0	0
13 Number of additional National Register-listed or determined-eligible sites within 1,000 ft of ROW centerline	0	0

Note: All length measurements in feet.

¹ Single-family and multifamily dwellings and related structures, mobile homes, apartment buildings, commercial structures, industrial structures, business structures, churches, hospitals, nursing homes, schools, or other structures normally inhabited by humans or intended to be inhabited by humans on a daily or regular basis.

Potential Modifications for McCamey D-Kendall Routes

Route MK15 PUC Staff Modified

Length: 144.62 miles

Cost: \$304.2 million

Segments:

b3a-b5a-b5b-b14a-b14ba-b84-b86-b90-Y5cc-Y7b-Y8-b19b-b19c-b23a-b23b-b29a-Y14-b29c-b29d-b48-b53-b56a-b58b-c6-c10-c11-c13a-c13e-c13b-c13c-c13d-c19-c20-c21

Landowner	Segment(s)	Modified Length (miles)	Modified Cost (millions)	Source	PUC COMMISSIONERS
Runge3	b14a/b5b	0.33	\$1.2M	Attachment 13 Supplement (p. 73)	Supported 01/13/2011
Mudge	Y7b	0.11	\$1.6	Attachment 13 Supplement (p. 65)	Supported 01/13/2011
Moore-Smith	Y8	1.36	\$3.1M	Attachment 13 (p. 7)	
Moore-Smith 2	Y8	-0.57	-\$0.9M	Attachment 13 Supplement (p. 62)	
Moore-Smith 3	Y8	-0.35	-\$0.0	Attachment 13 Supplement (p. 63)	
Whichard	b19b	0.5	\$1.5M	Attachment 13 Supplement (p. 91)	<i>Requires further modification for use with this route</i>
Andersen – per PUC	c6-Latt to Poles	0	\$0.6M	Attachment 13 Supplement (p. 6)	
Henke-Yant-Andersen	c6	0.49	\$1.3M	Attachment 13 Supplement (p. 43)	Did not support
Henke-Yant2 –per PUC	c6	0.36	\$1.7M	Attachment 13 Supplement (p. 44)	<i>Counsel for Yant stated that it had been withdrawn from the record</i>
Dreiss	c13b	0.11	\$7.3M	Attachment 13 Supplement (p24)	
Schooley	b84	0.24	\$1.2M	Post Hearing Route Modification	Supported 01/13/2011
McGowan	b14c	?	?	Discussion at Open Meeting	Supported 01/13/2011 – follow pipeline crossing ranch
Savage	b90	-	-	Attachment 13 Supplement (p. 76)	Withdrawn

Potential Modifications for McCamey D-Kendall Routes

Route MK62 (Modified MK15 PUC Staff Modified)

Length: 141.79 miles

Cost: \$302.2 million

Segments:

b3a-b5a-b5b-b14a-b14ba-b84-b86-b90-Y5cc-Y7b-Y8-b19b-b19c-b23a-b23b-b29a-Y14-b29c-b29d-Y16-Y17b-Y18-Y19b-Y20-c1b-c1c-c14a-c14b-Y22-Y22a-c18ab-c18b-c21

Landowner	Segment(s)	Modified Length (miles)	Modified Cost (millions)	Source	PUC COMMISSIONERS
Runge3	b14a/b5b	0.33	\$1.2M	Attachment 13 Supplement (p. 73)	Supported 01/13/2011
Mudge	Y7b	0.11	\$1.6	Attachment 13 Supplement (p. 65)	Supported 01/13/2011
Moore-Smith	Y8	1.36	\$3.1M	Attachment 13 (p. 7)	
Moore-Smith 2	Y8	-0.57	-\$0.9M	Attachment 13 Supplement (p. 62)	
Moore-Smith 3	Y8	-0.35	-\$0.0	Attachment 13 Supplement (p. 63)	
Whichard	b19b	0.5	\$1.5M	Attachment 13 Supplement (p. 91)	<i>Requires further modification for use with this route</i>
Atkission	Y19b	0.02	\$0.1M	Attachment 13 Supplement (p. 8)	Discussion – no decision
Schooley	b84	0.24	\$1.2M	Post Hearing Route Modification	Supported 01/13/2011
McGowan	b14c	?	?	Discussion at Open Meeting	Supported 01/13/2011 – follow pipeline crossing ranch
Savage	b90	-	-	Attachment 13 Supplement (p. 76)	Withdrawn

Potential Modifications for McCamey D-Kendall Routes

Route MK63 (Modified MK15 Segrest)

Length: 138.45 miles with route modification to Y11 138.64 miles

Cost: \$360.5 million with route modification to Y11 approximately \$311 million

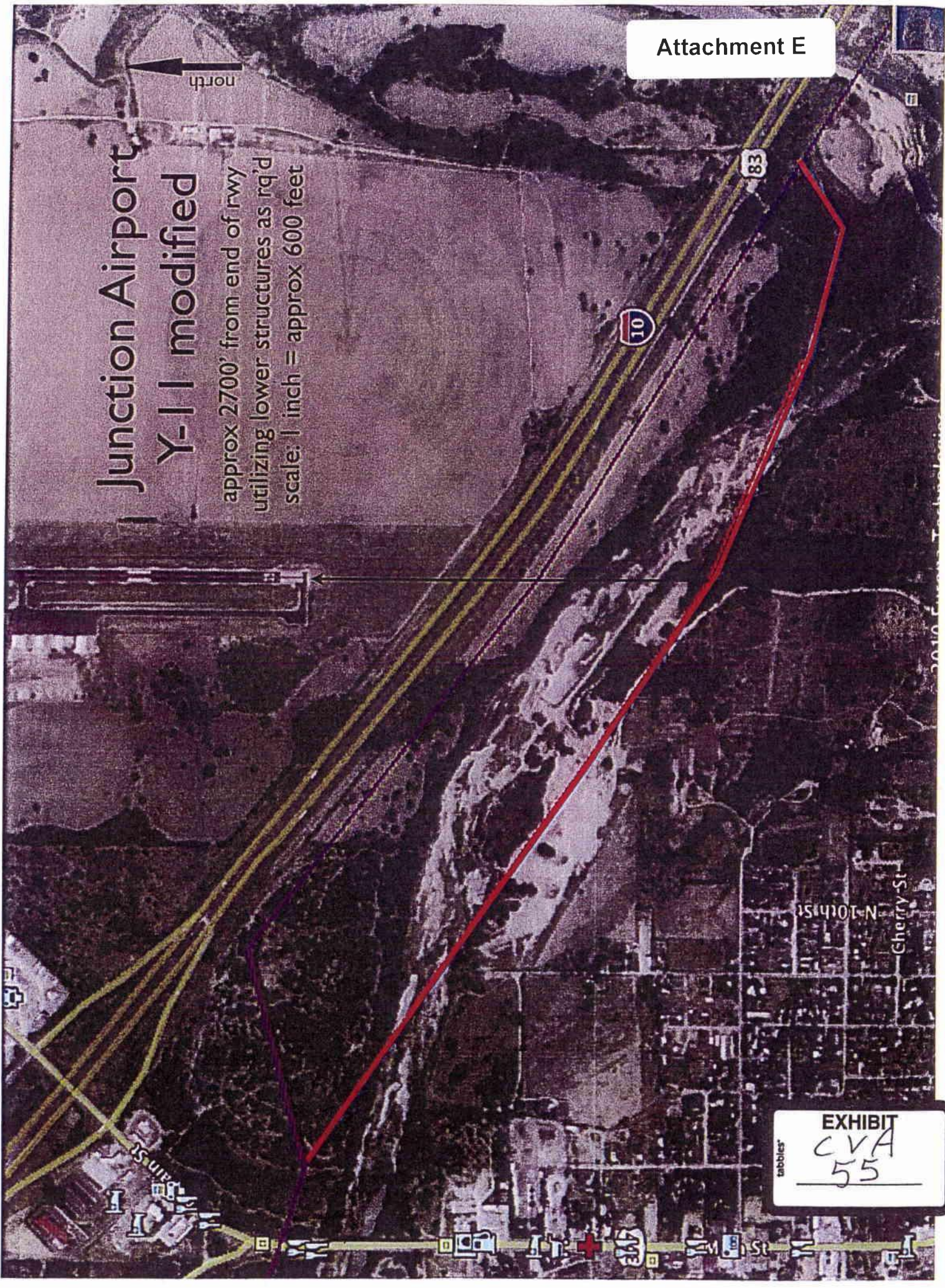
Segments:

b3a-b5a-b5b-b14a-b14ba-b84-b86-b90-Y5cc-Y7b-Y9-Y10b-Y11-Y12a-Y13-b23b-b29a-Y14-b29c-b29d-Y16-Y17b-Y18-Y19b-Y20-c1b-c1c-c14a-c14b-y22-y22a-c18ab-c18b-c21

Landowner	Segment(s)	Modified Length (miles)	Modified Cost (millions)	Source	PUC COMMISSIONERS
Runge3	b14a/b5b	0.33	\$1.2M	Attachment 13 Supplement (p. 73)	Supported 01/13/2011
Mudge	Y7b	0.11	\$1.6	Attachment 13 Supplement (p. 65)	Supported 01/13/2011
Skaggs	Y9	0.12	\$1.1M	Attachment 13 Supplement (p. 83)	
Atkission	Y19b	0.02	\$0.1M	Attachment 13 Supplement (p. 8)	Discussion – no decision
Schooley	b84	0.24	\$1.2M	Post Hearing Route Modification	Supported 01/13/2011
McGowan	b14c	?	?	Discussion at Open Meeting	Supported 01/13/2011 – follow pipeline crossing ranch
Savage	b90	-	-	Attachment 13 Supplement (p. 76)	Withdrawn

Junction Airport Y-11 modified

approx 2700' from end of rwy
utilizing lower structures as req'd
scale: 1 inch = approx 600 feet



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EXHIBIT
CVA
55

TRANSCRIPT OF PROCEEDINGS
BEFORE THE
PUBLIC UTILITY COMMISSION OF TEXAS
AUSTIN, TEXAS

IN THE MATTER OF THE OPEN MEETING)
OF THURSDAY, JANUARY 20, 2011)

BE IT REMEMBERED THAT AT approximately
9:35 a.m., on Thursday, the 20th day of January 2011,
the above-entitled matter came on for hearing at the
Public Utility Commission of Texas, 1701 North Congress
Avenue, William B. Travis Building, Austin, Texas,
Commissioners' Hearing Room, before BARRY T. SMITHERMAN,
CHAIRMAN, DONNA L. NELSON and KENNETH W. ANDERSON, JR.,
COMMISSIONERS; and the following proceedings were
reported by William C. Beardmore and Lorrie A. Schnoor,
Certified Shorthand Reporters.

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1 first thing. The second thing is, with respect to
2 transmission lines, I live in far northwest Austin.
3 Some people say I live in Waco, but really I'm still in
4 the Austin city limits.

5 Out on 183 one of the most popular
6 fast-food restaurants in Austin is located under huge
7 transmission lines, and it's one of the busiest ones.
8 So it hasn't stopped people from going to that locale to
9 get food. So -- and you're right under -- you are right
10 under the transmission line.

11 So I would note that, too. As you
12 acknowledge -- and Ken has said many times -- we see
13 them everywhere. To the extent I ever had a problem
14 with them, I don't have a problem with them now just
15 because I realize what they bring our state.

16 AGENDA ITEM NO. 13

17 DOCKET NO. 38354; SOAH DOCKET NO.
18 473-10-5546 - APPLICATION OF LCRA TRANSMISSION
19 SERVICES CORPORATION TO AMEND ITS CERTIFICATE
20 OF CONVENIENCE AND NECESSITY FOR THE PROPOSED
21 MCCAMEY D TO KENDALL TO GILLESPIE 345-KV CREZ
22 TRANSMISSION LINE IN SCHLEICHER, SUTTON,
23 MENARD, KIMBLE, MASON, GILLESPIE, KERR, AND
24 KENDALL COUNTIES

22 CHAIRMAN SMITHERMAN: Okay. Having
23 delayed long enough, let's get into the meat of this.
24 Katherine, why don't you kind of lay this out for us.

25 We got some late-filed letters from LCRA,

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1 which I would like to go through in great detail, I
2 think, pursuant to some of your recommendations, and
3 then we just got one from the City of Llano. Is that
4 right?

5 MR. JOURNEYAY: Junction.

6 CHAIRMAN SMITHERMAN: Junction. We need
7 to talk about that and decide whether or not what we're
8 going to do with these.

9 MS. GROSS: Okay. This is Docket 38354.
10 This is the application of LCRA to amend its CCN for the
11 proposed McCamey D to Kendall to Gillespie 345-kV CREZ
12 transmission line. Subsequent to LCRA filing its
13 application, the Commission determined that there is a
14 cost effective alternative for the Kendall to Gillespie
15 portion of this line.

16 Therefore, the ALJ didn't propose a
17 recommendation for a route between those two
18 substations. But the ALJs did propose MK15 modified
19 which was Staff's recommended route for the McCamey D to
20 Kendall portion of the line.

21 This is a priority project, and the
22 deadline in this docket is January 24th.

23 CHAIRMAN SMITHERMAN: Right around the
24 corner. So we talked about this at some length. The
25 media reported we had six hours of testimony and

PUC OPEN MEETING - ITEM 13 1/20/2011

1 conversation -- not testimony but comment, conversation.

2 If I could summarize correctly, I think
3 what we concluded is, we took the P lines off the table.
4 Those are the ones that run on the northern end of the
5 study boundary.

6 We focused most of our conversation on the
7 I-10 routes and derivations of that; though,
8 Commissioner Nelson, I recall that you also had some
9 interest in the preferred route, and we talked a lot
10 about the loop around Junction and what to do down on
11 the southern end, whether to go through the Tierra Linda
12 subdivision as part of MK15 modified or go all the way
13 down I-10.

14 So what's your pleasure on this? Do you
15 want to hear from LCRA with their letter or -- what do
16 you guys want to do with these late-filed documents?

17 COMM. NELSON: Well, I did find what LCRA
18 filed to be helpful. I also -- and I don't know if this
19 is the appropriate time, but the reason I like to have a
20 break, you know, after we listen to everybody talk is so
21 we can go back and look at the evidence.

22 What I find sometimes -- not always, but
23 sometimes -- what we hear at the meeting are comments
24 that you-all are submitting to us. They're not
25 evidence. So sometimes the evidence doesn't necessarily

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1 match what people say at the Open Meeting.

2 I found that to be really true with
3 respect to that loop that goes north of the airport.
4 There was a lot of conversation about how dangerous it
5 would -- how it would affect taking off, but there
6 wasn't a lot of testimony in the record about it.

7 So I think -- I looked -- and I looked at
8 LCRA's letter and the accommodations they are willing to
9 make north of the airport. I feel more comfortable with
10 that.

11 So at this point, I am ready to take that
12 preferred route off the table and so we can narrow it
13 down even more, because I think you two were ready at
14 the last meeting.

15 COMM. ANDERSON: Well, interestingly --
16 let's talk about the LCRA preferred route, which I think
17 is MK13. I was -- not knowing how this was all going to
18 turn out and before -- because I, like you, went back
19 and looked at the evidence in this case, particularly
20 the evidence that surrounded the north and south routes
21 around Junction -- and I'll get to that in a minute --
22 but I was prepared to at least reconsider MK13 but with
23 one condition.

24 The only way that I -- because it does --
25 to give LCRA credit -- and the Judge recognized this in

PUC OPEN MEETING - ITEM 13 1/20/2011

1 the case -- it did meet a number of our routing
2 criteria, including the minimum number of habitable
3 structures. But for all the reasons that the Judge
4 mentioned, the only way that I would vote to approve
5 that is if we monopolized the entire route. That would
6 result in about \$42 million by my back-of-the-envelope
7 calculation. That might be a little high, but using
8 300 -- using 300,000 a mile. The result would be that
9 you would eliminate the cost savings that that route
10 had.

11 However, it would be in the same ballpark
12 as MK62 and MK --

13 COMM. NELSON: 15.

14 COMM. ANDERSON: -- and MK -- and the PFD
15 route. They would all be around the same price. So I
16 was prepared at least to discuss the LCRA preferred
17 route.

18 That's not necessarily my preferred
19 choice. But getting to the issue about the evidence
20 around Junction, Donna, I too went back and looked
21 actually at the evidence. When I went in -- and I
22 looked at the direct testimony, the rebuttal testimony,
23 as well as transcripts of the cross-examination.

24 When you do that, you find that most --
25 while there was some concern expressed, I now understand

PUC OPEN MEETING - ITEM 13 1/20/2011

1 why the Judge -- why the Judge picked the northern
2 route. I think it clearly supported by a preponderance
3 of the evidence, and most of the comments opposed really
4 came in the form of argument in the exceptions and
5 replies as well as comments made by parties at the last
6 Open Meeting. Particularly with the changes that LCRA
7 is willing to make, I think the northern route would be
8 an acceptable route.

9 That being said, I also was very intrigued
10 by the LCRA letter. I do think before we address it,
11 although I would ask -- I would ask Staff, I think, for
12 some guidance, whether we need to, I guess, take up --
13 if we want to talk about the LCRA letter, whether we
14 need to -- they include in the letter what amounts to a
15 motion to admit this or to give a good cause waiver
16 before the submission to be admitted and take it under
17 consideration.

18 MR. JOURNEAY: They are actually asking
19 for a good cause waiver of our -- we have a provision in
20 our rule that says things that are not filed at least
21 seven days before Open Meeting may not be considered is
22 not at absolute ban.

23 This Commission, I think, has the
24 discretion to consider it or not consider it without
25 even acting upon that request in your discretion.

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1 COMM. ANDERSON: Okay. If we don't need
2 to formally vote, I would like to consider it and take
3 it up, because I don't know if you-all just -- if we --

4 CHAIRMAN SMITHERMAN: Yeah, I agree. I
5 don't know if it convinces me to do something
6 differently. I really have a lot of questions. Unless
7 we take it up, I don't think we can get to the
8 questions.

9 COMM. ANDERSON: That's right. I want to
10 hear the questions. But I have to say that at first
11 blush these changes are interesting around the south
12 side.

13 More importantly, I almost view them, when
14 I looked at the maps, as falling within the minor
15 deviation language that we already have, you know, if,
16 in fact, the line remains on noticed property.

17 I know LCRA in the letter -- well, there's
18 really two issues. One is they prefer to be directed as
19 opposed to exercising the discretion that we give in the
20 orders which continues to trouble me a bit.

21 The other is that I do want to, before we
22 forget, grant -- whatever we end up doing, they asked in
23 the letter to -- let's see; where is it -- that if the
24 Commission chooses to approve this routing
25 alternative -- and I'll say this: This is also true

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1 with respect to any routing alternative that we
2 ultimately decide, that LCRA TSC would request as much
3 flexibility as possible, you know, to possibly adjust
4 and straighten the proposed routing adjustments, you
5 know, post-order thereby saving additional cost.

6 You know, I think those are already in --
7 that they already have that authority under our various
8 paragraphs. But to the extent they feel like they don't
9 have it, I would like to hear from them and what they
10 propose, because I want to give them as much flexibility
11 both to straighten -- but also to make the deviations
12 necessary to accommodate individual landowners.

13 CHAIRMAN SMITHERMAN: Why don't we do this
14 if it's acceptable to you-all: I would like to hear
15 from LCRA. I would like to ask them a bunch of
16 questions, and then we need to hear from the City of
17 Junction who filed a letter because they seem to have
18 some issues. Perhaps they're more procedural than
19 substantive. So if that's okay with you-all.

20 Ferdie, let me start by saying, I'm
21 looking at your Exhibit A, and I want to make sure I'm
22 on the same page here. As I look at this, the yellow
23 line was the proposal to underground this portion.

24 MR. RODRIGUEZ: That's correct.

25 CHAIRMAN SMITHERMAN: That's the amount

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1 that would equal -- round numbers -- 50-plus million
2 dollars --

3 MR. RODRIGUEZ: That's correct.

4 CHAIRMAN SMITHERMAN: -- which I still
5 have to scratch my head over.

6 And then the green line is labeled "CVA
7 modification." Is that to say that was a modification
8 that was put on the table at some point in the past and
9 has been discussed? Give me some sense of that.

10 MR. RODRIGUEZ: Yes, Mr. Chairman. That
11 modification -- that proposed modification was not part
12 of the record. We finished the case without having the
13 ability or the chance to look at this.

14 Mr. Bayliff contacted us sometime in
15 December and asked if we would be willing to look at a
16 modification. Brad came over and met with Mr. Mettie
17 (phonetic) and myself, and this was our understanding of
18 what they were proposing.

19 CHAIRMAN SMITHERMAN: So this landowner or
20 landowners that would now be affected by the green
21 line -- I'm sorry for those who don't have this map --
22 but the green line -- were they noticed in this
23 proceeding?

24 MR. RODRIGUEZ: Well, that was a question
25 we had. One of the problems that we had with CVA's

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1 proposal was, we don't know if all the noticed issues
2 had been taken care of. That was Point 1. Point 2 was
3 that southern most point where the round circle is --
4 the red circle -- 2400 feet south --

5 CHAIRMAN SMITHERMAN: Right.

6 MR. RODRIGUEZ: -- the height that that
7 would have had to have been to be workable was not going
8 to work for us, and we mentioned that to CVA. We said
9 to us, "That is not safe." That's what we talked about
10 last week.

11 CHAIRMAN SMITHERMAN: Well, let's focus on
12 the notice issue first, because -- but I want to make
13 sure that before we put something on the table that
14 we've not short-cutted any of our required notice
15 procedures.

16 MR. RODRIGUEZ: Well, might I address that
17 by going to Exhibit B, which is our proposal?

18 CHAIRMAN SMITHERMAN: Okay. All right.

19 MR. RODRIGUEZ: When we talked about this
20 with CVA, we thought that there might be notice issues.
21 We were told that we thought -- or they thought that
22 maybe there were only three affected landowners.

23 Once we got past -- well, let me back up
24 for a second. We thought that there were some notice
25 issues. So we told CVA, "That's not going to work for

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1 us."

2 We came to the Open Meeting last week,
3 heard you-all talk about this, and it appeared that
4 there was some movement in that direction. We went back
5 and looked at the proposal that CVA had initially
6 brought to us, and we said, "That's not going to work,
7 but can we make it better? Can we fix it?" That's what
8 we did over the weekend.

9 Mr. Symanck who was here last week -- he's
10 here again today -- Mr. Symanck and his colleague were
11 out in Junction in the rain on Saturday recording this
12 whole area as well as the area north. On Monday, which
13 was a holiday, but the Junction offices were open, our
14 real estate folks went out there and went all through
15 the property records to make sure that if there was a
16 notice problem we could fix it.

17 That's why ours is different. Ours is
18 different. From a notice perspective, we feel that we
19 have accommodated -- or not accommodated -- we feel that
20 we have accounted for all the landowners who would be
21 directly affected by our proposal.

22 CHAIRMAN SMITHERMAN: When you say
23 "accounted," what do you mean?

24 MR. RODRIGUEZ: They've been noticed.

25 CHAIRMAN SMITHERMAN: They received

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1 notice?

2 MR. RODRIGUEZ: They've been noticed.
3 That's correct. And even as late as yesterday morning
4 over on the eastern side we had a question about whether
5 or not that deflection point would hit a non-noticed
6 landowner. We fixed that. We moved it over so that --
7 that little square that you see there, it says "max
8 height 115 feet," all of that now is on noticed
9 landowners.

10 And one of you-all, I think, read from the
11 letter about additional flexibility. The reason we
12 asked for that is because there may be a way to
13 straighten it a little bit on the east side and on the
14 west side, but we would have to discuss that with
15 non-noticed landowners.

16 And if we could get a waiver of notice, it
17 might work. At this point, we just don't know because
18 we haven't had the time. What we presented to you here
19 comes with no notice issues. We had people to make sure
20 that that was the case, and it has no FAA issues because
21 by -- over on the western side, by crossing the river
22 almost at a perpendicular angle it's a shorter span.

23 We come down to the first square -- I
24 think those are going to be six-pole dead ends -- to
25 flatten them. We take the line from the vertical and

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1 turn it to a horizontal. It goes on six-pole -- it's
2 sort of like out by Bergstrom if you-all know --

3 CHAIRMAN SMITHERMAN: Yeah, I know that.
4 Yeah.

5 MR. RODRIGUEZ: So we flatten it, and we
6 take it from a vertical to a horizontal which lowers the
7 lines.

8 CHAIRMAN SMITHERMAN: That's a very low
9 profile.

10 MR. RODRIGUEZ: It is. They are
11 substantial structures. This is a 345 after all. But
12 we take it from a vertical, take to a horizontal. We
13 get down low. We move back. That southern most point
14 now is about another 5- to 600 feet further south from
15 the point where CVA had proposed that structure to be.

16 And by moving back, we're able to get down
17 low, not only under the Part 77 surfaces but also under
18 the obstruction clearing surface. We will notify the
19 FAA. We typically notify the FAA, I think, if we're
20 within 10,000 feet.

21 So we would notify them. We don't think
22 it's going to be a problem, because we're under both
23 surfaces now. That was our problem previously. While
24 we might have been under the Part 77 surface, we didn't
25 feel it was appropriate for us to build a structure that

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1 would take us over the obstruction clearance slope that
2 would make us the obstruction instead of the trees.

3 Right now there's a line of trees that
4 forms the obstruction clearance slope. When you take a
5 line from the end of the runway, take it to the top of
6 the tree and then you run the slope out as far as it
7 will go.

8 COMM. ANDERSON: And you are also
9 comfortable, because this, I believe, still in the
10 floodplain, that it meets your reliability criteria?

11 MR. RODRIGUEZ: Yes, Commissioner. I
12 think that's another issue that we had initially with
13 CVA. Where they were proposing that we put lines --
14 this is all floodplain, but we were awfully close to the
15 active flood channel. We don't want to be there.

16 We can be in the flood zone -- in the
17 floodplain, rather. And where we're proposing to put
18 the structures, we think that's workable. We will
19 probably fortify the foundations, perhaps use pontoon
20 foundations to divert water for those rare occasions
21 when the water does come out. But we're not in the
22 flood channel.

23 We don't want big trees and other debris
24 slamming up against the structures. We think where we
25 proposed this that we can build this safely and

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1 efficiently and at a reasonable cost.

2 COMM. ANDERSON: Because I -- you know, I
3 read the various arguments and was -- I know CVA
4 originally made the argument, "Well, it's just a
5 100-year floodplain, and, you know, if you have to take
6 it out of service," I found that to be completely
7 unpersuasive to the point of unacceptable. These are
8 345 lines.

9 This project, frankly, has been needed,
10 putting aside, you know, future development in West
11 Texas. These lines have been needed for the transport
12 of power into the south zone of ERCOT for a number of
13 years now.

14 The idea that you take it out of service
15 is just not -- you voluntarily take it out of service
16 because of flooding is not acceptable to me.

17 MR. RODRIGUEZ: And, Commissioner, I
18 understand that. In all candor, that was one of our
19 problems, too. And Brad and I went back and forth about
20 this.

21 That was one of our questions, is, "Well,
22 we didn't think that the Commission wanted to build a
23 345 CREZ priority line in a place where we knew we were
24 going to have to de-energize it on the regular basis."
25 That just didn't make sense to us.

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1 Where we're proposing to put it, we don't
2 think we're going to have to do that. We wanted to give
3 you -- let me back up a second, too. We wanted to give
4 you-all options. I think throughout this process, even
5 going back to the summer of '09 when I was sitting here
6 with my friend Allen Nye, we heard from you-all that you
7 wanted options, options, options, and that's what we've
8 tried to do throughout this proceeding.

9 We went back this weekend and looked at
10 this after sitting here last week and hearing you-all's
11 comments, hearing CVA's comments, trying to gauge the
12 temperature of the parties and the community. Like I
13 say, we were able to go back and take CVA's proposal and
14 tweak it, fix it, put it in a locality where -- yeah,
15 we're still in a floodplain, but we're not in the flood
16 zone.

17 We're not in an active flood zone. We
18 don't think that that's going to be a problem. The
19 North Llano River flows into the Llano which flows into
20 the Pedernales. It's in our river basin. Mr. Symank
21 when he took the stand talked to our folks -- our river
22 folks. You know, there's a flood there not every 100
23 years, not every 50 years but probably every other year.
24 You're going to have flooding conditions.

25 So when they designed this proposal we

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1 took that into account.

2 COMM. ANDERSON: Doesn't the Llano flow
3 into the Colorado?

4 MR. RODRIGUEZ: What did I say?

5 CHAIRMAN SMITHERMAN: You said
6 "Pedernales."

7 COMM. ANDERSON: You said "Pedernales."

8 MR. RODRIGUEZ: Oh, no. Thank you.
9 Colorado. It's our river basin.

10 COMM. ANDERSON: Having boated on Lake LBJ
11 a number of times...

12 MR. RODRIGUEZ: It's our river basin.

13 CHAIRMAN SMITHERMAN: Yeah. That's
14 comforting to me, because you're in the river business.
15 Let me ask you, though: What is generally the nature of
16 this property? In looking at the satellite photos, it
17 looks like it's undeveloped.

18 MR. RODRIGUEZ: It largely is,
19 Mr. Chairman. We've got -- and I think probably it's
20 largely because it's in a floodplain. On the western
21 side there's a -- is it a quarry or a gravel quarry?

22 The other collection of structures is
23 right there by the -- as you see the square box, the
24 next round box you see some little warehouses there. I
25 think those are chicken -- chicken sheds. And other

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1 than that there's just not a whole lot there. There's a
2 park down towards the lower right-hand corner.

3 You see some baseball diamonds and there's
4 a city park there that fronts on the river. This is not
5 a developed area. One of the other problems or concerns
6 we had as you look further south you start to get into
7 the grid structure of the city of Junction.

8 CHAIRMAN SMITHERMAN: Right. Right.

9 MR. RODRIGUEZ: That's the other thing we
10 want to do. We wanted to stay away from that as we
11 could and still be safe, and I think we've done that.

12 CHAIRMAN SMITHERMAN: Well, Commissioner,
13 Nelson, I really have to commend you. It was your
14 insistence that we look at a way to thread the needle
15 down here that I think prompted LCRA to do some more
16 work on this.

17 Frankly, I was prepared to take the loop
18 around the north. What are your thoughts on this?

19 COMM. NELSON: Well, I guess I would like
20 to hear from the people who filed the letter from
21 Junction first, because this is -- I mean, people who
22 are uninvolved in our process don't know that sometimes
23 we do come up with deviations at the last minute when
24 we're considering it because we find that none of the
25 solutions we have are what we want, but I'm willing to

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1 listen even to -- is anybody here from Junction?

2 MS. PENBERTON: No. The city of Junction
3 cannot be here. They gave me -- they sent me an e-mail
4 this morning with phone numbers that they could be
5 called on if you wanted to talk to them. I told them
6 that was highly unusual. They were complaining about
7 CVA's proposal, and I referred them to the interchange
8 to look at LCRA's newest proposal. And in conversations
9 yesterday, we talked about whether or not it affected
10 their hospital and their heliport, and LCRA said, "It
11 does not." But they still don't want it -- they still
12 do not want the line here, though, on the south side.

13 CHAIRMAN SMITHERMAN: So, Margaret, let us
14 put you on the spot. From the staff legal perspective,
15 this letter raises some issues about process, that
16 this -- I'll quote them -- "This new solution for
17 bypassing the Kimble County Airport has been suggested
18 at the very end of this hearing process after the
19 evidentiary phase has closed."

20 What's your thoughts on that?

21 MS. PEMBERTON: Well, I agree with
22 Commissioner Anderson, that I think this is a deviation
23 that could be made by your ordering language anyhow. It
24 was on noticed landowners.

25 COMM. NELSON: Right. That's why we

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1 notice. I mean, that's the whole purpose for noticing
2 is --

3 CHAIRMAN SMITHERMAN: Broad notice.

4 COMM. NELSON: Yeah. So that if we, the
5 three of us, decide there's something that we like about
6 the route but some area that we have concern, because
7 actually the two areas that, you know, I've worked the
8 most on are the area around the airport and then the
9 area down by Kerrville. So...

10 COMM. ANDERSON: I have a question for
11 Mr. Rodriguez. Do you have -- I was looking -- trying
12 to go through the letter, and it may be there, but the
13 modifications here -- this modification -- what's the --
14 as opposed to the cost of the links that go north of the
15 airport -- and let's not even take into consideration
16 yet your proposals to -- if we went north to push it
17 back even further, how does the links that you're
18 proposing here in terms of cost going south compare to
19 the loop around the north side of the airport?

20 Did you have any numbers? Just from a
21 distance standpoint, it appears that it potentially even
22 saves money. At the very least it could be a wash, but
23 it could even save money by taking your southern route.

24 MR. RODRIGUEZ: It might. But if you
25 don't mind, let me ask Mr. Symank to come up and address

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1 some of those questions. But I would tell you that
2 generally the adjustment there to the south is in the
3 neighborhood of \$5 million if you do some subtraction
4 from --

5 COMM. ANDERSON: Is this incremental to
6 the original link that paralleled I-10, or is it five
7 million altogether?

8 MR. SYMANK: Repeat that.

9 COMM. ANDERSON: The five million, is it
10 the incremental -- is that the incremental cost, or is
11 it the -- or is that the total cost of this link or this
12 part of the line?

13 MR. RODRIGUEZ: Would you have to take
14 back out the 54 million for underground?

15 MR. SYMANK: Right. The net difference in
16 MK63, I guess, as proposed and of the modification, you
17 save approximately \$49 million.

18 COMM. ANDERSON: No, that's true if you
19 buried it. Your original proposal, MK63, I think it is,
20 would just parallel I-10 north of the Llano River.

21 MR. SYMANK: We didn't propose an overhead
22 alternative.

23 CHAIRMAN SMITHERMAN: No, that had the
24 burying in it.

25 COMM. NELSON: There's no way of comparing

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1 it because they were -- that's what led me to ask --

2 COMM. ANDERSON: Well, then, the five
3 million you're proposing here, how does that compare to
4 the links that go around the airport?

5 MR. SYMANK: If you compare --

6 COMM. ANDERSON: Without doing the changes
7 that you propose, I just want to try to get apples to
8 apples.

9 MR. SYMANK: Didn't we have that in the
10 letter, Ferdie?

11 CHAIRMAN SMITHERMAN: While he's looking
12 for that, Ken, here's the way I tried to do the math on
13 that. My conclusion is that using this proposal results
14 in a \$311 million cost, which is MK63, with the
15 deduction of the undergrounding and the incremental cost
16 for going south of the river.

17 Then I compare that to MK15, which is
18 approximately 302 million. So they're basically the
19 same from my perspective. There's a \$9 million delta.

20 MR. SYMANK: Between 8 and 9 million is
21 the --

22 CHAIRMAN SMITHERMAN: Yeah.

23 COMM. NELSON: Right.

24 MR. SYMANK: And if you do the -- in the
25 letter we expanded on another option to the north. If

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1 you do that, then you're within -- I would have to look
2 up the number. You're within a half million dollars of
3 each other.

4 COMM. ANDERSON: So the -- so we don't
5 really save any money by going south versus looping
6 around the airport. That's what I was trying to get a
7 handle on, whether it's a per mile -- whether it's a
8 cost per mile or whatever, whether -- what -- because it
9 just strikes me that even before the adjustments, you're
10 talking about going north, but this is a shorter route
11 by a considerable distance which even if you -- at least
12 if you average the cost on a per mile basis, there ought
13 to be savings between this and MK32.

14 MR. SYMANK: Right. The difference is the
15 nature of the structures you're doing. You have the
16 river crossings -- all of that. When you really compare
17 what you have to do, especially structures, you end up
18 not saving as much as you would think. There is a
19 differential there.

20 CHAIRMAN SMITHERMAN: Well, the other
21 thing is, it's difficult to do this comparison because
22 the loop around the north starts west of this some
23 considerable distance on I-10, and then goes up and then
24 crosses to the east and then it comes down an existing
25 transmission line versus --

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1 MR. SYMANK: And that's why in our
2 evaluations we actually came up with the \$49 million
3 delta and worked from that in a lot of ways when we were
4 comparing it over the weekend.

5 COMM. NELSON: I guess I have a question.
6 On Page 3 of your letter, Ferdie --

7 MR. RODRIGUEZ: Yes.

8 COMM. NELSON: -- you say in the second --
9 I guess it's the full paragraph -- no -- yeah. It's the
10 second full paragraph. About half way down you say, "It
11 has the potential depending on final alignment to impact
12 two businesses," which you've discussed, "the gravel
13 mining operation and the set of barns."

14 So what does that mean, "impact two
15 businesses"? Impact in the way that it's within the
16 500-foot that we typically discuss or impact in that
17 they would have to be --

18 MR. RODRIGUEZ: What is it -- the chicken
19 operation? It possibly may clip the corner of one of
20 those sheds, in which case you might have to -- I don't
21 know if you would move the whole shed, but you may have
22 to cut off that part and maybe move it to the other side
23 so that they're not in the right-of-way.

24 COMM. NELSON: Okay.

25 CHAIRMAN SMITHERMAN: You're not talking

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1 about putting the pole where the shed is. You're just
2 talking about the shed being in the right-of-way
3 underneath the lines?

4 COMM. NELSON: The lines.

5 MR. RODRIGUEZ: Right, right. So we would
6 just move it over, or maybe we wouldn't move it over.
7 That's one of the things that we were talking about. We
8 are trying to thread the needle, and that was one of the
9 impediments.

10 COMM. ANDERSON: That chicken operation, I
11 guess I'll call it, does it involve -- is it a little
12 farm or is it a purely commercial operation in which --
13 does anybody live there or is it a commercial operation?

14 MR. SYMANK: I didn't observe a house down
15 there. That's in the floodplain. The nearest houses
16 were further away. It looks like Mr. Neiman may know
17 who lives there and who operates it. He may be able to
18 chime in here if he knows more than I do.

19 CHAIRMAN SMITHERMAN: Just introduce
20 yourself for the record, please.

21 MR. NEIMAN: Bill Neiman. It's my
22 understanding that the owner of those facilities there
23 are for his horses and there's a riding arena there or a
24 roping arena that is seen on the satellite, but I am
25 positive he's not in a commercial chicken business.

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1 I'll also go ahead and mention while I've
2 got the chair, the gravel mining which is next business
3 that's listed in the letter has been abandoned, and it's
4 no longer in operation.

5 CHAIRMAN SMITHERMAN: We've got to be
6 careful here, because, you know, that's not testimony.
7 You are not sworn in.

8 MR. NEIMAN: Anything else or --

9 CHAIRMAN SMITHERMAN: Thank you.

10 COMM. NELSON: And LCRA would do its best
11 to work with those -- with whoever was affected I guess
12 I would say.

13 MR. RODRIGUEZ: Absolutely. I think
14 whether -- and, Curtis, you can correct me on this --
15 but whether the gravel operation is defunct or not, we
16 could work with them.

17 If we needed to run a structure or span
18 it, we could work with them, but I don't think that
19 that's an impediment; otherwise, we wouldn't have put
20 that there in the first place.

21 MR. SYMANK: That's correct. There are
22 stockpiles of gravel that I could see. Private
23 property, I couldn't go down there over the weekend. I
24 could see stockpiles. There was a well traversed road.
25 That may just be normal traffic that they do if it's not

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1 in operation at this stage of the game.

2 But we would be able to work with them.

3 CHAIRMAN SMITHERMAN: You know,
4 personally, it looks like an elegant solution to me.

5 COMM. NELSON: I agree. Sir, did you
6 have -- I forget your name.

7 MR. ROSS: Yes, Chairman. Joe Will Ross
8 on behalf of Junction Hotel Partners. I'm not here to
9 complain or throw a wrench in the deal, but I'm astute
10 enough to kind of sense the trend here to go -- my
11 family in whom I represent, we're the only business
12 interest in San Angelo -- excuse me -- in Junction that
13 have intervened in this process.

14 We're back around on the west side of the
15 southwest quadrant of the intersection of 83 and I-10 --
16 the two motels. Now, while we're not directly affected,
17 y10b crosses or comes through our neighbor just to the
18 west and then turns there in the middle of their
19 property a few hundred feet from our property -- I'm not
20 quite sure -- and then it deviates south towards the
21 North Llano River and crosses in some open space --
22 floodplain -- I don't know quite sure.

23 And then it gets across 83 and then
24 you-all get talking about all of these proposed
25 modifications that Ferdie has been talking about.

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1 We've consistently asked for -- if you-all
2 decide to come through Junction in some form or matter,
3 we would like monopoles. I think it's -- you know, I've
4 listened at all of these hearings and I've been a lawyer
5 in a lot of these hearings through this past year.

6 I understand here in the big city that,
7 yeah, you-all drive under these big, ugly lattice
8 structures and things and you live under them and
9 there's nice restaurants under them.

10 COMM. NELSON: No. I didn't say "nice."

11 (Laughter)

12 MR. ROSS: Popular, popular. Excuse me.
13 Popular, fast-food restaurants. Excuse me. I
14 apologize. In Junction, in Sonora -- and you heard
15 Mr. Atkission say last week, "We don't have them in our
16 towns. We don't have them period."

17 So it is very much of a shock to us. And
18 these communities are part of the hill country, too. I
19 would hope -- and I've asked for it if you're going to
20 do it, put monopoles. And one other request -- and I
21 hadn't seen this letter from LCRA until I got here this
22 morning.

23 And I've noticed this because I have
24 eminent domain clients, too, and it's the post-order
25 modifications that happen. And, you know, we are seeing

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1 it. You know, landowners who get the line, they say,
2 "Well, now I want to move things." And then it goes,
3 "Well, let's not go through the middle of our ranch or
4 go through the middle of our property. Now, let's go
5 over here to the property line."

6 Well, in our situation, we have two
7 motels. Our western property line is within 100 feet of
8 our canopy of the Best Western there in Junction.

9 Our western neighbor who did not intervene
10 said, "Well, I want you to come all the way east. Go
11 over there by that motel." They didn't intervene. They
12 have chosen not to participate here.

13 COMM. NELSON: Our language takes the
14 consent to make major or minor deviations. It takes the
15 consent of all affected landowners.

16 MR. ROSS: That's where I'm going. I just
17 want to make sure that that's there so we have a little
18 bit of a -- no. We've participated. We would prefer it
19 not go through Junction, but I can -- I'm smart enough
20 to figure out that that's looking where it's going to
21 go.

22 COMM. ANDERSON: The Judges -- the PFD
23 itself recommends that where the line goes through urban
24 areas like -- and I think they may have specifically
25 mentioned Junction. They did Kerrville and some of the

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1 others -- that the Judge recommended monopolizing those
2 segments.

3 Now, as I understand it, the LCRA
4 adjustments here would have to be different structures.
5 They couldn't be monopoled down, you know, where it's
6 coming south. But as I also see these structures,
7 they're going to be significantly lower than the typical
8 lattice tower.

9 So you're in effect getting the benefit at
10 least height-wise of -- in fact, it's probably lower
11 than even a monopole would be. But I at least -- I
12 mean, I have been assuming -- and we'll get to this
13 depending on how this all flows through, making sure
14 that, you know, the -- I mean, I was assuming we would
15 honor the Judges' recommendation.

16 MR. ROSS: I missed that if they were
17 going to go through Junction and monopoles. I must have
18 overlooked it. But I appreciate your willingness to do
19 that, particularly those of us on the west where it is
20 more commercialized there at that intersection.

21 COMM. ANDERSON: It's on page -- I believe
22 it's 25 of the PFD.

23 MR. ROSS: I believe you.

24 MR. RODRIGUEZ: Commissioner Anderson, if
25 I might, Joe Will is correct. It's kind of a funny

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1 thing because after you go through these, you get to
2 know folks and maybe it's the Stockholm syndrome. I'm
3 not sure. But Joe Will has been an active participant
4 in these cases on behalf of his family and his family's
5 properties. He's correct. I talked to him before the
6 meeting today.

7 It's been our assumption that if we go
8 through Junction we would monopole. And, in fact, we
9 were prepared to ask for even additional flexibility to
10 use monopoles in those instances where it made sense
11 aesthetically or where the break between say lattice and
12 poles would be just too abrupt that we would request
13 flexibility to go even maybe beyond what you might be
14 considering monopoling for all the reasons that we've
15 heard during the case.

16 I mean, there are aesthetic reasons first
17 and foremost, but we have no problem with Joe Will's
18 request, and I think he's being very proactive in the
19 sense that -- and he's right.

20 COMM. ANDERSON: Yeah. I know you trust
21 me, but on Page 25, "The ALJs support the use of
22 monopoles to the extent it's cost effective particularly
23 in areas with denser population" -- it goes on -- "such
24 as along I-10 through populations -- a population center
25 such as Sonora, Junction, and Kerrville."

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1 CHAIRMAN SMITHERMAN: Yeah.

2 MR. ROSS: I missed it.

3 CHAIRMAN SMITHERMAN: I'm looking right at
4 it.

5 COMM. NELSON: Me, too.

6 MR. ROSS: And, Ferdie, we did discuss
7 this this morning, and I appreciate their willingness
8 and I appreciate you-all's willingness to listen.

9 MR. RODRIGUEZ: Joe Will is right.
10 Post-order when you start talking to folks -- I think we
11 even mention that later on in the later -- folks come
12 out of the woodwork perhaps who have not been involved
13 in the process and we're more than happen to talk with
14 them, but given the level of interest that Joe Will has
15 had in this case, I understand his point where if
16 somebody comes and speaks with us afterwards and wants
17 to put it on their property line, well, that's on the
18 other side of Joe Will's property line which is right
19 next to the Best Western.

20 CHAIRMAN SMITHERMAN: Right.

21 MR. RODRIGUEZ: And --

22 CHAIRMAN SMITHERMAN: I think this is a
23 workable solution.

24 COMM. NELSON: Right.

25 MR. ROSS: Thank you.

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1 CHAIRMAN SMITHERMAN: Thank you. So my
2 sense is that with this discussion we are comfortable
3 with this southern route.

4 Does that mean that you-all are supportive
5 of one of the routes that primarily goes I-10 which
6 would either be the MK15 modified or essentially
7 route --

8 COMM. NELSON: MK63.

9 CHAIRMAN SMITHERMAN: MK63. So I think
10 we're -- let's say this: Are we -- are you guys
11 comfortable with going south of Junction?

12 COMM. NELSON: Yes.

13 COMM. ANDERSON: Not south of Junction;
14 going south of the Llano River.

15 CHAIRMAN SMITHERMAN: Of the Llano River.
16 Right. As proposed by --

17 COMM. NELSON: North of Junction.

18 CHAIRMAN SMITHERMAN: -- as proposed by
19 the LCRA letter?

20 COMM. NELSON: Yes.

21 CHAIRMAN SMITHERMAN: Let's talk about the
22 western side of this study area. I had suggested that
23 we follow MK15 which for much of the area was -- or some
24 of it was consistent with the preferred route and then
25 it comes down to a southern route and then goes down

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1 1674, I think it is. Were you okay with that?

2 COMM. NELSON: I am okay with that. I
3 think we have some, probably, landowner modification
4 issues that were raised at the last Open Meeting that we
5 still need to talk about, like especially the one lady
6 whose property is on two sides.

7 CHAIRMAN SMITHERMAN: Ms. Savage, I think
8 her name is. Yeah. She's affected by two -- in two
9 places.

10 COMM. ANDERSON: We're talking about the
11 western side now, not the --

12 CHAIRMAN SMITHERMAN: Yes.

13 COMM. NELSON: Yes.

14 CHAIRMAN SMITHERMAN: Right. Though I do
15 have a question. Now we're going to go down I-10
16 instead of routing around the northern part of Junction
17 if her property, which I think is close to that
18 intersection, is still impacted -- her urban property,
19 if you will.

20 Hold on. So are you going -- yes, sir?

21 COMM. ANDERSON: I'm looking back at my
22 notes at the Savage modifications. And while -- I have
23 it on my list as -- that we ought to accept it. If I
24 recall, she's the one who came and said that she's
25 withdrawing her request because her real estate advisor

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1 when they looked at it actually said that the
2 modification she was requesting would be more adverse
3 economically than the original LCRA line.

4 Now, that's my recollection.

5 COMM. NELSON: I think there were two
6 modifications, and she withdrew one of them.

7 MS. GROSS: Yeah. She had property on
8 b84. I believe that's the property you're talking
9 about, that she withdrew that after talking to her real
10 estate agent. And then she also had property I think on
11 b23a.

12 And if you went with the route that goes
13 south of the airport, then that would no longer be an
14 issue.

15 MR. RODRIGUEZ: That is correct.

16 CHAIRMAN SMITHERMAN: Yeah. Ken, I think
17 my handwritten notes -- and this is on Page 76 of 95,
18 which is corrected, Attachment 13, Supplement 1, with
19 Bates -- our Bates note of Attachment No. 4, Savage
20 segment modification says "withdrawn by landowner at the
21 Open Meeting."

22 That was the one where we would have run
23 down the western side of her land and then gone east.
24 And apparently after consultation it is better to go
25 along the northern and eastern boundaries.

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1 I don't know if she's here. When we get
2 to that, we could ask her for clarification. Okay.
3 Since we don't have anyone from the city of Junction
4 here, I don't think there's any further questions there.
5 Do you-all want to talk about the eastern portion of
6 this, whether we're going to go along MK15 modified
7 through Tierra Linda and then parallel more or less the
8 gen tie or continue down I-10?

9 COMM. NELSON: Sure.

10 COMM. ANDERSON: Well, I gave a lot of
11 thought to this, and I prefer -- with all due respect, I
12 prefer using the MK62 segments, the -- in other words,
13 continuing down -- down I-10.

14 There may be some minor adjustments that
15 can be made both in Kerrville, but more importantly when
16 you get past Kerrville to the avoid some habitable
17 structures. LCRA I think identified a couple of those.

18 Again, I think most of those adjustments
19 can be -- you know, is -- are well within the authority
20 and the discretion we've given LCRA just in our standard
21 ordering paragraphs. But to the extent that LCRA
22 prefers them identified I'm happy to go through them.

23 But I really -- I think going through
24 Kerrville I find that the transmission lines,
25 particularly if monopoled, are a lot less intrusive than

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1 an interstate highway. And with LCRA's ability to work
2 a little bit with the height and make other, you know,
3 aesthetic accommodations and minor deviations, I think
4 most of those can be adjusted.

5 I have a hard time really seeing where the
6 economic loss comes from. As an example you used, a
7 popular fast-food restaurant is actually under lines,
8 and I see that myself in other areas of the Hill Country
9 that I frequent with some regularity.

10 COMM. NELSON: Well, I agree with you,
11 except I think that it would be MK63 since we've decided
12 to go --

13 COMM. ANDERSON: Well, whatever the route
14 is. What was originally proposed is MK62 as an
15 alternative to deviating through Terralingua --
16 Terralingua -- Tierra Linda --

17 COMM. NELSON: Right.

18 COMM. ANDERSON: -- is the route I
19 would -- that I would recommend.

20 COMM. NELSON: I agree with you. And
21 always the Chairman mentioned at last week's meeting,
22 people at the Kerrville and Mason open houses preferred
23 paralleling existing compatible right-of-way, and people
24 at the Fredericksburg open house preferred running down
25 I-10, of course.

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1 I would also note that I think the ALJ --
2 she said MLK62, but that's because she wasn't aware of
3 this modification on the airport. So she said it was a
4 good alternative. And so for those reasons and the ones
5 that you articulated, Ken, I would agree and I do think
6 there is this modification on the far eastern side of
7 the route that can be made to avoid a couple of
8 structures.

9 COMM. ANDERSON: I think it eliminates --
10 I think it was five or six.

11 COMM. NELSON: Yeah. So...

12 CHAIRMAN SMITHERMAN: I agree with you
13 both. As I recall, those that showed up that were
14 intervenors along that route, there were three
15 intervenors.

16 Of course, Mr. Atkission, the car dealer,
17 showed up. We appreciate him doing that. I think we
18 can work behind his store in a way to make that more
19 acceptable. And then Mr. Fakhr had his attorney here,
20 but he wasn't here. I'm not sure what we can do there.

21 I think there was one other one. I think
22 the recommendation that you-all are talking about now as
23 we get closer to Comfort and the substation to sort of
24 go northeast and then around and then come back avoids
25 maybe five or six structures.

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1 COMM. ANDERSON: I think utilizing -- I
2 think the links are c14c and c18aaa if my eyesight is
3 not -- in other words, avoiding Y22 and Y22a, as I
4 recall from my map which --

5 MS. CRUMP: Mr. Chairman, before we leave
6 the Kerrville area, may I make some suggestions?

7 CHAIRMAN SMITHERMAN: Sure. We're going
8 to try to work through these modifications, but go
9 ahead.

10 MS. CRUMP: No, I understand. And for the
11 record I'm Georgia Crump. I represent the City of
12 Kerrville, Kerr County, Cecil Atkission and KPUB. For
13 your information, if you have any questions, Mr. Todd
14 Parton, the City Manager of Kerrville, is here today.

15 We understand that, you know, the
16 Commission has determined to come down I-10. We would
17 like to request that monopoles -- and I know that's in
18 the PFD, but monopoles be used throughout the city
19 limits of Kerrville and its ETJ.

20 Kerrville has a one-mile ETJ. I have some
21 maps that show you the extent of that. I know that's
22 been done in other dockets to include the ETJ and
23 monopoles.

24 CHAIRMAN SMITHERMAN: The ETJ is how long?

25 MS. CRUMP: It's one mile outside --

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1 CHAIRMAN SMITHERMAN: On each end? So
2 would it be two miles cumulative?

3 MS. CRUMP: Two miles beyond the city
4 limits, yes, sir.

5 CHAIRMAN SMITHERMAN: So one to the west
6 and one to the east?

7 MS. CRUMP: Right. I do have maps of that
8 if you would like to see the extent of it. It would
9 take it west of the Harper Road and I-10 intersection
10 about a mile and then about a mile past the Whiskey
11 Springs development on -- I believe it's on Y20 at that
12 point.

13 MR. JOURNEAY: Could you give us what the
14 total length would be then?

15 MS. CRUMP: I didn't have the scale for
16 that. I think it could be six to eight miles.

17 COMM. NELSON: So about 3 million.

18 COMM. ANDERSON: The estimate was 200,000
19 and 300,000 a mile. This is -- because it's going along
20 I-10, now you've got land acquisition costs that are
21 going to be higher.

22 You know, if you averaged it out to 250 --

23 MR. SYMANK: Can I provide some
24 information that will help you make that?

25 COMM. NELSON: Sure.

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1 MR. SYMANK: We assessed roughly a 5.2
2 mile segment around Kerrville. In addressing terrain,
3 the topography, the number of angles and dead ends, the
4 values that we used to estimate the project, it's about
5 \$6 million, roughly 5.2 miles; so within that range. If
6 it's a little longer, it will be a little more, but that
7 gives you an order of magnitude.

8 COMM. ANDERSON: That's total cost,
9 though?

10 MR. SYMANK: Yes.

11 COMM. ANDERSON: Not incremental.

12 MR. SYMANK: No, that's incremental.

13 CHAIRMAN SMITHERMAN: That's monopole over
14 lattice for that distance.

15 COMM. ANDERSON: Oh, okay. I for one --
16 of course, you know where I come out on monopoles. But
17 I for one would -- I believe the City of Kerrville's
18 request is reasonable, and it's consistent with the
19 recommendation made in the PFD.

20 MR. JOURNEAY: It also will duplicate some
21 other modifications I think you were already thinking
22 about monopolizing.

23 CHAIRMAN SMITHERMAN: Right. Exactly.
24 I'll go along with that.

25 COMM. ANDERSON: This kind of solves the

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1 problem, I mean, of having to go into individual
2 requests, just if you just monopole through there.

3 MR. RODRIGUEZ: Commissioner, just to
4 provide some historical perspective -- and I know
5 Georgia was in our case -- but the Clear Springs to
6 Hutto case we monopoled through Hutto and through
7 Hutto's ETJ.

8 CHAIRMAN SMITHERMAN: And the ETJ.

9 COMM. ANDERSON: I remember that because
10 that was my first --

11 CHAIRMAN SMITHERMAN: Yes. It was your
12 welcome to the Commission.

13 MS. CRUMP: I appreciate that. One thing
14 we'd also like to discuss on the record, I've had
15 numerous discussion with Mr. Rodriguez about the types
16 of monopoles, the heights and where the structures might
17 be located.

18 I know LCRA will work with location of
19 structures with the landowners. Because this is in the
20 gateway area of the City of Kerrville, there are
21 different aesthetic values related to the weathering
22 monopoles versus concrete and steel monopoles.

23 We would like to have the ability to work
24 with LCRA to determine in conjunction with the property
25 owners the types of monopoles and the spacing and

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1 perhaps the height. Mr. Rodriguez has suggested that
2 all of those things are flexible and variable and that
3 they would work with the property owners.

4 We would ask also that the city be
5 involved in that because of the impact on the entrances
6 to the city.

7 MR. RODRIGUEZ: Commissioners, I mean,
8 that goes without saying. We've worked with Kerrville
9 for years on a number of matters. If it allays any
10 fears and Ms. Crump's, absolutely, we would be glad to
11 work with Kerrville on heights.

12 You know, obviously, where we put these is
13 primarily an engineering decision, but there are things
14 that the engineers can do with specialty design,
15 specialty structures, heights, weathering poles.
16 Georgia is right. We've talked about that. We'd be
17 glad to continue that discussion.

18 CHAIRMAN SMITHERMAN: Well, I know that
19 you've done that with Austin Energy as well in and
20 around the Austin area, because I can drive west on Bee
21 Cave and encounter three or four different types of
22 monopoles.

23 I assume that those were by request of
24 those communities.

25 COMM. ANDERSON: Is there a specific -- so

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1 you would undertake to do that anyway without an
2 ordering paragraph or some other direction?

3 MR. RODRIGUEZ: We would if it makes
4 Kerrville feel more comfortable. You know, if you want
5 to put something in, that would be fine, but we
6 definitely will be working with Kerrville and Junction.

7 COMM. NELSON: We are kind of running out
8 of time in terms of drafting of the order. So if we can
9 limit what --

10 MR. JOURNEAY: Well, typically, our
11 monopolizing ordering paragraph hasn't directed them to
12 work with anyone. It has given them the --

13 COMM. ANDERSON: Can we modify it in this
14 case to just direct them? That maybe gives LCRA a
15 little bit of comfort. And to the extent it gives the
16 City of Kerrville additional comfort, I'm fine with that
17 if my colleagues are.

18 MR. RODRIGUEZ: We'd be happy to work with
19 Kerrville and the landowners.

20 COMM. NELSON: Could we finish what we're
21 going to do in this case and then go to CenterPoint and
22 then maybe Staff could come back with the language and
23 we could make the final approval?

24 Do we need to do that or can we delegate
25 to you?

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1 MR. JOURNEYAY: Well, I think we're going
2 to need some discussion on the ordering paragraphs when
3 we -- before we make our final motion.

4 COMM. NELSON: Right. So would it help if
5 we gave you time to go away and work on it -- well, not
6 you, but Katherine?

7 MR. JOURNEYAY: Well, I think it's going to
8 depend exactly what decision we make.

9 CHAIRMAN SMITHERMAN: Yeah. Let's talk
10 about it a little bit more, perhaps.

11 MR. ROSS: Chairman, Joe Will Ross again
12 for Junction Hotel Partners. Ferdie and I talked --
13 whenever I talked to him earlier this morning, the same
14 thing that Georgia has asked for in Kerrville as far
15 as -- not necessarily location, but the type of
16 structures, monopoles and height, could we have that
17 same leeway?

18 CHAIRMAN SMITHERMAN: Yeah. Junction.
19 Yes.

20 COMM. ANDERSON: I think that's right.
21 Ferdie, one question that I have -- you asked in your
22 letter and some of your post-PFD pleadings as well as I
23 think on more than one occasion at the Open Meeting for
24 this flexibility and that flexibility.

25 I guess my question is, do you have

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1 particular language that is not -- that is not in our
2 standard ordering paragraphs with respect to minor
3 deviations and major deviations that gives you comfort?

4 What I don't want to have happen is six
5 months from now landowners calling us saying, "Well, we
6 were told they were" -- and, you know, I'm just -- I
7 want to avoid -- I want to give you the comfort that you
8 need, the authority you need so if there is language,
9 then, you know, during lunch or something if you can
10 sketch something out and get it -- and work with CADM
11 staff --

12 MR. RODRIGUEZ: We'd be glad to,
13 Commissioner.

14 COMM. ANDERSON: So that we can look at it
15 before we actually vote on the order. Does that --

16 COMM. NELSON: That's fine.

17 MR. JOURNEAY: Mr. Chairman, before
18 you-all move off this monopoling, we have a county judge
19 here, Charlie Bradley, who would like to also address
20 you on part of this line out to the west. He just came
21 up --

22 CHAIRMAN SMITHERMAN: Sure. Come on.

23 JUDGE BRADLEY: Thank you. For the
24 record, my name is Charlie Bradley. I'm the Schleicher
25 County Judge. I know we've been talking about mainly

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1 the populated areas down here on the south.

2 I just wanted to reiterate and ask the
3 Commission to consider the use of monopoles through some
4 of the other unpopulated areas in Schleicher County.

5 In August we had -- the court unanimously
6 decided to file as an intervenor, and that was our main
7 concern, was the use of monopoles through Schleicher
8 County. It looks like the Commission is receptive to
9 those ideas, of course, in the more populated areas.

10 COMM. NELSON: So --

11 JUDGE BRADLEY: Yes, ma'am.

12 COMM. NELSON: I don't know if you can
13 answer this. If you can't, Ferdie could answer it. Do
14 you know what the distance is through Schleicher County?
15 It looks pretty long.

16 CHAIRMAN SMITHERMAN: Yeah.

17 COMM. ANDERSON: It's about six miles.

18 COMM. NELSON: Oh, no. It's longer than
19 that.

20 COMM. ANDERSON: Oh, this is the
21 Kendall --

22 COMM. NELSON: Yes.

23 JUDGE BRADLEY: I mean, when we made this
24 determination we realized that the line was going to go
25 through a major portion of Schleicher County. And

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1 through concerns of citizens that have addressed the
2 Court, they -- we were not going to try to side with one
3 route or another. Just the main thing was that we
4 wanted the line to be the least obtrusive as possible.

5 CHAIRMAN SMITHERMAN: Yeah. Judge, I
6 personally cannot support that.

7 JUDGE BRADLEY: Okay.

8 CHAIRMAN SMITHERMAN: Because most of this
9 is rural, including at least one landowner who wants it
10 on his property -- his or her property -- and did not
11 request monopoles.

12 So, I mean, perhaps I'm willing -- you
13 know, my colleagues may feel differently. Right there
14 at the substation maybe there's something we need to do
15 as we come out of the McCamey D substation, but in terms
16 of the entire county, I can't support that.

17 COMM. ANDERSON: It appears to be about
18 20 -- 20, 24 miles through the county. You know,
19 certainly the links through the guy who's willing or
20 whoever -- he or she -- it's not necessary. But, again,
21 LCRA has authority under our ordering paragraph if
22 it's -- you know, to be a little flexible. I'm not sure
23 I want to order it.

24 MR. RODRIGUEZ: Commissioners -- to answer
25 your question, I think, Commissioner Nelson, it's about

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1 33 miles in Schleicher County.

2 COMM. NELSON: Yeah. I'm sorry. I have
3 to vote with Barry on this, too, with great -- I'm
4 sorry. I apologize to you, but --

5 JUDGE BRADLEY: Well, we were just -- I
6 mean, that was one of our concerns and we felt like we
7 should at least ask. If you never ask, you sure don't.

8 CHAIRMAN SMITHERMAN: It never hurts to
9 ask.

10 COMM. NELSON: That's right.

11 (Laughter)

12 JUDGE BRADLEY: That was our concern, and
13 I just wanted it to be known.

14 CHAIRMAN SMITHERMAN: Thank you, Judge.

15 JUDGE BRADLEY: Thank you for your time.

16 MS. CRUMP: Mr. Chairman, I have one issue
17 that the City Council of Kerrville is particularly
18 interested in beyond the monopolies.

19 In the area where Highway 16 intersects
20 with Interstate 10, that is what everyone has referred
21 to as the gateway to Kerrville. If you've ever been out
22 there, it's a very hilly area.

23 There's a beautiful rock wall sign along
24 with Mr. Atkission's large flag. The City Council has
25 asked you to consider whether that intersection and I

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1 guess the small portion of the line on either side of
2 Highway 16 as it approaches I-10 could be placed
3 underground. That would remove from a visual impact to
4 the gateway --

5 CHAIRMAN SMITHERMAN: No.

6 MS. CRUMP: -- the crossing of the
7 highway --

8 COMM. ANDERSON: If it's anything like the
9 \$50 million, that's --

10 COMM. NELSON: And it will be the same
11 because it's the same type of --

12 MS. CRUMP: I had asked LCRA to price it
13 out. I had not heard back from them on what that would
14 be.

15 CHAIRMAN SMITHERMAN: Well, they priced
16 out the Tierra Linda section for us and it was
17 70 million?

18 COMM. NELSON: 70 million.

19 MR. SYMANK: 62.9.

20 CHAIRMAN SMITHERMAN: For what, a mile?

21 MR. RODRIGUEZ: No, for the 4,000 feet.

22 CHAIRMAN SMITHERMAN: Less than a mile.

23 COMM. NELSON: Three-quarters of a mile.

24 CHAIRMAN SMITHERMAN: Of undeveloped
25 property, not having to deal with roads and drainage and

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1 overpasses and --

2 MR. RODRIGUEZ: They're transition
3 stations at either end where the line goes down and
4 where it comes back up again.

5 COMM. ANDERSON: What was the -- that
6 50 million or 54 million for the burying, that was what,
7 half a mile?

8 MR. RODRIGUEZ: Half a mile.

9 MR. SYMANK: It was 2500 feet there.

10 MR. RODRIGUEZ: And Tierra Linda is about
11 3,000 --

12 COMM. ANDERSON: It was three-quarters of
13 a mile, I guess -- no, no, a half a mile.

14 COMM. NELSON: It was half a mile. Tierra
15 Linda was about three-quarters of a mile.

16 MR. RODRIGUEZ: Four-fifths of a mile.

17 CHAIRMAN SMITHERMAN: Sorry. I can't
18 support it. We'll do the best we can with monopoles and
19 routing.

20 MS. CRUMP: Thank you.

21 CHAIRMAN SMITHERMAN: So why don't we --
22 let's work our way perhaps from the Comfort substation
23 back toward the west with modifications. For example,
24 Ken had suggested or Donna -- one of you -- let me get
25 my map here.

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1 I think the modification, Ferdie, is to
2 use c14c and c18aa. That takes it to the northeast and
3 then east and then south right before you get to the
4 substation.

5 MR. RODRIGUEZ: Yes, sir. That's that
6 little loop?

7 CHAIRMAN SMITHERMAN: Yes. Right? That's
8 what you were talking about. This loop right here
9 (indicating)?

10 COMM. ANDERSON: Yes.

11 CHAIRMAN SMITHERMAN: Right down here
12 (indicating). Here it is.

13 COMM. ANDERSON: Yes, because it avoids
14 all those habitable structures right in here
15 (indicating).

16 CHAIRMAN SMITHERMAN: Okay. Commissioner
17 Nelson, are you okay with that?

18 COMM. NELSON: I'm fine with that, and I
19 agree with that. I had looked at that, too, as a way of
20 reducing the number of habitable structures.

21 CHAIRMAN SMITHERMAN: Then I think the
22 next one is working around Mr. Atkission's car
23 dealership?

24 COMM. ANDERSON: Yeah. I'm looking at
25 that as a matter of fact as we speak. It --

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1 COMM. NELSON: And he seems specifically
2 concerned about the flag pole at his dealership.

3 COMM. ANDERSON: I'm fine with that
4 modification. It looks like -- LCRA says it's
5 technically feasible and it adds less than a 10th of a
6 mile.

7 CHAIRMAN SMITHERMAN: So to be clear, what
8 we're talking about, this would be Y19b, Y20
9 modification which takes it around the north of the
10 store of the dealership.

11 I would encourage you to work with him,
12 because I think the testimony -- it wasn't clear to me
13 how far back his property went. So work with him on
14 placement. It's going to be on his property still, but
15 he may want it further from the back of the dealership.

16 MR. RODRIGUEZ: Right. We absolutely will
17 do that.

18 CHAIRMAN SMITHERMAN: And there's that
19 hill behind there. So it may actually blend in. Maybe
20 he wants a different color pole or something.

21 MR. RODRIGUEZ: The hill is back there and
22 then a little bit higher up is the cross.

23 CHAIRMAN SMITHERMAN: Right.

24 COMM. NELSON: Right.

25 CHAIRMAN SMITHERMAN: Continuing to the

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1 west, I think there was one more.

2 COMM. NELSON: There was the discussion
3 that Ken brought up about crossing the interstate to
4 avoid some of the mobile homes, but LCRA said --

5 COMM. ANDERSON: I think LCRA said that's
6 not a --

7 COMM. NELSON: Feasible.

8 COMM. ANDERSON: -- and the City of
9 Kerrville didn't like it either. So...

10 COMM. NELSON: I just didn't know if
11 that's what Barry was thinking about.

12 CHAIRMAN SMITHERMAN: I was thinking I was
13 thinking about Ms. Mary Elizabeth Clay. She's on I-10
14 east of Junction, b29a.

15 I think she was the other intervenor. Is
16 that right, Davida? Does that sound familiar, guys,
17 Mary Elizabeth Clay?

18 MR. RODRIGUEZ: Not right off the bat. If
19 you would give us a second --

20 CHAIRMAN SMITHERMAN: Link b29a.

21 COMM. NELSON: It looks like it's just
22 east of Junction. She's still affected if we use the
23 southern -- the I-10 part of the route, Barry?

24 CHAIRMAN SMITHERMAN: Yeah. I think she's
25 just east of where the proposed northern loop was going

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1 to come down and intersect.

2 So I think she's just east of the
3 intersection of b23b and I-10.

4 MR. RODRIGUEZ: Mr. Chairman, are you
5 referring to a particular attachment, because we're
6 having trouble finding her. If she's on the link you
7 suggested, she would still be affected. We're just
8 having trouble finding --

9 CHAIRMAN SMITHERMAN: Yeah. My document
10 is Clay Exhibit 2, Direct Testimony of Intervenor Mary
11 Elizabeth Clay. Let's see.

12 Okay. Davida tells me that in her
13 testimony she requested monopoling. I don't recall
14 exactly how big her property was. Why don't we do this:
15 Let's take a five-minute break. You guys take a look at
16 this.

17 That's the only other one that I had
18 before we get out to 1674.

19 MR. RODRIGUEZ: Okay.

20 COMM. ANDERSON: I have one on Y9 that was
21 included.

22 CHAIRMAN SMITHERMAN: Let's take a
23 five-minute break.

24 COMM. ANDERSON: Sure.

25 (Recess: 11:25 a.m. to 11:35 a.m.)

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1 CHAIRMAN SMITHERMAN: Okay. Let's go back
2 on the record. Okay. Please grab a chair.

3 As we broke, we were talking about Mary
4 Elizabeth Clay. Did you guys find that?

5 MR. RODRIGUEZ: Not really.

6 CHAIRMAN SMITHERMAN: Okay.

7 MR. RODRIGUEZ: Mr. Chairman, let me
8 explain. Our Attachment 13 and the corrected
9 supplemental Attachment 13, all of those modifications
10 were included if they were feasible from an engineering
11 point of view.

12 CHAIRMAN SMITHERMAN: Okay.

13 MR. RODRIGUEZ: And as long as they didn't
14 affect a nonnoticed landowner. If she's not in that
15 list --

16 CHAIRMAN SMITHERMAN: Okay. Let me just
17 tell you what her testimony said. I think we've got
18 this covered by our standard paragraphs.

19 She requested, quote, lower-lying
20 elevations and adjustments -- possible adjustments --
21 for hunting and recreation, so...

22 MR. RODRIGUEZ: We can deal with that.

23 CHAIRMAN SMITHERMAN: I think you can deal
24 with that.

25 MR. RODRIGUEZ: We can deal with that.

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1 CHAIRMAN SMITHERMAN: So now I'm going to
2 go back to your attachments. I'm working my way from
3 east to west. And the next one -- I don't know if we
4 want to do this one or not -- is Skaggs segment
5 modification. This is Page 83 of 95. I -- hmm. You
6 guys have this one?

7 MR. RODRIGUEZ: Yes, we do.

8 CHAIRMAN SMITHERMAN: Supplement 1, Page
9 83 of 95. It looks like this landowner is suggesting
10 a -- coming off of I-10 and moving north. Do you know
11 if this is all within that property owner's property?

12 MR. RODRIGUEZ: Mr. Chairman, it looks in
13 our -- in our documents, it looks like it is on their
14 property, on the backside of their property.

15 COMM. ANDERSON: I think they're just
16 asking --

17 MR. RODRIGUEZ: On the property line.

18 COMM. ANDERSON: -- for it to be moved off
19 the front of their property to the back of their
20 property.

21 MR. RODRIGUEZ: Yes.

22 COMM. ANDERSON: And I'm fine with that.
23 It's a tenth of a mile -- a little over a tenth of a
24 mile, if I look at the adjustment.

25 CHAIRMAN SMITHERMAN: I would think this

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1 would be consistent with our language that we already
2 have.

3 COMM. ANDERSON: I think it is.

4 MR. JOURNEAY: Commissioners, looking at
5 this, though, I think we have some concern of whether
6 those ends, where it diagonals up to the back of their
7 property, is necessarily on their property. I guess
8 maybe we need to look at a property boundary map.

9 COMM. ANDERSON: Well, obviously, LCRA
10 can't -- I mean, this is the type of property -- of
11 change that I think they could make without us directing
12 them to.

13 MR. JOURNEAY: Okay.

14 COMM. ANDERSON: But obviously it can't
15 cross another landowner diagonally unless that landowner
16 wants to consent, so...

17 MR. RODRIGUEZ: That's correct.

18 CHAIRMAN SMITHERMAN: I think this is
19 included within our language.

20 MR. SYMANK: I'll add a little bit more.
21 I visited with them on more than one occasion. There's
22 also a concern about a water well that's up right by
23 I-10.

24 CHAIRMAN SMITHERMAN: Okay.

25 MR. SYMANK: The line will have to be

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1 moved back off of the freeway some distance anyway, so I
2 believe we have the ability to work with them here.

3 COMM. ANDERSON: Okay.

4 CHAIRMAN SMITHERMAN: Okay. Let's move on
5 to the west. The next one that I had was the Mudge
6 segment modification, which is Page 65 of 95. This does
7 not look like something I would support. It looks
8 pretty radical. Crossing over the freeway --

9 COMM. NELSON: Right.

10 CHAIRMAN SMITHERMAN: -- then going some
11 distance west, then crossing back over. This is more
12 than a minor modification.

13 COMM. NELSON: I agree.

14 COMM. ANDERSON: What's the cost
15 differential? I'm trying to think --

16 COMM. NELSON: We also don't know if it's
17 also on his property.

18 CHAIRMAN SMITHERMAN: Right. 1.6 million.
19 And we don't know if it's on his property.

20 COMM. ANDERSON: Well, I'd be okay with it
21 as long as it's on his property. If it's not, that's
22 a -- I'm -- I see maybe some people in the audience
23 shaking their head that it is on their property.

24 MR. NEIMAN: He was the gentleman that had
25 the pacemaker.

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1 MR. SYMANK: Yes. He spoke last week.
2 And as I recall, he does own both sides of the freeway
3 here.

4 COMM. NELSON: So it would be about a
5 million point six additional?

6 MR. SYMANK: Yes.

7 COMM. ANDERSON: A 300 million-dollar
8 line, that's -- that's a rounding error.

9 CHAIRMAN SMITHERMAN: Let me see where it
10 is on the map. Y7b.

11 MR. RODRIGUEZ: Commissioner?

12 CHAIRMAN SMITHERMAN: Yes.

13 MR. RODRIGUEZ: It is crossing I-10 twice.
14 Other than that...

15 CHAIRMAN SMITHERMAN: Yeah, you've got the
16 river on the south side.

17 COMM. ANDERSON: Let me ask this question.
18 Is his residence -- as I recall, where is -- do you know
19 where the -- where his residence is? I mean, if this is
20 purely cosmetic, it's one thing. If it's a --

21 MR. NEIMAN: His home is 200 feet from the
22 back of the right-of-way --

23 CHAIRMAN SMITHERMAN: You need to --

24 COMM. NELSON: So he'd be 700 feet from
25 the transmission line?

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1 MR. NEIMAN: My name is Bill Neiman, and
2 I'll give you a brief synopsis of this gentleman.

3 He is one of those fluke intervenors who
4 supported Clear View. He came last week and he made
5 comments. And his home was built in 1891. He was the
6 one that was there before the interstate.

7 COMM. NELSON: Uh-huh.

8 MR. NEIMAN: And he also has a health
9 issue with a pacemaker. And his cardiologist had
10 advised him that he can't live underneath that, and so
11 he didn't want to be driven out of the home that they've
12 had for over a hundred years. He does live in that
13 home.

14 COMM. ANDERSON: Is there a way to route
15 it -- route it further to the north to push it away so
16 it doesn't have to cross I-10?

17 MR. NEIMAN: I can't answer that.

18 COMM. ANDERSON: No, I know. I'm asking
19 LCRA. I'm sorry. I wasn't...

20 MR. NEIMAN: And I don't want to interject
21 or be out of place.

22 COMM. ANDERSON: Well, I mean, again, this
23 is -- if somebody has a demonstrable health issue and it
24 could be moved -- I don't know how large his property
25 is.

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1 MR. NEIMAN: It's pretty large. He owns
2 both sides of the highway.

3 COMM. ANDERSON: But, you know, there's
4 ways to -- it may be a whole lot easier and cheaper to
5 move north than south across the interstate.

6 MR. SYMANK: In looking at the exhibit
7 I've got, which is the same one y'all are looking at, I
8 see what appears to be terrain; but without the contour
9 data, it's difficult to assess. We can take a look at
10 it in more detail. It was evaluated as crossing the
11 freeway and crossing back.

12 CHAIRMAN SMITHERMAN: Crossing back over.

13 MR. SYMANK: With the assertion from him
14 that it was either his property or his -- the neighbor's
15 agreed.

16 CHAIRMAN SMITHERMAN: So I hate to ask
17 this question, but what issues are associated with TxDOT
18 and crossing over the freeway and then crossing back?

19 MR. SYMANK: In this situation, none.

20 CHAIRMAN SMITHERMAN: None? Okay.

21 MR. SYMANK: We wouldn't be using their
22 right-of-way. We would simply cross and then parallel
23 and cross back.

24 CHAIRMAN SMITHERMAN: All right. I think
25 I would prefer to try to stick with our minor deviations

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1 so long as it's headed generally in the direction of the
2 substation language here and ask you -- and ask you-all
3 to try to work with this landowner.

4 If indeed he's got large tracts on both
5 sides of the freeway, after you get out there, you may
6 conclude this is actually a better idea, but I'm
7 reluctant to hardwire it in.

8 MR. RODRIGUEZ: Okay. I appreciate that.
9 I think this is one of those situations where we can
10 work with Mr. Mudge under your language.

11 COMM. NELSON: And I agree with Ken that
12 if there is a health issue that requires this, obviously
13 nobody here on this panel wants to make Mr. Mudge move
14 out of his house.

15 CHAIRMAN SMITHERMAN: Though, let's be
16 clear -- I mean, we've gone over this before. There's
17 really no proven evidence that living close to these
18 lines causes health effects. I want to --

19 COMM. ANDERSON: Well, except that's
20 there's -- there is an electron -- I mean, this is not
21 a -- I agree with you with a normal person. There's a
22 medical device involved here.

23 COMM. NELSON: Yeah. I guess I'm not
24 willing to override the recommendation of his
25 cardiologist.

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1 (Laughter)

2 COMM. ANDERSON: There's also -- I don't
3 know if this -- if this house is an historic structure,
4 but the last thing you want is the Texas Historical
5 Commission riding down on top of you. That's a pain in
6 the...

7 COMM. NELSON: Neck.

8 COMM. ANDERSON: Which I think LCRA has
9 probably had plenty of run-ins in with that crowd.

10 CHAIRMAN SMITHERMAN: The last one that I
11 had was the Runge modification. This was Page 73 of 95.
12 I think Runge 3, just east of the McCamey substation on
13 b14a. Looks like the Runges wanted to try to follow a
14 property line more than just cutting across the middle.

15 COMM. ANDERSON: Yeah, I'm fine with both
16 those changes -- with the -- with the suggested
17 modification, assuming it doesn't involve -- I notice up
18 at the north -- I guess it would be northwest corner
19 of -- that as long as it doesn't, you know, cross
20 another person's land kind of without their consent
21 because it appears here it parallels -- I don't know if
22 that's property lines or a highway, but...

23 MR. JOURNEAY: So are you talking about
24 hard-wiring this or just letting it go through the minor
25 deviation?

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1 CHAIRMAN SMITHERMAN: I think our minor
2 deviation language.

3 COMM. ANDERSON: Well, if LCRA will, on
4 the record, you know, state that they believe that's...

5 MR. RODRIGUEZ: Yes, Commissioner, I think
6 that is within the minor deviation language -- excuse
7 me -- that we can work with and we can work with the
8 Runges on that.

9 COMM. ANDERSON: Okay.

10 CHAIRMAN SMITHERMAN: That's the last one
11 I think I had. Did you-all have anything else?

12 COMM. NELSON: Well, I have my memo when
13 you're ready.

14 CHAIRMAN SMITHERMAN: Right.

15 COMM. ANDERSON: Have we -- where is B90?
16 Oh, that's -- she dropped that. Does not want -- I
17 think we're not going there. I'm just...

18 CHAIRMAN SMITHERMAN: Double-checking?
19 Brad?

20 COMM. ANDERSON: I'm double-checking my --

21 CHAIRMAN SMITHERMAN: Brad, did we miss
22 something?

23 MR. BAYLIFF: Thank you, Mr. Chairman.
24 Brad Bayliff for Clear View Alliance and Ms. Savage.

25 She did -- when she was here, she was

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1 upset, obviously did request that you withdraw the part
2 of her modification request that would have put it on
3 the west and southern boundaries of her property. Her
4 original request had requested monopoles as well.

5 She's willing and prefers it to be on the
6 north part and the east part of her property as is now
7 scheduled, but she would like to maintain the request
8 for monopoles on those two parts of her property. She
9 has roughly a square mile, and it's on the north county
10 road and on the very top part of Road 1674 that goes to
11 Fort McKavett.

12 COMM. ANDERSON: The total distance is
13 approximately what?

14 MR. BAYLIFF: Would be probably two miles.
15 She has, I think, a section.

16 CHAIRMAN SMITHERMAN: Brad, I mentioned
17 earlier that she was in the unique situation of at least
18 earlier appearing to have two pieces of property that
19 were going to be affected. I think you gave me the head
20 nod that now with our route sticking to I-10 that her
21 more urban property is not affected. Is that correct?

22 MR. BAYLIFF: Yes, sir.

23 CHAIRMAN SMITHERMAN: Okay. Which is
24 on --

25 MR. RODRIGUEZ: B23.

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1 CHAIRMAN SMITHERMAN: B23. So -- I
2 remember her vividly.

3 COMM. ANDERSON: Yeah. And these are the
4 kind of requests I think LCRA could grant on its own
5 under the ordering paragraph, but I'm fine with it.

6 COMM. NELSON: Because it's a short
7 distance, I'm fine with it.

8 COMM. ANDERSON: It's a short distance.

9 CHAIRMAN SMITHERMAN: And she does have
10 the unique situation of having it now on --

11 COMM. NELSON: Two sides.

12 CHAIRMAN SMITHERMAN: -- two sides --

13 COMM. NELSON: Right.

14 CHAIRMAN SMITHERMAN: -- of her property.
15 So I'm fine with that.

16 COMM. NELSON: That's the reason I would
17 do it --

18 CHAIRMAN SMITHERMAN: Yeah.

19 COMM. NELSON: -- just because she is so
20 affected.

21 CHAIRMAN SMITHERMAN: And she showed up
22 and begged.

23 (Laughter)

24 CHAIRMAN SMITHERMAN: Her words, not mine.

25 MR. BAYLIFF: Yes, sir. And one other

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1 intervenor, Ward Whitworth, was here last week, and
2 we've received a text reminding us that he had asked
3 that you consider monopoles along I-10 as it approaches
4 Junction from the west instead of going up to the north
5 where he had property. There were also sections along
6 Y9 where he had requested that you consider monopolizing
7 as you went into Junction from the west.

8 CHAIRMAN SMITHERMAN: I think I'd stick
9 with the language that we already agreed to with regard
10 to Junction.

11 COMM. NELSON: Right.

12 COMM. ANDERSON: Well, and we're going
13 to -- I think Junction falls also within the paragraph
14 that's going to be drawn up about -- I mean, I think the
15 PFD recommends monopoles through the cities. I don't
16 know if Junction has any -- and I -- we agreed, I think,
17 with respect to the extraterritorial jurisdiction of
18 Kerrville. I don't know if Junction has any
19 extraterritorial jurisdiction.

20 Assuming it's in place as of today and not
21 the order date, I'm fine with that too. I mean, you
22 know as you approach the more populated areas, the PFD
23 recommends monopolizing, which I think we all support. At
24 least I do.

25 MR. RODRIGUEZ: Commissioner, are you

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1 saying that if Junction does have an ETJ, that we should
2 monopole the ETJ?

3 COMM. ANDERSON: Well, you know, I'd like
4 to -- it would be nice if they had shown up and be able
5 to tell -- I think -- certainly, anywhere from the city
6 limits, but I think within -- I mean, at some point,
7 you've got to transition anyway when you do it, so --

8 MR. RODRIGUEZ: And I think we could work
9 with Junction. I think that would fall into the
10 category of what I mentioned earlier, which is the use
11 of additional flexibility. So in those instances
12 where --

13 COMM. ANDERSON: Yes.

14 MR. RODRIGUEZ: -- we could work with
15 Junction.

16 COMM. ANDERSON: But it's 300,000,
17 roughly, a mile to, so that's at the top end. So
18 it's -- I don't know if it's a half mile. What I would
19 be, perhaps, a little concerned about if it were -- if
20 they were as aggressive as, say, the City of Austin or
21 some -- or some places where the ETJ goes out --

22 CHAIRMAN SMITHERMAN: Why don't --

23 COMM. ANDERSON: -- 50, 60, 70 miles.

24 CHAIRMAN SMITHERMAN: Why don't we do
25 this. Kerrville was a mile either side. Why don't we

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1 limit that to a mile either side for Junction?

2 COMM. ANDERSON: That's fine.

3 MR. BAYLIFF: Thank you.

4 Ms. Schooley, on Link b84, is on the LCRA
5 list. She was being bisected. And I believe it's
6 Attachment 13, Supplement 1, Page 75 of 93. And I don't
7 think I've heard you address that request.

8 CHAIRMAN SMITHERMAN: What link?

9 MR. BAYLIFF: B84. I saw that you've done
10 up to 14a for the Runge and didn't know if you are
11 still considering the b84 request of Miss (inaudible).

12 COMM. ANDERSON: I'm sorry. Where?

13 MR. BAYLIFF: B84. It's the AC Ranches'
14 link, one of those two links.

15 COMM. ANDERSON: Oh.

16 MR. BAYLIFF: And this was bisecting
17 through her property in a diagonal.

18 COMM. ANDERSON: Yeah, I see.

19 MR. BAYLIFF: -- manner.

20 MR. RODRIGUEZ: We have that as being
21 supported by the Commissioners.

22 MR. BAYLIFF: Okay. And LCRA's data shows
23 that it was supported. I just didn't know if that was
24 confirmed.

25 COMM. ANDERSON: What's the distance?

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1 MR. BAYLIFF: One quarter of a mile.

2 COMM. ANDERSON: Oh.

3 COMM. NELSON: I think that fits into the
4 minor deviation.

5 COMM. ANDERSON: Yeah, that's --

6 MR. BAYLIFF: Thank you very much.

7 COMM. ANDERSON: I agree.

8 COMM. NELSON: Mr. Chairman, are you ready
9 for me --

10 CHAIRMAN SMITHERMAN: Yes, ma'am.

11 COMM. NELSON: -- to go over my memo?

12 CHAIRMAN SMITHERMAN: Yes, ma'am. Yes.

13 COMM. NELSON: Okay. I'm going to start
14 with LCRA has two complaints about my memo. None of
15 this should come as a surprise to you in the memo.
16 It's -- it makes it consistent with previous borders and
17 this moves some of the findings into ordering
18 paragraphs. So I'm going to start with the second one
19 because the second one appears on -- that's LCRA's --
20 appears on approximately the bottom half of the second
21 page of my memo.

22 And I've proposed changing the language.
23 There's -- it says, "LCRA TSC shall implement erosion
24 control measures as appropriate. LCRA shall return each
25 affected landowner's property to its original contours

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1 and grades, unless otherwise agreed to by the landowner
2 or landowner representatives." And there was language,
3 as we got the order, that said, "except to the extent
4 necessary to establish appropriate right-of-way,
5 structure sites, setup sites, and access for the
6 transmission line."

7 That, to me, just took away the whole
8 obligation to return the property to its original
9 character. So LCRA said because of the terrain, it will
10 be impossible to return some areas to their original
11 terrain without affecting the working of the
12 transmission line. And that's my paraphrasing.

13 So my question to y'all would be:
14 Assuming that I'm not comfortable with the language that
15 was there initially, which is why I filed the memo --

16 COMM. ANDERSON: Uh-huh.

17 COMM. NELSON: -- you said your preference
18 is to return to the original language, which I'm not
19 comfortable with, do you have any other proposal?

20 COMM. ANDERSON: Which -- Donna, I can't
21 find that ordering paragraph. Is it page --

22 COMM. NELSON: It's --

23 CHAIRMAN SMITHERMAN: No. 11, is that it?

24 MR. JOURNEAY: Yes, No. 11. On the second
25 page.

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1 COMM. ANDERSON: Oh, okay. I see it.

2 COMM. NELSON: Yeah. So if you look, Ken,
3 it's like --

4 COMM. ANDERSON: Yeah, I see.

5 COMM. NELSON: "Except to the extent
6 necessary" really takes away the requirement because it
7 leaves the control entirely within LCRA's...

8 CHAIRMAN SMITHERMAN: Well, what have we
9 done in all of our previous orders on this?

10 COMM. NELSON: This is consistent, the
11 changes.

12 MR. JOURNEAY: This is consistent --

13 CHAIRMAN SMITHERMAN: Newer proposed
14 changes?

15 COMM. NELSON: Yes.

16 MR. JOURNEAY: -- with -- except for the
17 one that LCRA points out, to not to Salado.

18 MR. RODRIGUEZ: Clear Springs.

19 MR. JOURNEAY: The one down that went
20 south.

21 MR. RODRIGUEZ: Cagnon to Kendall is where
22 we gained some experience, and then we got the
23 language --

24 COMM. NELSON: Changed.

25 MR. RODRIGUEZ: -- that we want changed in

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1 Clear Springs to Hutto.

2 MR. JOURNEAY: Now, I mean, they say that
3 they need this to ensure safety and stability, and it
4 might be that you could -- we could put in a "except
5 where necessary" to --

6 COMM. NELSON: "To ensure safety and
7 stability."

8 MR. JOURNEAY: "Ensure safety and
9 stability of" --

10 MR. RODRIGUEZ: "Except where the safety
11 and stability of the line is at question," something
12 like that.

13 COMM. NELSON: Okay.

14 MR. RODRIGUEZ: And that's only our --
15 that our problem is, if we have to recontour to
16 stabilize the tower or the --

17 COMM. NELSON: I understand what you're
18 saying. And can you just work with Stephen --

19 MR. RODRIGUEZ: You bet.

20 COMM. NELSON: -- when we like -- maybe
21 we'll get this all done before lunch. But if we don't,
22 there seems like there were a couple of other changes
23 that needed to be made, too.

24 COMM. ANDERSON: Well, there's the
25 whatever ordering paragraph that LCRA wants on

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1 flexibility.

2 COMM. NELSON: Right.

3 COMM. ANDERSON: And they're going to -- I
4 think they're going to work with staff during the lunch.

5 MR. RODRIGUEZ: Yes.

6 COMM. NELSON: And then the second issue,
7 if y'all are willing to make some compromise on that,
8 which I see you are, I'm okay with taking out those
9 ordering paragraphs six and seven. They say that
10 they're redundant, but they also say they create a
11 conflict. And I'll be honest with you, those issues are
12 not so important that I'm willing to die on that hill.

13 CHAIRMAN SMITHERMAN: So you would --

14 COMM. NELSON: I would just delete six and
15 seven on my memo.

16 CHAIRMAN SMITHERMAN: -- delete your --
17 Okay. That's the first --

18 COMM. NELSON: Those are the --

19 CHAIRMAN SMITHERMAN: -- full paragraph of
20 Page No. --

21 COMM. NELSON: On my second page.

22 CHAIRMAN SMITHERMAN: On your second page.

23 COMM. NELSON: Right.

24 CHAIRMAN SMITHERMAN: Yeah.

25 MR. JOURNEYAY: Well, if they're required

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1 to get a permit from Fish and Wildlife, it's under
2 federal law, and we don't really need to address that.

3 COMM. NELSON: That's what I'm saying,
4 yeah.

5 CHAIRMAN SMITHERMAN: Okay.

6 COMM. NELSON: And if it's going to cause
7 a problem, I don't -- it's -- the language is still in
8 the order, so it's just not in the ordering paragraph
9 itself. So --

10 MR. RODRIGUEZ: And we appreciate that
11 very much. We simply didn't want a potential conflict
12 where we have an order or a permit from Fish and
13 Wildlife that could conceivably be construed as being
14 contrary to an order.

15 COMM. NELSON: Right. I understand.

16 MR. RODRIGUEZ: You're welcome.

17 COMM. NELSON: So I'm willing.

18 MR. RODRIGUEZ: Thank you.

19 COMM. NELSON: You won on that issue.

20 MR. RODRIGUEZ: Thank you.

21 COMM. NELSON: As the Chairman always
22 said, it's time to stop now.

23 (Laughter)

24 CHAIRMAN SMITHERMAN: Stop talking.

25 COMM. NELSON: That's right.

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1 That's it from my memo. I'm happy to
2 explain anything else in the memo, but I think it's all
3 pretty obvious.

4 COMM. ANDERSON: I'm fine with those
5 changes to your memo, and would include it.

6 COMM. NELSON: So I guess -- Mr. Chairman,
7 I guess, then, we could -- we just need to wait until
8 after staff and LCRA work out the rest of the issues,
9 and then we'll --

10 COMM. ANDERSON: I do have one issue. I'd
11 like an ordering paragraph added that directs LCRA to
12 work with TxDOT to try to use as much right-of-way as is
13 possible, and I'm offering my services to assist in that
14 endeavor --

15 COMM. NELSON: Okay.

16 COMM. ANDERSON: -- once the -- once this
17 order becomes final and I'm no longer subject to the ex
18 parte rule.

19 (Laughter)

20 COMM. NELSON: And, Ken, I'd be happy to
21 help you, too.

22 COMM. ANDERSON: That's -- I think we all
23 have the same -- because I did go back into the evidence
24 and looked at the TxDOT, and they do have the
25 flexibility to grant all manner of exceptions. They

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1 are -- the staff doesn't appear necessarily eager to do
2 it, but I think -- and we may ultimately be
3 unsuccessful, but it's worth the effort.

4 CHAIRMAN SMITHERMAN: I think it's --

5 COMM. ANDERSON: And that will
6 particularly help, I think, in constrained areas.

7 CHAIRMAN SMITHERMAN: Absolutely worth the
8 effort, and I think it's probably consistent with some
9 of the dialogue that's going on down at the Legislature
10 right now, is agencies need to work together and save
11 money for themselves and for the ratepayers. So let's
12 come up with something there, and not all three of us
13 call Chairwoman Delisi at the same time.

14 (Laughter)

15 CHAIRMAN SMITHERMAN: Anything else?

16 MR. JOURNEAY: Yes, sir.

17 CHAIRMAN SMITHERMAN: Yes, yeah.

18 MR. JOURNEAY: On Commissioner Nelson's
19 memo and based upon discussion we've had today, ordering
20 Paragraph No. 12, on the second page.

21 And my question, whether or not this
22 ordering paragraphs works where you have to, perhaps,
23 transverse public right-of-way to get -- where a
24 person's property is divided by a public road and
25 there's public right-of-way, so your -- so there is the

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1 State of Texas as a landowner there that I don't know
2 whether we want to actually worry about getting their
3 permission on here. And I hear that crossing this, we
4 may not need to because we may not actually be
5 entering -- needing to put poles on there, but we would
6 be crossing public property there. Maybe we want to
7 think about --

8 COMM. NELSON: I think our preference was
9 to try to go north in that --

10 MR. JOURNEAY: I know your preference --

11 COMM. NELSON: -- one situation.

12 MR. JOURNEAY: -- was to do that. But you
13 also talked about if that wasn't, in fact, the best way
14 to go, to leaving that other option open, I thought.
15 Maybe I'm wrong.

16 CHAIRMAN SMITHERMAN: So which language,
17 Steve, do you think is potentially problematic?

18 MR. JOURNEAY: Well, it says --

19 COMM. ANDERSON: Are we saying other than
20 TxDOT in there?

21 (Laughter)

22 MR. JOURNEAY: Only to affect only those
23 landowners that agreed to the minor deviation, perhaps
24 put in there "excluding" -- "excluding public
25 rights-of-way," or --

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1 COMM. ANDERSON: Okay. I'm fine with
2 that.

3 MR. JOURNEAY: -- something like that.

4 COMM. ANDERSON: Just put in public
5 rights-of-way.

6 MR. JOURNEAY: If you give me a chance
7 to --

8 CHAIRMAN SMITHERMAN: Okay.

9 COMM. ANDERSON: Okay.

10 MR. JOURNEAY: I think on Ordering
11 Paragraph 13, you know, I think what -- as we talked
12 about this additional flexibility, I'd also -- to put
13 language in there to incorporate what the judge said on
14 Page 25 of the PFD --

15 COMM. NELSON: Okay.

16 MR. JOURNEAY: -- to capture that; also,
17 the concept of the working with the landowners and
18 municipalities on monopoles probably needs to be put
19 into this.

20 And, I guess, maybe we -- I don't know if
21 we do this one or another ordering paragraph right here
22 that hard cores the monopolizing through municipalities
23 and ETJs, or the one mile, as in Junction's case. I
24 think those are --

25 CHAIRMAN SMITHERMAN: That's the case --

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1 yeah, that's the case for both Junction and Kerrville.

2 MR. JOURNEAY: Well, I think those things
3 we need to probably work on.

4 CHAIRMAN SMITHERMAN: I think we need to
5 write language on that.

6 COMM. NELSON: Right.

7 COMM. ANDERSON: Yeah.

8 MR. JOURNEAY: Yes.

9 COMM. ANDERSON: I agree.

10 MR. JOURNEAY: And then one ordering
11 paragraph that we haven't talked about, and that's going
12 to be to accomplish getting south -- further south.
13 What looks like y'all's choice is -- now is Route 63.
14 Removing the underground piece of that and going -- so
15 we need to get -- I mean, to make sure, and I think
16 y'all are all there, but we're going to need to get an
17 ordering paragraph, I think, to hardwire that into the
18 order --

19 COMM. NELSON: Right.

20 MR. JOURNEAY: -- and not just leave it
21 flexibility.

22 COMM. ANDERSON: Can you get with LCRA
23 over lunch --

24 MR. JOURNEAY: Yes, sir.

25 COMM. ANDERSON: -- and come up with that?

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1 MR. JOURNEAY: Yes, sir, we'll bring
2 something back afterwards.

3 And then -- and I'm giving you the
4 language, perhaps, on the highway department that --

5 COMM. ANDERSON: Yeah.

6 MR. JOURNEAY: -- I've talked with
7 Commissioner Anderson on already.

8 COMM. NELSON: Okay.

9 MR. RODRIGUEZ: And, Commissioners, if I
10 might, we didn't want to presume, but in the event you
11 were going in this direction, we did take the occasion
12 to prepare some findings of fact that would alter the
13 ones that are in the proposed order. And we'd be glad
14 to share those with Mr. Journey for whatever value he
15 may derive from those.

16 CHAIRMAN SMITHERMAN: Okay. So just to
17 review before we -- we're going to break for lunch and
18 then we're going to take up CenterPoint when we get
19 back, and then at the end of the day, we'll take a final
20 vote on this. But I think the route that we're all
21 coalesced on is essentially MK63. Is that correct?

22 MR. JOURNEAY: That's my understanding.

23 COMM. NELSON: As modified by the LCRA
24 letter.

25 CHAIRMAN SMITHERMAN: And our --

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1 MR. JOURNEAY: Modified route.

2 CHAIRMAN SMITHERMAN: And our discussion.

3 COMM. NELSON: So it's modified Route 63.

4 CHAIRMAN SMITHERMAN: Right.

5 COMM. NELSON: Yeah.

6 CHAIRMAN SMITHERMAN: Right. So it
7 follows I-10 the entire way from the Comfort substation
8 all the way past Junction.

9 COMM. NELSON: Right.

10 CHAIRMAN SMITHERMAN: And then goes north
11 on 1674 and follows that route --

12 COMM. NELSON: Yes.

13 CHAIRMAN SMITHERMAN: -- on b84.

14 COMM. NELSON: So it probably parallels
15 I-10 three quarters of the way.

16 CHAIRMAN SMITHERMAN: Okay. All right.
17 Because there may be some people who don't want to stay
18 around for the CenterPoint discussion.

19 So with that, let's break for lunch for an
20 hour. We'll come back at 1:00. We'll take up the
21 CenterPoint case. Then we'll vote on this at the end of
22 the day.

23 (Lunch recess: 12:00 p.m. to 1:04 p.m.)

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AGENDA ITEM NO. 13 (CONTINUED)

DOCKET NO. 38354; SOAH DOCKET NO.
473-10-5546 - APPLICATION OF LCRA TRANSMISSION
SERVICES CORPORATION TO AMEND ITS CERTIFICATE
OF CONVENIENCE AND NECESSITY FOR THE PROPOSED
MCCAMEY D TO KENDALL TO GILLESPIE 345-KV CREZ
TRANSMISSION LINE IN SCHLEICHER, SUTTON,
MENARD, KIMBLE, MASON, GILLESPIE, KERR, AND
KENDALL COUNTIES

CHAIRMAN SMITHERMAN: All right. Now,
let's go back to Docket 38354. Right? 38354?

COMM. NELSON: That's correct.

CHAIRMAN SMITHERMAN: When we broke, we
were going to send the parties off to draft up some
language to better capture the concepts that we had
discussed, and I think parties have done that. We have
in front of us copies of some proposed language.

COMM. ANDERSON: Mr. Chairman, before we
get into that, there was -- I had -- my staff had gone
back and looked at -- I think we captured most of the
individual requests, either explicitly or with LCRA
acknowledging that our existing ordering paragraphs give
them a sufficient leeway.

There was one landowner who showed up. I
believe he's an intervenor or did -- a Ms. McGowan,
rather upset, lives on Link b84 and had two requests.
One that obvious -- monopoles, and the other that the
line follow an existing pipeline on her property, I

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1 believe.

2 CHAIRMAN SMITHERMAN: What segment is she
3 on?

4 COMM. ANDERSON: B84. I think it's over
5 by the AC Ranches.

6 CHAIRMAN SMITHERMAN: Yes. Okay.

7 COMM. ANDERSON: I believe LCRA is looking
8 up her tract.

9 MR. BAYLIFF: Ms. McGowan is here if you
10 had any questions.

11 MS. MCGOWAN: I'm here.

12 COMM. ANDERSON: Oh, okay. I'm sorry.

13 MS. MCGOWAN: That's okay.

14 COMM. ANDERSON: Did I correctly --

15 MS. MCGOWAN: It was -- yes, I think so.

16 COMM. ANDERSON: -- state your request?

17 MS. MCGOWAN: Yes, sir.

18 COMM. ANDERSON: If it were to --

19 MS. MCGOWAN: I would like to change the
20 one about following the pipelines now. We've
21 reconsidered, and the angle might be better that was
22 originally picked --

23 COMM. ANDERSON: So you --

24 MS. MCGOWAN: -- the lines showed.

25 COMM. ANDERSON: So now you would prefer

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1 the LCRA's route across the property as opposed to the
2 pipeline? Is that what you're saying?

3 MS. MCGOWAN: If -- yeah, if that's what
4 we're doing, yes.

5 COMM. ANDERSON: Okay. Well, then, that
6 doesn't require any --

7 COMM. NELSON: Action.

8 COMM. ANDERSON: -- any action. What's
9 the length of the monopoles across your property?

10 MS. MCGOWAN: I'm not sure.

11 COMM. ANDERSON: Roughly.

12 MS. MCGOWAN: I think we estimated.

13 COMM. ANDERSON: The issue being whether
14 we need to specifically address it or whether it's
15 already covered in our monopole ordering paragraph. I'm
16 just trying to get a sense.

17 MR. SYMANK: Rough scaling, it appears to
18 be about 14,000 feet. The segment in question.

19 COMM. ANDERSON: So a little under three
20 miles?

21 MR. SYMANK: The portion of her property
22 in question.

23 Does that look about right?

24 MS. MCGOWAN: Yes.

25 COMM. ANDERSON: So a little under three

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1 miles? So it would be, at the top end, 900,000, perhaps
2 less, depending on the topography.

3 MR. SYMANK: Right. It's straight. No
4 angle or dead ends the way it appears on --

5 COMM. ANDERSON: It'll be --

6 MR. SYMANK: -- this map, so it'll be in
7 the 300.

8 COMM. ANDERSON: It'll be more likely to
9 be, in the low end, 200,000?

10 MR. SYMANK: Probably in the three because
11 of the terrain out here.

12 COMM. ANDERSON: So it is -- that's the
13 question, how -- what the topography is.

14 MR. SYMANK: Right.

15 COMM. ANDERSON: That -- I'm inclined to
16 think that's covered by our monopole -- our general
17 monopole language.

18 CHAIRMAN SMITHERMAN: Let me just -- Ken,
19 I've got the map right here because I'm -- because
20 they're all kind of running together now.

21 Ma'am, your property is bcl4c? Is that
22 right? Anyone confirm that?

23 MS. ANDREWS: No, she's not, no.

24 MS. MCGOWAN: Where is it, Janet? B14c?
25 I know it's the MK15, north of...

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1 MR. HUFFMAN: I can tell you exactly.

2 MR. ROSS: Do you want to go over to the
3 map and look at it? Go up there and look at it.

4 (Simultaneous discussion)

5 MS. MCGOWAN: Sorry. Just give me a
6 minute.

7 CHAIRMAN SMITHERMAN: Is it down here? Is
8 this it? I guess this is the pipeline.

9 MS. MCGOWAN: I'm across here.

10 MR. HUFFMAN: She starts right here where
11 it comes off Donna Schooley's and -- this total thing is
12 all yours, possibly some more over here, but this is the
13 pipeline you're talking about.

14 MS. MCGOWAN: Yeah.

15 CHAIRMAN SMITHERMAN: So you have multiple
16 tracts?

17 MS. MCGOWAN: Yes.

18 CHAIRMAN SMITHERMAN: This one?

19 MS. MCGOWAN: Uh-huh.

20 CHAIRMAN SMITHERMAN: This?

21 MS. MCGOWAN: Yes, and this.

22 CHAIRMAN SMITHERMAN: And that?

23 MS. MCGOWAN: Yes.

24 COMM. ANDERSON: But you no longer want
25 the pipeline?

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1 MS. MCGOWAN: Right. Yes, sir.

2 MR. HUFFMAN: Well, it's at an angle.

3 It -- I don't think would be --

4 MS. MCGOWAN: No, because that would come
5 more down this center. I thought it was going to come
6 more this way, and it goes that way.

7 CHAIRMAN SMITHERMAN: Y'all speak up in
8 that mic.

9 So what's the proposal? I'm sorry. We're
10 looking at the map. What's the proposal?

11 COMM. ANDERSON: Well, I -- and I --

12 MS. MCGOWAN: For monopoles.

13 COMM. ANDERSON: I'd like to, I mean,
14 visit with LCRA about this, but it's a little less than
15 three miles. I think it's covered -- the request -- and
16 the pipeline is no longer in the picture, so it's -- the
17 request would be simply monopoles, and I think that's --
18 that would be covered by the regular paragraph, which
19 you're permitted to use monopoles under various, you
20 know -- for example, one of them is, the right-of-way
21 could disproportionately affect a particular landowner
22 or the cost of the -- because it does look like it's
23 cutting diagonally across the property. So it is -- I
24 think that disproportionately affects the landowner, in
25 my mind.

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1 MR. RODRIGUEZ: Yeah. I think we would
2 agree with that, Commissioner.

3 CHAIRMAN SMITHERMAN: Well, is that a
4 preferred solution, or is trying to run it closer to
5 property lines preferred solution?

6 MR. RODRIGUEZ: If I understood correctly,
7 we were back to the original solution, which was cutting
8 diagonally across the property. Right?

9 MS. MCGOWAN: Yes.

10 MR. RODRIGUEZ: Okay.

11 CHAIRMAN SMITHERMAN: Okay.

12 MR. RODRIGUEZ: So I think we're just down
13 to the question of monopoles --

14 MS. MCGOWAN: Yes.

15 MR. RODRIGUEZ: -- on the original
16 alignment across your property.

17 MS. MCGOWAN: Correct.

18 MR. RODRIGUEZ: And I think we'd be fine
19 with that. I agree with you that --

20 CHAIRMAN SMITHERMAN: I think we should do
21 it.

22 COMM. NELSON: Yeah, I agree.

23 CHAIRMAN SMITHERMAN: Listen, it's not in
24 our rules, but showing up is important.

25 COMM. ANDERSON: I'm in -- the answer is,

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1 I'm in favor of monopolizing it, but the question is
2 whether we need a particular ordering paragraph. I
3 don't think so. I think you have all three of us
4 agreeing that it -- that that's -- this is the
5 appropriate situation.

6 COMM. NELSON: And it's not just because
7 she showed up, in my opinion. The property owners who
8 have the lines cut diagonally through the party are the
9 most adversely affected, so I think it is appropriate
10 given that.

11 MS. MCGOWAN: Thank you.

12 COMM. ANDERSON: I agree.

13 MS. MCGOWAN: Thank you.

14 CHAIRMAN SMITHERMAN: You're welcome.

15 COMM. ANDERSON: Okay.

16 COMM. NELSON: And I know this has been a
17 hard case for a lot of people, and it's been emotional;
18 but I, as one of the three of us and I think I -- the
19 other two feel the same way, we appreciate everybody
20 showing up and participating in the process. It makes
21 it a lot -- although it's painful at times, we end up
22 with a better end result.

23 COMM. ANDERSON: Ferdie, I have a
24 question. We -- there's some draft language before us
25 of ordering paragraphs.

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1 MR. RODRIGUEZ: Yes, sir.

2 COMM. ANDERSON: But I want to -- I go
3 back to you had asked in your -- well, on a number of
4 occasions for maximum flexibility, and I assumed there
5 was some proposed ordering paragraph that you wanted
6 included. I don't see it here.

7 MR. JOURNEAY: The reason you don't is
8 because in our discussions, they indicated that that
9 maximum flexibility was really in the areas of Kerrville
10 and...

11 COMM. ANDERSON: And they have that. So
12 they're -- you're -- I guess the question -- I want on
13 the record that you're comfortable -- I'm not trying to
14 pin you down, but I don't want -- because if there's
15 something we need to do, this is your -- this is the
16 bite at the apple.

17 MR. RODRIGUEZ: No, I appreciate that very
18 much. And first of all, thank you to Katherine and
19 Stephen for helping us work through the language. I
20 think Stephen portrayed it exactly correctly.

21 We're talking really about the area
22 through Junction and the area through Kerrville, and I
23 think this will get us there. We have two little
24 suggestions, but I think this will get us there.

25 COMM. ANDERSON: Okay.

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1 MR. RODRIGUEZ: And I appreciate all of
2 their work, as well, over lunch.

3 MR. JOURNEAY: And, Mr. Chairman, to just
4 run through this list real quick, there's a couple items
5 that are bolded. First one in Ordering Paragraph 2. I
6 actually think we -- you told us not to do this, but my
7 memory --

8 COMM. ANDERSON: I think we told you to.

9 COMM. NELSON: We told you to do it.

10 MR. JOURNEAY: Okay. Well, my memory is
11 sorry, then, and I'm lucky I got it right.

12 (Laughter)

13 MR. JOURNEAY: On Paragraph 4, the last
14 sentence there, we talked about an issue where the
15 municipality and the landowner see things differently
16 and trying to say that the landowners' views trump on
17 their property, but y'all didn't really discuss that
18 part of it and...

19 COMM. ANDERSON: In the what-it's-worth
20 department, I'm fine with that.

21 CHAIRMAN SMITHERMAN: Well, this
22 specifically goes to the issue of the city limits and
23 the ETJ.

24 COMM. ANDERSON: Uh-huh.

25 COMM. NELSON: Right.

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1 CHAIRMAN SMITHERMAN: Right.

2 MR. JOURNEAY: This only applies within
3 that.

4 CHAIRMAN SMITHERMAN: Right.

5 COMM. NELSON: I agree with that language.

6 MR. JOURNEAY: And then on Paragraph
7 No. 6, the last sentence, we didn't talk about this
8 either. The language I had originally given to
9 Commissioner Anderson and provided y'all earlier had
10 this date that basically said if they don't have an
11 agreement by this date, that there's -- they should
12 start with their construction process. I don't know how
13 y'all feel about that, as far as the concept of a
14 particular date, whether you want to make it less
15 flexible, more flexible.

16 COMM. ANDERSON: Well, I -- at some point,
17 they've got to move forward. My view on this, they've
18 got to move forward. We can't have endless back and
19 forth. I think this date is sufficiently long, that it
20 doesn't delay LCRA, but it gives all of us some time to
21 work the issue.

22 MR. JOURNEAY: All right. We also have
23 two findings of fact here that we identify these as
24 particular findings we think we need to have y'all
25 address specifically here on what we're doing. The rest

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1 of the findings that we're going to need to modify to
2 reflect the appropriate link, I think we can do that
3 with just the discussion we have.

4 COMM. NELSON: And I do think this 115 --
5 modification to Finding of Fact 115 is necessary --

6 CHAIRMAN SMITHERMAN: It looks good.

7 COMM. NELSON: -- based on our decision.

8 CHAIRMAN SMITHERMAN: Right.

9 MR. JOURNEAY: And finally I'll tell you
10 that on order -- on the Paragraph No. 1 here, we focused
11 only the modification at the airport. We recognize that
12 y'all also want to modify the link -- or the route down
13 in the southeast corner by Comfort, near the substation.
14 We can modify this language to incorporate that. We
15 were most worried about this particular area to get
16 y'all's approval on.

17 CHAIRMAN SMITHERMAN: Well, I think the
18 record reflects our discussion on that as well.

19 COMM. NELSON: Yes.

20 CHAIRMAN SMITHERMAN: We went in to that
21 in great detail.

22 MR. JOURNEAY: Yes, sir.

23 COMM. NELSON: And thanks to LCRA. Thank
24 you for so quickly responding to my request that y'all
25 look south of -- or whatever north of -- you know what

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1 I'm saying.

2 MR. RODRIGUEZ: Yes.

3 COMM. NELSON: And I appreciate it because
4 it gave us more options today.

5 MR. RODRIGUEZ: Thank you. I appreciate
6 it.

7 CHAIRMAN SMITHERMAN: It really did. It
8 made a difference.

9 MR. ROSS: Chairman, Commissioners, on
10 order in Paragraph 4 -- Joe Will Ross on behalf of
11 Junction Hotel Partners -- I'm a little concerned that
12 in -- I guess it's the fourth line all the way over to
13 the end where it says L -- or that fourth line, "LCRA
14 TSC shall work with both the cities of Junction and
15 Kerrville and affected landowners."

16 Under the definition of directly affected
17 landowners, my family, even though we received notice
18 and we participated in this and my client, we don't fit
19 that definition. We're here, and that's what -- like I
20 said earlier was, can we put in -- and I think Ferdie
21 and I've talked about it -- maybe just adding in there
22 where our western neighbor, who was not an intervenor,
23 may want to post order modification to move the line
24 east all the way next to the property line which is less
25 than a hundred feet from our motel.

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1 COMM. NELSON: That -- this just says: On
2 the material and type of structure used as well as the
3 spacing and height of structure. So it doesn't
4 reference moving the line.

5 COMM. ANDERSON: We have another paragraph
6 that deals with --

7 MR. ROSS: I understand.

8 COMM. ANDERSON: -- deviations.

9 MR. ROSS: I understand that. And even
10 with -- still with type and material structure, we're
11 still kind of -- in a broad sense, we're left off the
12 table. And I've talked with Ferdie, and he seems to be
13 agreeable to add just Junction Hotel Partners, LP, right
14 after Kerrville. Not that we're trying to --

15 COMM. ANDERSON: Well, I --

16 MR. ROSS: -- be obstructionists or --

17 COMM. ANDERSON: That seems limiting to
18 me.

19 COMM. NELSON: Yeah.

20 CHAIRMAN SMITHERMAN: That makes me
21 uncomfortable.

22 COMM. ANDERSON: That seems limiting.

23 MR. ROSS: I mean, I just --

24 COMM. NELSON: So are you saying you're
25 not an affected landowner?

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1 MR. ROSS: Under the definition, under
2 the -- your rules, we are not a directly-affected
3 landowner. We got notice, but we're not directly
4 affected.

5 COMM. ANDERSON: Because it doesn't cross
6 your --

7 MR. ROSS: It doesn't cross us and it's
8 not --

9 COMM. ANDERSON: As it's currently
10 configured, it doesn't cross your property.

11 COMM. NELSON: Does not pass within 500
12 feet.

13 MR. ROSS: Y10b does not pass within
14 500 feet of our habitable structures, but if it moves --
15 if the landowner to our west, who is nonintervenor,
16 decides to have -- well, move it over, LCRA --

17 COMM. ANDERSON: But my -- but if it does,
18 then you become affected --

19 COMM. NELSON: Then you become affected.

20 COMM. ANDERSON: -- affected landowner.

21 MR. ROSS: True.

22 MR. JOURNEYAY: So this language doesn't
23 use directly affected, it only uses affected.

24 COMM. ANDERSON: Affected.

25 COMM. NELSON: Right.

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1 COMM. ANDERSON: The other is that the
2 deviations requires the consent of all the landowners
3 affected, as I recall.

4 COMM. NELSON: It's our belief that
5 you're -- you fall within this language.

6 MR. ROSS: Okay. Okay.

7 COMM. ANDERSON: Particularly because
8 you've got to read this in connection with the other
9 ordering paragraphs.

10 MR. ROSS: Yes, sir, I understand. I
11 just -- we're -- we've participated. And we're in a
12 very strange situation, and it's --

13 COMM. ANDERSON: I understand. I just
14 think that -- I mean, if LCRA, under our other ordering
15 paragraphs, if they moved it to the property line and,
16 therefore, put you within a hundred feet of the
17 centerline, they wouldn't be able to do that without
18 your consent.

19 MR. ROSS: Okay. Thank you.

20 MS. CRUMP: Commissioners, Georgia Crump
21 representing Kerrville. I just had one comment.

22 I very much appreciate your including this
23 language in Ordering Paragraph No. 4. My concern with
24 the last sentence is wanting to avoid kind of a
25 patchwork or polka dot appearance as the line goes down

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1 the interstate through Kerrville. If each property
2 owner has picked their preference to a different type of
3 pole, a weathered pole, then a concrete pole or a steel
4 pole, that will have an appearance, I think, down the
5 interstate that will be less than desirable.

6 COMM. ANDERSON: Or a striped pole.

7 MS. CRUMP: A striped --

8 (Laughter)

9 MS. CRUMP: And, you know, what I see
10 happening is being a very collaborative process, that
11 the city will call in LCRA and the property owners, and
12 they'll all sit down and talk about it. But I don't --
13 I'm wondering about if the last sentence is needed or if
14 we could give some consideration to the -- you know, the
15 overall appearance and the need to maintain some
16 uniformity of appearance.

17 CHAIRMAN SMITHERMAN: Where did that last
18 sentence come from?

19 MR. JOURNEYAY: I'm sorry, sir, I put it in
20 there.

21 CHAIRMAN SMITHERMAN: That's yours.

22 (Laughter)

23 COMM. ANDERSON: You know, I'm -- the
24 reason I'm fine with that is that when -- and I think
25 I -- and I don't know what else -- I won't speak for

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1 LCRA, but if I were them, I'd want some -- there -- if
2 they're caught between two parties, which one trumps?
3 And I'm -- and I understand your concern. I guess my
4 personal view is, this Commissioner, is that if in a
5 dispute between the city and the -- an individual
6 landowner, I -- you know, I sort of side with the
7 landowner. But that's my personal -- that's my personal
8 vote on this.

9 COMM. NELSON: Well, and the other thing
10 is, these landowners, many of whom have participated in
11 this process, not your specific landowners, but
12 landowners in general, they care as much about the Hill
13 Country as Kerrville does. So I -- it's hard to imagine
14 that they would want all different structures on their
15 property because they want to keep it --

16 MS. CRUMP: Right. They want to make it
17 look good, too.

18 COMM. NELSON: I understand.

19 CHAIRMAN SMITHERMAN: Well, I -- you know,
20 I don't think this prevents the city from trying to get
21 everybody together and trying to come up with a master
22 plan. But if push comes to shove, I agree with my
23 colleagues, I think the landowner right is predominant
24 here.

25 MS. CRUMP: Okay.

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1 CHAIRMAN SMITHERMAN: I'm okay with it.
2 Anything else?

3 COMM. ANDERSON: Did you -- this is for
4 LCRA. Did I hear you say you had some language tweaks?

5 MR. RODRIGUEZ: Oh, no, I think we took
6 care of all of that.

7 COMM. ANDERSON: Oh, okay. I'm sorry. I
8 misunderstood, then.

9 MR. RODRIGUEZ: No, we're done.

10 CHAIRMAN SMITHERMAN: Brad, I'm trying to
11 get to a motion.

12 (Laughter)

13 MR. BAYLIFF: Thank you, Mr. Chairman. We
14 appreciate your language on the restoration to the
15 original contours. We brought that issue up in our
16 original brief, and we're very much in agreement with
17 the language that's here.

18 CHAIRMAN SMITHERMAN: Thank you.

19 All right. So let me -- help me style
20 this. I think Chair will entertain a motion to approve
21 Route MK63 as modified pursuant to our discussion today,
22 your memo, the changes that we have discussed for the
23 ordering paragraphs and the findings of fact, and
24 delegate to staff the ability to make nonsubstantive
25 changes.

PUC OPEN MEETING - ITEM 13 1/20/2011

1 COMM. NELSON: So move.

2 CHAIRMAN SMITHERMAN: Anything else?

3 COMM. NELSON: Nope. So move. Stephen's
4 looking like he --

5 MR. JOURNEYAY: No.

6 CHAIRMAN SMITHERMAN: You want more?

7 MR. JOURNEYAY: I was just being -- an anal
8 attorney here. I'll let y'all get on with it.

9 CHAIRMAN SMITHERMAN: Okay.

10 COMM. NELSON: Okay..

11 (Laughter)

12 COMM. ANDERSON: Nothing wrong with that.
13 We resemble that remark.

14 UNIDENTIFIED PERSON: I know the
15 transcript --

16 CHAIRMAN SMITHERMAN: At least the second
17 part.

18 (Laughter)

19 CHAIRMAN SMITHERMAN: We have a motion.

20 COMM. ANDERSON: Oh, second.

21 CHAIRMAN SMITHERMAN: Second, affirm.

22 Thank you all very much.

23 MR. RODRIGUEZ: Thank you, Commissioners.

24 MR. JOURNEYAY: We will endeavor to get you
25 an order early Monday, I think.

PUC OPEN MEETING - ITEM 13 1/20/2011

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(Simultaneous discussion)

CHAIRMAN SMITHERMAN: Okay. In all our excitement, I forgot to adjourn the meeting. This meeting of the Public Utility Commission of Texas is hereby adjourned.

(Proceedings concluded at 2:46 p.m.)

PUC OPEN MEETING - ITEM 13 1/20/2011

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C E R T I F I C A T E

STATE OF TEXAS)
COUNTY OF TRAVIS)

We, William Beardmore and Lorrie A. Schnoor, Certified Shorthand Reporters in and for the State of Texas, do hereby certify that the above-mentioned matter occurred as hereinbefore set out.

WE FURTHER CERTIFY THAT the proceedings of such were reported by us or under our supervision, later reduced to typewritten form under our supervision and control and that the foregoing pages are a full, true, and correct transcription of the original notes.

IN WITNESS WHEREOF, we have hereunto set our hand and seal this 21st day of January 2011.



Digitally signed by William C. Beardmore
Date: 2011.04.29 13:22:57 -07:00
Reason: Transcript prepared by W.C.B.
Location: Austin, TX

WILLIAM BEARDMORE
Certified Shorthand Reporter
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PUC OPEN MEETING - ITEM 13 1/20/2011

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LORRIE A. SCHNOOR, RMR, TCRR
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COMMUNITY VALUES CHART

Location and Date of Open House	Attendees' Preferences For Maximizing Distance of Transmission Line From Residences
San Angelo 2009	67% - Second priority (EA p. 6-5)
Christoval 2009	73% - First priority (EA p. 6-8)
Harper 2009	76% - First priority (EA p. 6-12)
Comfort 2009	78% - Third priority (EA p. 6-15)
Kerrville 2009	71% - Second priority (EA p. 6-17)
Lampasas 2009	58% - Second priority (EA p. 6-19)
Burnet 2009	55% - Fifth priority (EA p. 6-21)
Llano 2009	55% - Second priority (EA p. 6-23)
Fredericksburg 2009	67% - First priority (EA p. 6-26)
Comfort 2009	71% - Second priority (EA p. 6-29)
Questionnaires from People Not Attending an Open House 2009	72%- First priority (EA p. 6-32)
Junction 2010	69% - First priority (EA p. 6-38)
Menard 2010	73% - Second priority (EA p. 6-41)
Mason 2010	59% - Fifth priority (EA p. 6-43)
Fredericksburg 2010	77% - First priority (EA p. 6-6-46)
Eldorado 2010	58% - Fifth priority (EA p. 6-49)
Kerrville 2010	81% - First priority (EA p. 6-52)
Sonora 2010	71% - Fourth priority (EA p. 6-54)
Questionnaires from People Not Attending an Open House 2010	57% - Sixth priority (EA p. 6-57)

SOAH DOCKET NO. 473-10-5546 RECEIVED
PUC DOCKET NO. 38354

SEP 27 AM 10:31
STATE OFFICE
FILING CLERK

APPLICATION OF LCRA	§	BEFORE THE STATE OFFICE
TRANSMISSION SERVICES	§	
CORPORATION TO AMEND ITS	§	
CERTIFICATE OF CONVENIENCE AND	§	
NECESSITY FOR THE PROPOSED	§	
MCCAMEY D TO KENDALL TO	§	
GILLESPIE 345-KV CREZ	§	OF
TRANSMISSION LINE IN SCHLEICHER,	§	
SUTTON, MENARD, KIMBLE, MASON,	§	
GILLESPIE, KIMBLE, AND KENDALL	§	
COUNTIES	§	ADMINISTRATIVE HEARINGS

**CITY OF JUNCTION'S
STATEMENT OF POSITION**

COMES NOW Intervenor, City of Junction, and files its Statement of Position.

City of Junction makes the following Statements of Position in this proceeding:

1. The City of Junction opposes the placement of the CREZ lines within or adjacent to the Interstate 10 Corridor located within or adjacent to the City of Junction's boundaries (Section Y10b) because of its potential negative impact to the City of Junction. Accordingly, The City of Junction recommends that no CREZ lines be placed along the Interstate 10 Corridor.
2. The City of Junction urges the PUC to consider the negative impact on property values, aesthetics, tourism and economic development to

the City of Junction if the CREZ line is adjacent to the Interstate 10 Corridor.

In support thereof:

- The City of Junction would show that, currently, at least 70% of the City's sales tax revenue is produced by the business activity on the City's portion of the Interstate 10 Corridor. A portion of this revenue goes directly to Junction's Economic Development Corporation for economic development projects. Additionally, The hotel/motel industry along Junction's portion of Interstate 10 is a significant producer of tax revenue for the City of Junction.
- The City of Junction would show that it has invested a great amount of resources in sewer and water infrastructure along the Interstate 10 Corridor in order to support future economic development.
- The City of Junction would further show that the area between RR 1674 and Interstate 10 (parcel Y9-015), which is in the direct path of Section Y10b, is very ripe for economic development and is a primary targeted area within the City of Junction's future economic development plans. Additionally, parcel Y11-016 has been identified by the City of Junction for potential future economic development.

In the alternative:

3. The City of Junction urges that to the extent the CREZ lines are built within or adjacent to the City of Junction, as an alternative to lattice structures, the lines use short concrete monopoles in order to lessen the required width of the easements.

4. The City of Junction urges that to the extent the CREZ lines are built within or adjacent to the City of Junction a northern route bypassing the city be chosen.

WHEREFORE, PREMISES CONSIDERED, the City of Junction respectfully request that all relief requested herein be granted by the PUC, together with all other relief to which the City of Junction may be entitled.

Respectfully submitted,



Melanie Spratt-Anderson
ATTORNEY FOR CITY OF JUNCTION
TX Bar No. 00791713

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CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing document is being served pursuant to SOAH Order Nos. 1 and 2 on this 24th day of September.


Melanie Spratt-Anderson