



Control Number: 48202



Item Number: 9

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DOCKET NO. 48202

JOINT APPLICATION OF CROSS § BEFORE THE
TEXAS TRANSMISSION, LLC AND §
THE CITY OF GARLAND TO §
TRANSFER CERTAIN RIGHTS FOR § PUBLIC UTILITY COMMISSION
THE LIMESTONE TO GIBBONS §
CREEK TRANSMISSION LINE IN §
GRIMES, MADISON AND LEON §
COUNTIES § OF TEXAS

JOINT MOTION TO ADMIT EVIDENCE AND PROPOSED ORDER

TO THE HONORABLE PUBLIC UTILITY COMMISSION OF TEXAS:

Cross Texas Transmission, LLC (CTT) and the City of Garland (Garland) (collectively, Applicants) file this Joint Motion to Admit Evidence and Proposed Order as agreed to by the Public Utility Commission of Texas (Commission) Staff. In support, the Applicants show the following:

On March 23, 2018, the Applicants filed an application for approval of transferring the certificate of convenience and necessity (CCN) rights from CTT to Garland for a portion of the Limestone to Gibbons Creek 345 kV double-circuit transmission line, which was recently completed and energized.¹ CTT seeks to transfer a portion of its CCN for the transmission line to Garland consistent with the ownership agreed to by the Applicants after being designated by ERCOT to be co-providers for the Limestone to Gibbons Creek transmission line and the Gibbons Creek substation upgrades, as part of what is known in the industry as the Houston Import Project.²

¹ The Application was supplemented on May 7, 2018.

² ERCOT Independent Review of Houston Import RPG Project, endorsed by the ERCOT Board of Directors on April 8, 2014.

This application has been processed pursuant to the Public Utility Regulatory Act (PURA) § 37.154 and applicable rules.³ No one intervened, no hearing was requested, and the Commission Staff filed its recommendation for approval of the application on May 23, 2018.

The Applicants request that the following evidence be admitted into the record of this proceeding:

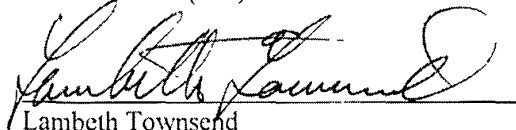
- 1) Applicants' Joint Application to Transfer Certificate of Convenience and Necessity, filed March 23, 2018;
- 2) Applicants' Supplement to Joint Application to Transfer Certificate of Convenience and Necessity, filed May 7, 2018; and
- 3) Commission Staff's Final Recommendation, filed May 23, 2018.

The Applicants respectfully request that the attached Proposed Order, including findings of fact, conclusions of law, and ordering paragraphs, be approved.

³ Public Utility Regulatory Act, Tex. Util. Code Ann. §§ 11.001-50.302 (West 2016 & Supp. 2017), §§ 59.001-66.016 (West 2007 & Supp. 2017) (PURA).

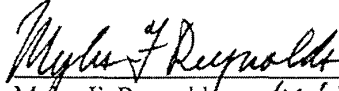
Respectfully submitted,

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A handwritten signature in cursive script, appearing to read "Lambeth Townsend", written over a horizontal line.

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ATTORNEYS FOR THE CITY OF
GARLAND


Myles F. Reynolds *by L.T. with permission*

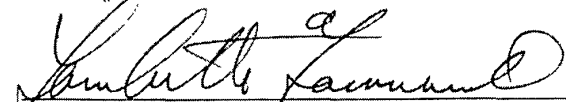
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ATTORNEYS FOR
CROSS TEXAS TRANSMISSION, L.L.C

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was transmitted by fax, hand-delivery and/or regular, first class mail on this 1st day of June, 2018 to the parties of record, in accordance with 16 Tex. Admin. Code § 22.74.


LAMBETH TOWNSEND

DOCKET NO. 48202

2018 JUN -1 PM 1:22

JOINT APPLICATION OF CROSS
TEXAS TRANSMISSION, LLC AND
THE CITY OF GARLAND TO
TRANSFER CERTAIN RIGHTS FOR
THE LIMESTONE TO GIBBONS
CREEK TRANSMISSION LINE IN
GRIMES, MADISON AND LEON
COUNTIES

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BEFORE THE PUBLIC UTILITY COMMISSION
FILING CLERK

PUBLIC UTILITY COMMISSION

OF TEXAS

PROPOSED ORDER

This Order addresses the application of Cross Texas Transmission, LLC (CTT) and the City of Garland (Garland) (collectively, Applicants) for approval of the transfer of certificate of convenience and necessity (CCN) rights for approximately 38.93 miles of the Limestone to Gibbons Creek 345 kV transmission line located in Leon, Madison, and Grimes Counties. The Public Utility Commission of Texas (Commission) Staff recommended approval of the application. The application is approved.

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

I. FINDINGS OF FACT

Procedural History

1. CTT is an investor owned electric utility providing wholesale transmission services under CCN No. 30195.
2. Garland is a municipally-owned utility providing transmission and distribution services under CCN No. 30063.
3. The Electric Reliability Council of Texas (ERCOT) Board of Directors, in April 2014, endorsed the need for the Houston Import Project, which included, among other things, the Limestone to Gibbons Creek 345 kV double circuit transmission line and the Gibbons Creek to Zenith 345 kV double circuit transmission line.

4. ERCOT designated the Applicants and CenterPoint Energy Houston Electric, LLC (CenterPoint) as co-providers of the recommended new 345 kV transmission lines. Because the Applicants and CenterPoint did not reach an agreement regarding the portions that each would construct, ERCOT determined that the Applicants should be responsible for the new Limestone to Gibbons Creek 345 kV transmission line and the Gibbons Creek substation upgrades and that CenterPoint should be responsible for the remaining transmission facilities that were included in the Houston Import Project. CenterPoint subsequently appealed ERCOT's determination to the Commission, but the appeal was denied.¹

5. Garland and CTT agreed to jointly develop and apportion their respective interests in the transmission line with CTT applying for the CCN to build the Limestone to Gibbons Creek 345 kV double circuit transmission line and managing the development and construction of the line and with Garland paying for its share of the line as costs were incurred by CTT.

6. In its CCN application, CTT stated that if its application were approved and the Garland/CTT line constructed, each of CTT and Garland would own a portion of the transmission line project.²

7. After the CCN application was filed, the 84th Texas Legislature in 2015 amended PURA³ to require municipally-owned utilities to obtain a CCN for transmission lines outside of its municipal boundaries, with exceptions that do not apply to the Limestone to Gibbons Creek transmission line.

¹ *CenterPoint Energy Houston Electric, LLC's Appeal and Complaint Against the Electric Reliability Council of Texas*, Docket No. 42476, Order at 1 (Oct. 17, 2014).

² *Application of Cross Texas Transmission, LLC to Amend its Certificate of Convenience and Necessity for the Limestone to Gibbons Creek 345-kV Transmission Line in Brazos, Freestone, Grimes, Leon, Limestone, Madison and Robertson Counties*, Docket No. 44649, Application at 3, 5 (Apr. 24, 2015).

³ Public Utility Regulatory Act, Tex. Util. Code Ann. §§ 11.001-58.302 (West 2016 & Supp. 2017), §§ 59.001-66.016 (West 2007 & Supp. 2017) (PURA).

8. The Commission granted CTT's CCN application in Docket No. 44649.⁴
9. The Applicants filed the joint application to transfer the CCN rights to Garland for its portion of the Limestone to Gibbons Creek transmission line on March 23, 2018, which was supplemented on May 7, 2018.
10. On March 29, 2018, Order No. 1 was issued, requiring Commission Staff to file a recommendation on the sufficiency of the application.
11. Notice of the application was published in the *Texas Register* on April 13, 2018.
12. On April 23, 2018, Commission Staff filed a response to Order No. 1, recommending that the Commission find that the application was sufficient for further review, that notice was sufficient and reasonable, and that no additional notice should be required.
13. On April 25, 2018, Order No. 2 was issued, finding the application and the manner and content of the notice was sufficient and adopting a procedural schedule.
14. On May 23, 2018, the Commission Staff filed a recommendation for approval of the application.
15. Garland's portion of the Limestone to Gibbons Creek transmission line, which would be transferred to Garland, is approximately 38.93 miles long, beginning at the existing Gibbons Creek Substation in Grimes County and ending at dead end structure 39/7 in Leon County.
16. On June 1, 2018, the Applicants filed a joint motion to admit evidence and proposed order.
17. On _____, 2018, Order No. _____ was issued, admitting evidence into the record.

⁴ Docket No. 44649, Order at 2 (Jan. 13, 2016).

Informal Disposition

18. More than 15 days have passed since the completion of the notice provided in this docket.
19. Commission Staff, CTT, and Garland are the only parties to this proceeding.
20. No parties filed protests, motions to intervene, or requests for a hearing; therefore, no hearing is necessary.

Transfer

21. The Limestone to Gibbons Creek transmission line was energized in April 2018.
22. Garland is a municipally-owned utility and a transmission service provider (TSP) in ERCOT.
23. Garland owns and operates the McCamey A–Odessa and McCamey C–McCamey A 345 kV transmission line.
24. Garland is capable of providing adequate transmission service as an owner and operator of transmission lines.

II. CONCLUSIONS OF LAW

1. The Commission has jurisdiction over this application under PURA §§ 37.051 and 37.154.
2. Notice of this docket was provided pursuant to 16 Texas Administrative Code (TAC) § 22.55.
3. The Commission processed the application under PURA and Commission rules.
4. Garland is required by PURA § 37.051(g) to have a CCN for its portion of the Limestone to Gibbons Creek 345 kV transmission line.
5. Garland is capable of providing adequate service under PURA § 37.154.

6. The requirements for informal disposition under 16 TAC § 22.35 have been met in this proceeding.

III. ORDERING PARAGRAPHS

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

1. The joint application of CTT and Garland to transfer the CCN rights for Garland's portion of the Limestone to Gibbons Creek 345 kV transmission line to Garland, as supplemented, is approved.
2. CTT's CCN No. 30195 and Garland's CCN No. 30063 are amended as requested.
3. All other motions, requests for entry of specific findings of fact and conclusions of law and any other request for general or specific relief, if not expressly granted herein, are denied.

SIGNED AT AUSTIN, TEXAS the _____ day of June, 2018.

PUBLIC UTILITY COMMISSION OF TEXAS

DeAnn T. Walker, Chairman

Arthur C. D'Andrea, Commissioner