

PROJECT NO. 24101

RULEMAKING CONCERNING	§	PUBLIC UTILITY COMMISSION
TRANSMISSION LINE ROUTING	§	OF TEXAS

**PROPOSAL FOR PUBLICATION OF AN AMENDMENT TO §25.101 AS
APPROVED FOR PUBLICATION AT THE MAY 24, 2001 OPEN MEETING**

The Public Utility Commission of Texas (commission) proposes an amendment to §25.101 relating to Certification Criteria. The proposed amendment will revise §25.101(c) by establishing criteria for the commission to consider in its evaluation of applications for approval of electric transmission lines. The proposed amendment will also remove references to Chapter 23, §25.173, and will make other non-substantive changes. Project Number 24101 has been assigned to this proceeding.

Mel Eckhoff, Engineering Specialist, Electric Division, has determined that for each year of the first five-year period the proposed section is in effect there will be no fiscal implications for state or local government as a result of enforcing or administering the section. Mr. Eckhoff has also determined that for each year of the first five years the proposed section is in effect the public benefit anticipated is that the impact on directly affected landowners will be minimized as a result of enforcing the section. There will be no effect on small businesses or micro-businesses as a result of enforcing this section. There is no anticipated economic cost to persons who are required to comply with the section as proposed.

Mr. Eckhoff has also determined that for each year of the first five years the proposed section is in effect there should be no effect on a local economy, and therefore no local employment impact statement is required under Administrative Procedure Act §2001.022.

The commission staff will conduct a public hearing on this rulemaking under Government Code §2001.029 at the commission's offices, located in the William B. Travis Building, 1701 North Congress Avenue, Austin, Texas 78701, on Tuesday, August 7, 2001 at 10:00 a.m. in the Commissioners' Hearing Room on the seventh floor.

Comments on the proposed amendment (16 copies) may be submitted to the Filing Clerk, Public Utility Commission of Texas, 1701 North Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326, within 30 days after publication. Reply comments may be submitted within 45 days after publication. The commission invites specific comments regarding the costs associated with, and benefits that will be gained by, implementation of the proposed section. The commission will consider the costs and benefits in deciding whether to adopt the section. All comments should refer to Project Number 24101.

Specifically, the commission requests comments on the question:

Should the commission prioritize the standards set out in §25.101(c)(6)(D)?

This amendment is proposed under the Public Utility Regulatory Act, Texas Utilities Code Annotated §14.002 (Vernon 1998, Supplement 2001) (PURA), which provides the Public Utility Commission of Texas with the authority to make and enforce rules reasonably required in the exercise of its powers and jurisdiction, §37.051 that requires an electric utility to obtain certification for electric facilities, and §37.056, which governs the issuance of certificates of convenience and necessity for electric facilities.

Cross Reference to Statutes: PURA §14.002, and, PURA Chapter 37, Subchapter B.

§25.101. Certification Criteria.

(a) - (b) (No change.)

(c) Certificates of convenience and necessity for new service areas and facilities.

Except for certificates granted under subsection (b) of this section, the commission may grant an application and issue a certificate only if it finds that the certificate is necessary for the service, accommodation, convenience, or safety of the public. For transmission line certificate applications the commission shall give great weight to the recommendation of the Electric Reliability Council of Texas (ERCOT) Independent System Operator (ISO) in determining the need for a proposed transmission line. ~~This subsection does not apply to a certificate of convenience and necessity for a new generating plant requested as part of the integrated resource planning process under §25.171 of this title (relating to Certificates of Convenience and Necessity for Generation Facilities).~~

(1) - (4) (No change.)

(5) Expedited Approval:

(A) Uncontested applications: Except for an application for a new transmission line, an application for a certificate under paragraph (1) of this subsection ~~(e)(1) of this section~~ shall be approved administratively within 80 days from the date of filing a complete application if:

- (i) (No change.)
 - (ii) the commission staff~~Office of Regulatory Affairs Staff~~ has determined that the application meets all applicable statutory criteria and filing requirements, including, but not limited to, the provision of proper notice of the application.
- (B) (No change.)
- (C) Uncontested transmission lines: An application for a certificate for a transmission line shall be approved administratively within 80 days from the date of filing a complete application if:
 - (i) - (ii) (No change.)
 - (iii) the commission ~~Office of Regulatory Affairs~~ staff has determined that the application meets all applicable statutory criteria and filing requirements, including, but not limited to, the provision of proper notice of the application.
- (D) (No change.)
- (6) **Standards of construction.** In determining standard practice, the commission will be guided by the provision of the American National Standards Institute, Incorporated, the National Electric Safety Code, and such other codes and standards that are generally accepted by the industry, except as modified by this commission or by municipal regulations within their jurisdiction. Each electric utility shall construct, install, operate, and maintain its plant, structures,

equipment, and lines in accordance with these standards, and in such manner to best accommodate the public, and to prevent interference with service furnished by other public utilities insofar as practical.

(A) - (C) (No change.)

(D) A new transmission line shall meet the criteria in the Public Utility Regulatory Act (PURA) §37.056 and shall be routed to the extent practical to moderate the impact on directly affected landowners unless grid reliability and security dictate otherwise. The following factors shall be considered in assessing the impact on directly affected landowners:

(i) whether the preferred and alternate routes utilize existing compatible rights-of-way, including the use of vacant positions on existing multiple-circuit transmission lines;

(ii) whether the preferred and alternate routes parallel existing compatible rights-of-way; and

(iii) whether the preferred and alternate routes parallel property lines.

(d) - (f) (No change.)

~~(g) — To the extent that any portion of Chapter 23 of this title may be inconsistent with this section, this section controls.~~

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's authority to adopt.

**ISSUED IN AUSTIN, TEXAS ON THE 1st DAY OF JUNE 2001 BY THE
PUBLIC UTILITY COMMISSION OF TEXAS
RHONDA G. DEMPSEY**