



Control Number: 50726



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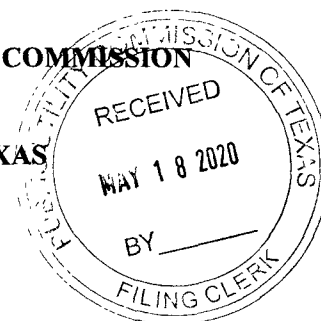
PUC DOCKET NO. 50726

**APPLICATION OF AEP TEXAS INC.
TO AMEND ITS CERTIFICATE OF
CONVENIENCE AND NECESSITY FOR
THE ANGSTROM TO SDI BUFFALO
DOUBLE- CIRCUIT 345-KV
TRANSMISSION LINE IN
SAN PATRICIO COUNTY**

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PUBLIC UTILITY COMMISSION

OF TEXAS



**RESPONSE OF AEP TEXAS INC.
TO ISSUES TO BE ADDRESSED IN ORDER NO. 1**

COMES NOW AEP Texas Inc. (AEP Texas) and files this Response to the four issues to be addressed in Order No. 1 and in support thereof would respectfully show as follows:

I. INTRODUCTION

On April 13, 2020, AEP Texas filed an application to amend its certificate of convenience and necessity for the Angstrom to SDI Buffalo double-circuit 345-kV transmission line in San Patricio County, Texas. PUC Order No. 1 issued in this docket on May 14, 2020 requires AEP Texas, in part, to provide certain information that addresses potential alternatives to the proposed project. Order No. 1 requires AEP Texas to respond by May 19, 2020. Accordingly, this Response is timely and AEP Texas provides the following information in Response to Order No. 1:

II. ISSUES TO BE ADDRESSED

- 1. Has the Electric Reliability Council of Texas (ERCOT) recommended the proposed transmission project as necessary to alleviate “existing and potential transmission and distribution constraints and system needs within ERCOT” in the annual report filed under PURA Section 39.155(b)? If not, is there a need for the proposed transmission project?**

This project has not been included in the ERCOT *Report on Existing and Potential Electric System Constraints and Needs* filed in accordance with PURA Section 39.155(b). As described in the response to Question 14 in the AEP Texas CCN application in this docket, this project is needed to provide service to a new steel plant located near Sinton in San Patricio County, Texas.

- 2. If such a need exists, is the proposed transmission project the best option to meet the need, based on an analysis taking into account consideration of efficiency, reliability, costs, and benefits?**

Yes, it is. As stated in the response to Question 15 in the AEP Texas CCN application in this docket, the proposed double-circuit 345-kV transmission line project is the only reasonable option to serve the 400 MVA industrial load at the new steel plant considering efficiency, reliability, costs, and benefits.

3. For utilities that are subject to unbundling requirements of PURA Section 39.051, is the proposed transmission project the best option when compared to employing distribution facilities to meet the specified need?

AEP Texas is subject to the unbundling requirements of PURA Section 39.051. The proposed transmission project is the best option compared to employing distribution facilities to meet the specified need, as explained in response to Question 15 in AEP Texas's CCN application in this docket. The need for the transmission option is driven by the necessity to serve the 400 MVA industrial load at the new steel plant, and cannot be provided by any reasonable distribution solution.

4. For utilities that are not subject to unbundling requirements of PURA Section 39.051, is the proposed transmission project the best option when compared to employing distribution facilities, distributed generation, and/or energy efficiency to meet the specified need?

Not applicable.

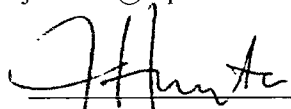
In addition, PUC Order No. 1 requires AEP Texas to provide a copy of the application to the Texas Parks and Wildlife Department (TPWD) within seven days of filing the application. As attested to in its Proof of Notice and Publication filed on May 1, 2020, AEP Texas sent a copy of the application and all attachments, including the Environmental Assessment and Route Analysis (Application Attachment 1) to TPWD on the day the application was filed at the Commission, April 13, 2020. In its application, AEP Texas filed a copy of a letter of transmittal of the application to TPWD and an affidavit verifying transmittal of the application to TPWD. These are included as Attachments 9a and 9b of the application.

Dated: May 18, 2020

RESPECTFULLY SUBMITTED,

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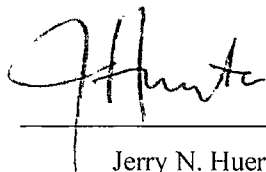
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Jerry N. Huerta
ATTORNEY FOR
AEP TEXAS INC.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was served on all parties of record in this proceeding by hand-delivery, overnight delivery, facsimile transmission, or U.S. first-class mail on the 18th day of May, 2020.

A handwritten signature in black ink, appearing to read "J. Huerta", is written above a horizontal line. The signature is stylized with a large initial "J" and a cursive "Huerta".

Jerry N. Huerta