

Siting and Land Rights

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June 29, 2016

Julie Wicker Wildlife Habitat Assessment Program Wildlife Division Texas Parks and Wildlife Department 4200 Smith School Road Austin, Texas 78744

Dear Ms. Wicker:

Southwestern Public Service Company ("SPS"), a subsidiary of Xcel Energy Inc., is providing notice of its application to amend its Certificate of Convenience and Necessity ("CCN") in order to construct and operate a new 345-kilovolt ("kV") single-circuit transmission line within Hale, Hockley, Lubbock, Terry, and Yoakum Counties, Texas and certain upgrades described below ("Proposed Project"). SPS has filed an application with the Public Utility Commission of Texas ("Commission" or "PUC") (Docket No. 46042 - Application of Southwestern Public Service Company to Amend a Certificate of Convenience and Necessity for a Proposed 345-kV Transmission Line Within Hale, Hockley, Lubbock, Terry, and Yoakum Counties, Texas) and is requesting the approval of the Commission for the Proposed Project. The Proposed Project is needed for reliability purposes associated with increased SPS network loads.

The Proposed Project will involve the construction of a new 345-kV transmission line that will begin at the existing TUCO Substation located in Hale County, approximately two miles north of the City of Abernathy, and will extend generally southwest until it reaches the Yoakum Substation approximately one mile west-northwest of the intersection of Farm-to-Market Road 435 and County Road 260, located in Yoakum County. The Yoakum County Substation will be expanded and will require an addition of a 345-kV terminal to accommodate the connection of the 345-kV transmission line. The TUCO Substation will also require an upgrade which includes a 345-kV line terminal to accommodate the 345-kV transmission line to Yoakum Substation. The Proposed Project represents a portion of the TUCO to Yoakum to Hobbs Project. The Southwest Power Pool ("SPP") identified the Proposed Project as needed for reliability to alleviate loading violations on the underlying network and voltage violations due to insufficient power supply to network load additions. The SPP has issued a Notification to Construct for the Proposed Project.

The proposed 345-kV single-circuit transmission line will be constructed using primarily two-pole H-frame steel structures for tangents and light angles. High angle structures and dead-end structures will be three-pole steel structures. The proposed 345-kV single-circuit transmission line will be constructed entirely on new right-of-way with a proposed permanent easement width of 150 feet. In some circumstances, a wider easement may be necessary, but these locations and easement widths cannot be determined until the selected route is surveyed. In addition to the permanent easement, for construction purposes, SPS proposes a temporary easement of 50-feet as well as a 300 ft. x 300 ft. temporary easement for angles greater than 45 degrees.

The proposed 345-kV single-circuit transmission line is presented with 22 alternative routes consisting of a combined 184 links and is estimated to be approximately 99 to 111 miles depending on which route is selected.

Depending on the route chosen, the total cost of the Proposed Project, including the transmission line and substation costs, is estimated to be between approximately \$133.6 million and \$155.4 million.

Enclosed for your review is a copy of the application, which includes the Environmental Assessment of the proposed project. <u>All routes and route links included in this notice</u> are available for selection and approval by the Commission.

If you have any questions or need additional information, please call Lance Kenedy (806) 378-2435 or James Bagley (806) 378-2868.

Sincerely,

Sean L. Frederiksen, Supervisor

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Enclosures