LCRA TSC files information with Public Utility Commission on potential use of different transmission line structures

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LCRA Transmission Services Corporation (TSC) recently provided new information to the Public Utility Commission of Texas (PUC) on the potential use of concrete poles in its Gillespie-to-Newton Transmission Line Project, which may be located in portions of Gillespie, Llano, San Saba, Burnet and Lampasas counties.

Since filing PUC Docket No. 37448 direct testimony and exhibits in October, LCRA TSC's concrete pole manufacturer provided information about budgetary, schedule and manufacturing feasibility. As a result, LCRA TSC re-examined the cost projections for concrete poles and compared them with other previously considered structure types.

"LCRA TSC continually monitors and evaluates changes in the market that can impact the cost of construction materials," said Stuart Nelson, LCRA Transmission Asset Development manager. "Providing this new information about concrete poles to the PUC illustrates what we have been telling folks about the process of selecting transmission line structures – at this point in time we still recommend using lattice towers in our project because they still cost less, but of course we will build whatever the PUC tells us to build." The new data shows lattice towers are still less expensive to construct than concrete poles or other single-pole structures.

The Jan. 6 filing can be viewed on PUC's Web site Interchange under Docket No. 37448 titled LCRA TSC's Third Errata. It states that interested persons have expressed the desire to have information about cost and feasibility with regard to the use of concrete poles. The filing provides the latest information known to LCRA TSC on the subject in an effort to maintain a high degree of transparency.

The PUC transmission line criteria are the driving factors behind LCRA TSC's transmission line route recommendations, including transmission structures. Nelson said that compared to lattice towers, concrete poles can only span up to about 900 feet apart, whereas lattice towers can be placed as far as 1,200 to 1,500 feet apart, reducing the number of lattice towers compared to concrete poles.

"Costs are important PUC criteria because the costs of projects are ultimately shared and paid for by the individual ratepayer," Nelson said. "We want to be good stewards of the public's dollars and make our recommendations with that in mind."

To that end, LCRA TSC began ordering a portion of the steel that could be used for lattice towers – about 30 percent of the steel that would be used for all of LCRA TSC's 400 miles of 345-kilovolt-line projects if all those projects would be built with lattice towers. The materials are being stored in about half a dozen laydown yards near different cities.

"We ordered some of the steel for lattice towers because of the potential risk of all the transmission service providers ordering the same material to build 2,300 miles of lines simultaneously," Nelson said. "We continue to evaluate schedules and material needs."

Attachment 1

LCRA TSC is one of several transmission service providers that have been formally ordered by the PUC to construct new transmission lines required to connect Competitive Renewable Energy Zones to areas throughout the state. A CREZ is an area where wind generation facilities will be installed throughout West Texas and the Panhandle and from which transmission facilities will be built to various other areas of the state to deliver mostly renewable power to end-use consumers in the most beneficial and cost-effective manner.

"We don't plan to order more than 30 percent of the steel until the PUC selects our route and structure types for the Gillespie-to-Newton Transmission Line Project," Nelson said. The steel that has already been ordered will continue to arrive over the next few months.

"If the PUC tells us to build something other than lattice towers, then we will use what we already bought on other projects or sell the materials," Nelson said.

About LCRA TSC
LCRA Transmission Services Corporation is a nonprofit corporation created by LCRA to build, own, and operate transmission lines and related facilities throughout Texas. LCRA TSC owns and leases about 4,400 miles of transmission lines and other facilities that are part of the state's electric grid. LCRA TSC pays local and state taxes.

About LCRA
The Lower Colorado River Authority (LCRA) is a nonprofit conservation and reclamation district that provides energy, water, and community services to Texans. Created by the Texas Legislature in 1934, LCRA has no taxing authority and operates solely on utility revenues and service fees. LCRA supplies electricity to more than 1.1 million Texans through more than 40 wholesale customers. LCRA also provides many other services in the region. These services include managing floods, protecting the quality of the lower Colorado River and its tributaries, providing parks and recreational facilities, offering economic development assistance, operating water and wastewater utilities, and providing soil, energy, and water conservation programs.