

U.S. DEPARTMENT OF ENERGY
OFFICE OF FUELS PROGRAMS

PRESIDENTIAL PERMIT PP-94
AUTHORIZING
CENTRAL POWER & LIGHT COMPANY
TO CONSTRUCT, CONNECT, OPERATE, AND MAINTAIN
ELECTRIC TRANSMISSION FACILITIES ACROSS
THE INTERNATIONAL BORDER BETWEEN
THE UNITED STATES AND MEXICO

BACKGROUND

On December 23, 1991, the Central Power & Light Company (CPL) filed an application with the Office of Fuels Programs (OFP) of the Department of Energy (DOE) for a Presidential permit to construct, connect, operate, and maintain one 138-kilovolt (kV) transmission line and one 69-kV transmission line at the international border between the United States and Mexico. The 69-kV line is an existing line extending from CPL's Brownsville Switching Station to the U.S./Mexico border and was constructed pursuant to Presidential Permit PP-15. This line will be relocated to a new double-circuit support structure which will be approximately 1.3-miles long. The second circuit, the new 138-kV transmission line will originate approximately 0.4 miles south of the Brownsville Switching Station at CPL's existing Military Highway Substation. The proposed lines will occupy the same support structures for the length of the 138-kV line and connect with similar facilities owned and operated by the Comision Federal de Electricidad (CFE), the Mexican national electric utility. The applicant states that the proposed

facilities are needed to allow more efficient planning and operation of the trans-border power supply system in the region.

Notice of CPL's application was placed in the Federal Register on January 14, 1992, stating that any person desiring to be heard or to make any protest with reference to the application should file with the DOE a petition to intervene or protest in accordance with the Rules of Practice and Procedure (18 CFR 385.211 or 385.214) on or before February 13, 1992. No comments, protests, or petitions to intervene were received.

The DOE has assessed the potential impacts on the electric system reliability associated with the addition of this 138-kV tie to Mexico and the relocation of the existing 69-kV tie. In this review the DOE found that, during periods when CPL is either exporting electric energy to or importing from CFE, synchronism between the two systems can only be maintained when either CFE's Matamoros electrical system is disconnected from the remainder of CFE's system, or CPL's system is disconnected from the rest of the Electric Reliability Council of Texas system. Such an arrangement causes the importing system to be "seen" as a radial load by the exporting system and thus reduces the possibility that a fault on one system would result in cascading outages on either system. Based on this operating arrangement, the DOE has prepared a staff reliability analysis dated May 13, 1992, which supports the finding that the issuance of the requested

Presidential permit will not adversely impact the reliability of the U.S. electric supply system.

The DOE also has assessed the potential environmental impacts associated with constructing these transmission lines and has determined that the proposed action clearly would not constitute a major Federal action which could significantly affect the quality of the human environment within the meaning of the National Environmental Policy Act of 1969, 42 U.S.C. 4321, et seq. The DOE, in a Finding of No Significant Impact dated June 9, 1992, documents the rationale supporting this finding.

FINDING

Having found that there is no significant environmental impact and that there is no impairment of electric system reliability associated with the construction and operation of the proposed facilities, and since the Secretary of State by letter dated June 17, 1992, and the Secretary of Defense by letter dated June 1, 1992, have concurred with the issuance of this Presidential permit, the Deputy Assistant Secretary for Fuels Programs finds that the issuance of the Presidential permit, as provided hereafter, is appropriate and consistent with the public interest.

AUTHORIZATION

Pursuant to the provisions of Executive Order No. 10485, as amended by Executive Order No. 12038, and the Rules and Regulations thereunder (Title 10, Code of Federal Regulations, section 205.320 et seq.), permission hereby is granted to Central Power & Light Company to construct, connect, operate, and maintain at the international border of the United States and Mexico, one 138-kV transmission line and one 69-kV transmission line as further described in Article 2 below, upon the following conditions:

Article 1. The facilities herein described shall be subject to all conditions, provisions and requirements of this permit. This permit may be modified or revoked by the President of the United States without notice, or by the DOE after public notice, and may be amended by the DOE after proper application thereto.

Article 2. The facilities covered by and subject to this permit shall include the following facilities and all supporting structures within the right-of-way occupied by such facilities:

(a) One 138-kV, 60-hertz, alternating current transmission line extending from CPL's existing Military Highway Substation located in Brownsville, Texas, to the international border between the United

States and Mexico, at a point near the Rusteberg Bend of the Rio Grande River; and

(b) One 69-kV, 60-hertz, alternating current transmission line extending from CPL's existing Brownsville Switching Station in Brownsville, Texas, to the international border between the United States and Mexico, at a point near the Rusteberg Bend of the Rio Grande River.

These facilities are more specifically shown and described in the application filed by CPL on December 23, 1991.

Article 3. CPL will provide plans to the U.S. Commissioner, International Boundary and Water Commission, for review and approval, to determine that the construction, connection, operation, and maintenance of the facilities authorized herein will not be inconsistent with boundary and water treaties and other agreements in force between the United States and Mexico.

Article 4. The facilities described in Article 2 will be designed and operated in accordance with the applicable criteria established by the Electric Reliability Council of Texas (ERCOT). Furthermore, the subject facilities shall be operated in a manner such that the CPL and CFE Matamoros electric systems shall be electrically interconnected to each other only after separation of the CFE Matamoros system from CFE's main electric grid, or

after separation of the CPL system or a portion thereof, as appropriate, from the main electric grid of ERCOT.

Article 5. No change shall be made in the facilities covered by this permit or in the authorized operation of these facilities unless such change has been approved by the DOE.

Article 6. CPL or its agent shall at all times maintain the facilities covered by this permit in a satisfactory condition so that all requirements of the National Electric Safety Code in effect at the time of construction are fully met.

Article 7. The operation and maintenance of the facilities covered by this permit shall be subject to the inspection and approval of a properly designated representative of the DOE, who shall be an authorized representative of the United States for such purposes. CPL shall allow officers or employees of the United States with written authorization for free and unrestricted access into, through, and across any lands occupied by these facilities in the performance of their duties.

Article 8. CPL shall investigate any complaints from nearby residents of radio or television interference identifiably caused by the operation of the facilities covered by this permit. CPL shall take appropriate action as necessary to mitigate such situations. Complaints from individuals residing within one-half

mile of the center of the transmission circuit are the only ones which must be resolved. CPL shall maintain written records of all complaints received and of the corrective actions taken.

Article 9. The United States shall not be responsible or liable: for damages to or loss of the property of, or injuries to, persons; for damages to, or loss of the facilities covered by this permit; or for damages to, or loss of the property of, or injuries to the person of CPL officers, agents, servants or employees, or of others who may be on said premises; any of which may arise from or be incident to the exercise of the privileges granted herein; and CPL shall hold the United States harmless from any and all such claims arising from the construction, operation or maintenance of the facilities authorized.

Article 10. CPL shall arrange for the installation and maintenance of appropriate metering equipment to record permanently the hourly flow of all electric energy transmitted between the United States and Mexico over the facilities authorized herein. CPL shall prepare, maintain, and preserve complete and accurate records concerning the transfer of such electric energy; and shall furnish the DOE an annual report which will be due on or before February 15 of each year, detailing the transmission of such electric energy, as follows: (1) the gross amount of kilowatt-hours of electric energy received or delivered; (2) the maximum hourly rate of transmission in

kilowatts; and (3) the consideration paid or received for such energy during each month of the preceding calendar year.

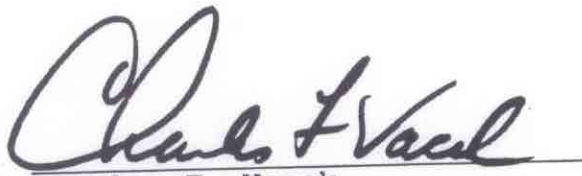
Article 11. Neither this permit nor the facilities covered by this permit, or any part thereof, shall be transferable or assignable, except in the event of the involuntary transfer of the facilities by the operation of law. In the case of such an involuntary transfer, this permit shall continue in effect for a period of 60 days and then shall terminate unless an application for a new permit pursuant to Title 10, Code of Federal Regulations, section 205.323, has been received by the DOE. Upon receipt by the DOE of such an application, this existing permit shall continue in effect pending a decision on the new application. During this decision period, the facilities authorized herein shall remain substantially the same as before the transfer.

Article 12. Upon the termination, revocation, or surrender of this permit, the 138-kV transmission line and the 69-kV transmission line, which are operated and maintained by CPL and described in Article 2 of this permit, shall be removed within such time as DOE may specify and at the expense of CPL. If CPL fails to remove such facilities or any portion thereof authorized by this permit, DOE may direct that such actions be taken for the removal of the facilities or the restoration of the land associated with the facilities at the expense of CPL. CPL shall

have no claim for damages by reason of such possession, removal, or repair. However, upon a showing by CPL that certain facilities authorized herein, such as portions of its rights-of-way or the transmission lines within the United States, are useful to other utility operations within the bounds of the United States, the DOE will not require that those facilities be removed and the land restored to its original condition upon termination of the international interconnection.

Article 14. This permit shall be valid upon receipt by the DOE of the Testimony of Acceptance properly executed.

In witness whereof, I, Charles F. Vacek, Deputy Assistant Secretary for Fuels Programs, hereunto sign my name this 18 day of June, 1992, in the city of Washington, District of Columbia.


Charles F. Vacek
Deputy Assistant Secretary
for Fuels Programs
Office of Fossil Energy