Department of Energy
Washington, DC 20585

November 2, 2026

Scott Osterholt, Managing Director
American Electric Power
1 Riverside Plaza
Columbus, OH 43215
ssosterholt@aep.com

Subject: U.S. Department of Energy, Office of Energy Dominance Financing Completion of Environmental Review for the Proposed Hecker to Resnik Rebuild Project in San Patricio County, Texas

Dear Scott:

The United States Department of Energy (DOE), Office of Energy Dominance Financing (EDF) has issued a Federal loan guarantee to American Electric Power (AEP) pursuant to DOE's authority under Title XVII of the Energy Policy Act of 2005, as amended. The loan guarantee to AEP is intended to provide financing for many projects over the life of the Federal loan guarantee. Each project is reviewed and considered individually prior to being approved for financing under the Federal loan guarantee. This letter confirms that EDF has completed the environmental review of AEP's **Hecker to Resnik Rebuild Project** (Project), in San Patricio County, Texas, prior to approving the Project for financing under the Federal loan guarantee. A description of the Project and EDF's environmental review findings follows.

The Project includes the rebuild of approximately 3.54 miles of existing 138 kV transmission line, removal of approximately 0.4 miles of existing overhead transmission line between the Hecker and Resnik Substations, and the reconstruction of portions of the existing Whitepoint-Dupont and Hecker Extension transmission facilities. The Project consists of removing existing pole structures, installing new pole structures, and stringing new transmission line in the general location of each pole structure, primarily within the existing right-of-way (ROW).

In addition to utilizing existing roads and ROW, the Project will require acquisition of supplemental easements and ROW for transmission line reconstruction. The existing 50-foot ROW will be expanded up to approximately 100 feet where required. Construction activities will include erosion and sediment control, site access establishment, foundation installation, transmission structure erection, conductor installation, removal of existing facilities, and restoration activities following construction completion. Construction is anticipated to begin November 1, 2026.

DOE EDF conducted the environmental reviews and consultations required by the applicable and relevant environmental statutes and Executive Orders (EOs) associated with its proposed Federal financial support.

The applicable and relevant environmental statutes and EOs included:

1. Section 7 of the Endangered Species Act (16 USC 1536)
2. Section 106 of the National Historic Preservation Act (54 USC 306108)

a. Executive Order 13175, Consultation and Coordination with Indian Tribal Governments

3. Section 307 of the Coastal Zone Management Act (16 USC 1451)

Applicable and Relevant Environmental Review(s)

Section 7, Endangered Species Act

On October 15, 2026, DOE EDF obtained from the U.S. Fish and Wildlife Service (USFWS) an Official Species List (Project Code 2027-0005872), which resulted in the following species identified as occurring or potentially occurring in the Project area: the threatened eastern black rail (*Laterallus jamaicensis jamaicensis*), the endangered northern aplomado falcon (*Falco femoralis septentrionalis*), the threatened piping plover (*Charadrius melodus*), the threatened rufa red knot (*Calidris canutus rufa*), the endangered whooping crane (*Grus americana*), the threatened green sea turtle (*Chelonia mydas*), the endangered hawksbill sea turtle (*Eretmochelys imbricata*), the proposed threatened tricolored bat (*Perimyotis subflavus*), and the proposed threatened monarch butterfly (*Danaus plexippus*). No designated critical habitat was identified in the Project area. On October 15, 2026, DOE EDF completed the Texas Statewide Determination key (Texas Dkey) in IPaC, which returned a result of *no effect* for the eastern black rail, northern aplomado falcon, piping plover, and rufa red knot; a result of *not likely to adversely affect (NLAA)* for the green sea turtle and the hawksbill sea turtle; and a result of *may affect* for the whooping crane. DOE also completed the Northern Long-eared Bat and Tricolored Bat Range-wide Determination Key in IPaC, which returned a result of *no effect* for the tricolored bat.

Due to the nature of the Project as a rebuild in the same location of the existing transmission line (i.e., existing baseline conditions will remain essentially unchanged after the rebuild), DOE EDF requested an informal concurrence from the USFWS Texas Coastal and Central Plains Ecological Services Office on a *may affect, not likely to adversely affect* determination for the whooping crane. USFWS concurrence with this determination was received on October 26, 2026. AEP plans to implement the following conservation measures and BMPs recommended, but not required, by the USFWS to prevent or minimize potential adverse effects to the whooping crane:

- AEP will instruct all personnel and provide training, materials, and handouts about the potential presence of ESA listed species

- If these species are seen within 1000 yards (yd) of the active work, activities shall cease immediately, and all appropriate precautions shall be implemented to ensure protection of ESA listed species. A biological monitor with work-stop authority shall be present from start to finish of the project in the event a whooping crane appears on the work site. For projects where the species is unlikely, the biological monitor can be an assigned role for one of the crew. This designated crew member shall be responsible for the onsite monitoring of the species. Working familiarity with the appearance of the species (and look-a-likes) and basic binocular skills are the basic requirements.

- The Avian Power Line Interaction Committee has published Suggested Practices for Avian Protection on Power Lines these practices are effective not only for whooping cranes but also raptors, migratory species, and waterbirds which occur in high numbers in the project area. (https://www.aplic.org/pdf_view.php?file_url=https%3A%2F%2Fwww.aplic.org%2Fuploads%2Ffiles%2F15951%2FAPLIC-2026-Suggest-Practices-ENG.pdf)

DOE understands that as a proposed species under ESA, the monarch butterfly has a different threshold of analysis and the Federal action agency is required to determine if their action would be likely to jeopardize the continued existence of the species, and if so, request a Conference Consultation with the USFWS. DOE does not believe the Project would be likely to jeopardize the continued existence of the species given the low potential for habitat and disturbed nature of the existing Project area and associated ROW. In addition, DOE does not anticipate a USFWS decision on whether to formally list the monarch butterfly any time soon; as reflected in the Trump Administration's Unified Agenda of Regulatory and Deregulatory Actions, the final listing determination for the monarch butterfly is included as a "long-term action".

Section 106, National Historic Preservation Act

In accordance with the National Historic Preservation Act (NHPA), EDF consulted with the Texas State Historic Preservation Office (SHPO). On October 19, 2026, the Texas SHPO concurred with EDF's finding of no historic properties affected for this project. DOE identified and contacted four federally recognized Native American Indian Tribes (Tribes) that may have an interest in the Project area (Apache Tribe of Oklahoma; Comanche Nation, Oklahoma; Tonkawa Tribe of Indians of Oklahoma; and Wichita and Affiliated Tribes (Wichita, Keechi, Waco, and Tawakonie), Oklahoma). No comments were received from these Tribes.

Section 307, Coastal Zone Management Act

DOE EDF coordinated with the Texas General Land Office (GLO), which confirmed that the GLO Coastal Management Program does not currently have any listed federal financial assistance activities. Therefore, a federal consistency review is not required.

Conclusion

With this letter, EDF confirms that it has completed the environmental reviews and consultations required by the applicable and relevant environmental statutes and Executive Orders (EOs) associated with its proposed Federal financial support.

EDF notes that AEP is responsible for obtaining permits, approvals, and/or authorizations required for the construction and/or operation of the Project.

Respectfully,

DONALD BROWN

Digitally signed by DONALD BROWN
Date: 2026.11.02 14:26:17 -05'00'

Donald Brown
Environmental Project Manager
Office of Energy Dominance Financing

cc: Alicia Williamson, Acting Director, EDF Environmental Programs
Karin Olsen, EDF Environmental Project Manager
Marla Waters, Project Manager, American Electric Power