



**Harvey Hilderbran**

MEMBER

**The Texas House of Representatives**  
State Representative • District 53

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July 23, 2010

Chairman Barry Smitherman  
Public Utility Commission of Texas  
PO Box 13326  
Austin, Texas 78711

Dear Chairman Smitherman:

I am formally requesting that the PUC re-evaluate the McCamey D to Kendall to Gillespie segments as well as extend the July 28, 2010, filing deadline.

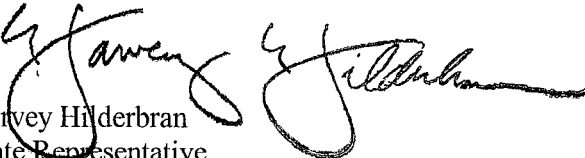
As you know, the PUC has approved several projects, including the NextEra, formerly FP&L Energy, transmission line, developed after the CREZ study was completed. I want to strongly encourage the PUC to look at those existing and developing transmission lines that are capable of providing energy to Texans and examine whether these lines are being fully utilized. The PUC and ERCOT need to assure all Hill Country residents that existing transmission lines are being fully utilized before adding more transmission projects in the Hill Country.

In April, the PUC requested that LCRA reexamine the Gillespie to Newton line. In that PUC meeting, there were questions as to whether the line was necessary in the first place. In my opinion, the same question applies to all of the McCamey D segments. Furthermore, there is emerging information suggesting a shorter life span for wind production equipment that may negatively impact the economic models that originally supported the investment and were used to forecast production. In addition, it appears that the West Texas resource may be nearing its peak and wind energy production is shifting to the coastal areas of Texas. Finally, it is becoming increasingly clearer that natural gas is cheaper, plentiful and should play a much greater role in providing power to all Texans.

All of this raises questions as to whether we will even need all of the transmission capacity being contemplated by the CREZ projects. Therefore, I am requesting that ERCOT reexamine and update the Long-Term System Assessment (LTSA) to determine the need for any or all of the proposed CREZ projects before erecting CREZ lines that will cause great harm to the Hill Country. I believe that re-evaluating the routes and extending the deadline will benefit everyone involved, including Hill Country residents by ensuring that new transmission lines are absolutely necessary before constructing any new transmission lines. I strongly urge the PUC to request that ERCOT reexamine the LTSA and determine if there is further need of additional import capacity.

It has been a pleasure working with you as a member of the House Committee on State Affairs, and I look forward to working with you next session on utility issues and the sunset process.

Sincerely,

  
Harvey Hilderbran  
State Representative

Cc: H.B. "Trip" Doggett, President & CEO, Electric Reliability Council of Texas

Callahan, Coleman, Concho, Crockett, Llano, Kerr, Kimble, Mason, McCulloch, Menard, Real, Runnels, San Saba, Schleicher & Sutton Counties