



MEMO

Date: January 10, 2006
To: Board of Directors
From: Bill Bojorquez, Sam Jones
Subject: Kurten Switch Project

Issue for the ERCOT Board of Directors

ERCOT Board of Director Meeting Date: January 17, 2006

Agenda Item No.: 7a

Issue:

ERCOT Board endorsement of the Kurten Switch Project.

Background/History:

The current transmission system supporting the Bryan and College Station area is not sufficient to meet the reliability needs of the area. In order to meet short term needs through 2008, transmission owners in the area have begun various transmission upgrades to maintain reliable service to customers. The transmission owners in the area are Brazos Electric Cooperative (BEC), Bryan Texas Utilities (BTU), Texas Municipal Power Agency (TMPA) and the City of College Station Utilities (CSU).

In order to meet the long term needs after 2008, additional cost effective transmission upgrades have been recommended through the regional planning group process. These transmission upgrades (the “Kurten Switch Project”) include:

- Constructing a Kurten Switch 345-kV Station in one circuit of the Twin Oak-Gibbons Creek 345-kV double circuit lines with a 345/138-kV 600-MVA autotransformer (TMPA)
- Constructing a double circuit 138-kV line from Kurten Switch through Kurten into Tabor; reconfiguring the Dansby to Steephollow 138-kV line (TMPA/ BTU)
- Completing the Booneville to College Station Switch 138-kV upgrade (BEC)
- Converting Booneville to Tabor to 138-kV operation (BEC)
- Moving the 69-kV line from Sutton to terminate at Tabor (BEC)

A detailed report is included as Attachment A. The Kurten Switch Project is projected to be completed by the summer of 2009 at a net cost of approximately \$16,620,000 (in 2005 dollars).

Key Factors Influencing Issue:

The Kurten Switch Project is needed to support increased imports into area as local generation suspends operations. The Kurten Switch Project will sufficiently meet the area’s needs for 2009



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and beyond at the lowest net cost.

All stakeholder comments in the regional planning process supported ERCOT's recommendation for the Kurten Switch Project. In addition, TAC voted unanimously to support the project recommendation at its December 1, 2005 meeting.

Alternatives:

- (1) Endorse the need for the construction of the Kurten Switch Project as recommended by ERCOT Staff and supported by TAC and the regional planning groups;
- (2) Remand to ERCOT Staff with instructions.

Conclusion/Recommendation:

ERCOT Staff recommends that the Board endorse the need for the Kurten Switch Project as presented herein.