



Date: April 10, 2007
To: Board of Directors
From: Bill Bojorquez, Vice President, System Planning
Subject: Anna to Collin 345kV Line Upgrade Project

Issue for the ERCOT Board of Directors

ERCOT Board of Director Meeting Date: April 18, 2007

Agenda Item No.: 5a

Issue:

ERCOT Board endorsement of Anna to Collin 345kV Line Upgrade Project (the Project).

Background/History:

TXU Electric Delivery proposed the Project in October 2006 along with the upgrade of another 345kV line segment (from Collin to Northwest Carrollton); the project proposal is included as Attachment A. The Project consists of the re-conductoring of the existing line between the Anna and Collin substations. The estimated cost of the Project is \$4 million.

The Project was included in the Five-Year Plan for the ERCOT Region in 2006. ERCOT Staff confirmed the economic value of the Project through an additional independent study. The upgrade of the second proposed line segment, from Collin to Northwest Carrollton, is not being recommended at this time. The ERCOT Independent analysis is included as Attachment B.

Key Factors Influencing Issue:

1. ERCOT Independent Review showed the Project would save \$5 million in annual production costs in 2008.
2. The Project utilizes existing structures; no new right-of-way.

Alternatives:

1. Endorse the need for the Project as recommended by ERCOT Staff and supported by the North Regional Planning Group.
2. Remand to ERCOT Staff with instructions.

Conclusion/Recommendation:

ERCOT Staff recommends that the Board endorse the need for the Project.