

LCRA Transmission Services Corporation

Board Agenda

Tuesday, April 22, 2025

Commerce Hall

118 S. Commerce St.

Lockhart, TX 78644

Earliest start time: 12:45 p.m.

Item From the Chair

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Consent Item

2. Minutes of Prior Meeting..... 5

Action Items

3. Fiscal Year 2025 LCRA Transmission Services Corporation Business
Plan Amendment 9
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5. Acquisition of Interests in Real Property – Use of Eminent Domain
in Crane County..... 13
6. Acquisition of Interests in Real Property – Use of Eminent Domain
in Upton County..... 26

Executive Session

1. Legal Advice on Pending and Anticipated Litigation, Claims and Settlements
2. Legal Advice on Legal Matters

The Board also may go into executive session on any item listed above, pursuant to Chapter 551 of the Texas Government Code, including, but not limited to, sections 551.071, 551.072, 551.074, 551.076, 551.086, 551.089 and 418.183(f) of the Texas Government Code.

Legal Notice

Legal notices are available on the Texas secretary of state website 72 hours prior to the meeting at the following link: <https://www.sos.texas.gov/open/index.shtml>

OVERVIEW OF LCRA TRANSMISSION SERVICES CORPORATION

In connection with the implementation of retail competition in the electric utility industry in the state of Texas, LCRA was required by the Texas Legislature in its amendments to the Public Utility Regulatory Act (enacted in 1999 under state legislation known as Senate Bill 7 and referred to as SB 7) to unbundle its electric generation assets from its electric transmission and distribution assets. LCRA conveyed, effective Jan. 1, 2002, all of its existing electric transmission and transformation assets (collectively, the Transferred Transmission Assets) to the LCRA Transmission Services Corporation (LCRA TSC) pursuant to the terms of an Electric Transmission Facilities Contract (the Initial Contractual Commitment), dated Oct. 1, 2001.

LCRA TSC is a nonprofit corporation created by LCRA to act on LCRA's behalf pursuant to Chapter 152, Texas Water Code, as amended. After Jan. 1, 2002, LCRA TSC engaged in the electric transmission and transformation activities previously carried out by LCRA and assumed LCRA's obligation to provide, and the right to collect revenues for, electric transmission and transformation services. LCRA TSC is an electric transmission service provider (a TSP) under the state's open-access electric transmission regulatory scheme within the approximately 85% area of the state covered by the Electric Reliability Council of Texas (ERCOT). In such capacity, LCRA TSC is entitled to receive compensation from all electric distribution service providers using the electric transmission system within ERCOT. As a TSP in the ERCOT region of the state, the rates that LCRA TSC will charge for transmission services are regulated by the Public Utility Commission of Texas (PUC) and determined pursuant to transmission cost of service rate proceedings filed with and approved by the PUC.

Within the framework of SB 7, LCRA TSC implements the electric transmission business of LCRA, including the expansion of electric transmission services outside of LCRA's traditional electric service territory. LCRA personnel are responsible for performing all of LCRA TSC's activities pursuant to a services agreement between LCRA TSC and LCRA. This includes procuring goods and services on behalf of LCRA TSC and is reflected in the LCRA Board agenda contracts.

Under the LCRA Master Resolution, defined as the LCRA Board resolution governing LCRA's outstanding debt, and certain provisions of state law, the LCRA Board is required to exercise control over all operations of LCRA TSC. This control includes approval of LCRA TSC's business plan and of the sale or disposition of any significant assets of LCRA TSC. The Board of Directors of LCRA TSC (LCRA TSC Board) is appointed by and serves at the will of the LCRA Board. The current membership of LCRA TSC Board is made up entirely of the existing LCRA Board.

Commerce Hall
118 S. Commerce St.
Lockhart, TX 78644



FOR THE RECORD

1. Comments From the Public

Summary

This part of the meeting is intended for comments from the public on topics under LCRA Transmission Services Corporation's jurisdiction but not related to an item on the Board of Directors agenda. No responses or action may be taken by the Board during public comments.

In order to address the Board, a member of the public is required to sign and complete the registration form at the entrance to the meeting room.

Any member of the public wishing to comment on an item listed on this agenda will be called to make comments at the appropriate time.

FOR ACTION (CONSENT)

2. Minutes of Prior Meeting

Proposed Motion

Approve the minutes of the March 26, 2025, LCRA Transmission Services Corporation Board of Directors meeting.

Board Consideration

Section 4.06 of the LCRA TSC bylaws requires the secretary to keep minutes of all meetings of the Board.

Budget Status and Fiscal Impact

Approval of this item will have no budgetary or fiscal impact.

Summary

Staff presents the minutes of each meeting to the Board for approval.

Exhibit(s)

A – Minutes of March 26, 2025, LCRA TSC Board meeting

EXHIBIT A

LCRA Transmission Services Corporation Board of Directors
Minutes Digest
March 26, 2025

- 25-09 Approval of the minutes of the Feb. 19, 2025, LCRA Transmission Services Corporation Board of Directors meeting.
- 25-10 Approval of the Capital Improvement Project Authorization Request for the following projects and associated lifetime budgets: Euclid Substation Addition; Giddings Power Transformer Upgrade; and Pine Path Substation Property Acquisition.
- 25-11 Authorization for the president and chief executive officer or his designee to negotiate, execute and take all necessary actions to acquire all necessary land rights for electric transmission line easements for the Bearkat to North McCamey Transmission Line Addition project in Upton County as discussed in executive session.
- 25-12 Authorization for the president and chief executive officer or his designee to negotiate, execute and take all necessary actions to acquire all necessary land rights for electric transmission line easements for the North McCamey to Sand Lake Transmission Line Addition project in Upton, Crane and Ward counties as discussed in executive session.

MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF
LCRA TRANSMISSION SERVICES CORPORATION
Austin, Texas
March 26, 2025

Pursuant to notice posted in accordance with the Texas Open Meetings Act, the Board of Directors (Board) of LCRA Transmission Services Corporation (LCRA TSC) convened in a regular meeting at 10:34 a.m. Wednesday, March 26, 2025, in the Board Room of the Hancock Building, at the principal office of LCRA, 3700 Lake Austin Blvd., Austin, Travis County, Texas. The following directors were present, constituting a quorum:

Timothy Timmerman, Chair
Stephen F. Cooper, Vice Chair
Melissa K. Blanding
Joseph M. "Joe" Crane
Carol Freeman
Robert "Bobby" Lewis
Thomas Michael Martine
Margaret D. "Meg" Voelter
Martha Leigh M. Whitten [attended via videoconference]
David R. Willmann
Nancy Eckert Yeary

Absent: Michael L. "Mike" Allen
Matthew L. "Matt" Arthur
Thomas L. "Tom" Kelley

Chair Timmerman convened the meeting at 10:34 a.m. and led the Board in pledges of allegiance to the American and Texas flags. Director Whitten provided an invocation.

There were no comments from the public during the meeting [Agenda Item 1].

The Board next took action on the consent agenda.

25-09 Upon motion by Director Voelter, seconded by Director Crane, the Board unanimously approved the minutes of the Feb. 19, 2025, LCRA Transmission Services Corporation Board meeting [Consent Item 2] by a vote of 11 to 0.

25-10 Senior Vice President of Transmission Asset Optimization Joshua Cole presented for consideration a staff recommendation, described in Agenda Item 3 [attached hereto as Exhibit A], that the Board approve the Capital Improvement Project Authorization Request for the following projects and associated lifetime budgets: Euclid Substation Addition; Giddings Power Transformer Upgrade; and Pine Path Substation

Property Acquisition. Upon motion by Director Martine, seconded by Director Willmann, the recommendation was unanimously approved by a vote of 11 to 0.

Chair Timmerman declared the meeting to be in executive session at 10:41 a.m. pursuant to sections 551.071, 551.072, 551.074, 551.076, 551.086, 551.089 and 418.183(f) of the Texas Government Code. Executive session ended, and Chair Timmerman declared the meeting to be in public session at 11:12 a.m.

25-11 Director Yeary moved, seconded by Director Voelter, that the Board authorize the president and chief executive officer or his designee to negotiate, execute and take all necessary actions to acquire all necessary land rights for electric transmission line easements for the Bearkat to North McCamey Transmission Line Addition project in Upton County as discussed in executive session. The Board unanimously approved the motion by a vote of 11 to 0.

25-12 Director Crane moved, seconded by Director Martine, that the Board authorize the president and chief executive officer or his designee to negotiate, execute and take all necessary actions to acquire all necessary land rights for electric transmission line easements for the North McCamey to Sand Lake Transmission Line Addition project in Upton, Crane and Ward counties as discussed in executive session. The Board unanimously approved the motion by a vote of 11 to 0.

There being no further business to come before the Board, the meeting was adjourned at 11:14 a.m.

Leigh Sebastian
Secretary
LCRA Transmission Services Corporation
Approved: April 22, 2025

FOR ACTION

3. Fiscal Year 2025 LCRA Transmission Services Corporation Business Plan Amendment

Proposed Motion

Approve an amendment to the fiscal year 2025 LCRA Transmission Services Corporation business plan to increase authorization for spending in FY 2025 from \$158.7 million to \$187 million.

Board Consideration

LCRA TSC Board Policy 301 – Finance requires annual approval of a business plan by the LCRA and LCRA TSC boards of directors. The policy requires additional LCRA TSC Board approval if annual expenditures for operations or capital are expected to exceed Board-authorized levels. LCRA TSC operations expenditures will exceed the Board-approved amounts, and staff is seeking approval to increase the FY 2025 operations budget.

Budget Status and Fiscal Impact

Staff expects LCRA TSC's year-end actual spending for FY 2025 operations expense to exceed the business plan operations budget of \$158.7 million by \$28.3 million. This variance primarily is due to Austin Energy's share of the costs for the Fayette Power Project Yard 2 to Lytton Springs Transmission Line Overhaul capital project. LCRA TSC is performing all of the work for this project and will be reimbursed by Austin Energy for its appropriate share of the costs. Those costs are recognized as operations and maintenance costs for LCRA TSC and were not included in the approved FY 2025 budget.

Summary

Because LCRA TSC anticipates exceeding the operations budget, staff is seeking approval to increase the FY 2025 business plan budget. The increase in FY 2025 spending primarily is the result of higher-than-budgeted expenses.

The LCRA and LCRA TSC boards of directors approved the FY 2025 business and capital plans in May 2024, establishing a spending limit for FY 2025 operations of \$158.7 million. The current year-end actual spending for FY 2025 operations is expected to be \$187 million, an increase of \$28.3 million or about 17.8%.

Presenter(s)

Jim Travis
Treasurer and Chief Financial Officer

FOR ACTION

4. Capital Improvement Projects Approval

Proposed Motion

Approve the Capital Improvement Project Authorization Request for the projects and associated lifetime budgets as described in exhibits A and B.

Board Consideration

LCRA Transmission Services Corporation Board Policy T301 – Finance requires LCRA TSC Board of Directors approval for any project exceeding \$1.5 million.

Budget Status and Fiscal Impact

- All projects recommended for Board approval are within the total annual budget approved in the fiscal year 2025 capital plan.
- Staff will monitor the FY 2025 forecast and will request a fiscal year budget increase if needed.
- The treasurer and chief financial officer will release funds as needed.
- Project costs will be funded through LCRA TSC regulated rates, subject to approval by the Public Utility Commission of Texas.

Summary

Staff recommends approval of the service reliability and system capacity capital projects described in exhibits A and B. These projects meet legal requirements in the Public Utility Regulatory Act and PUC rules.

Project funds will pay for activities, including but not limited to project management, engineering, materials acquisition, construction and acquisition of necessary land rights. LCRA TSC representatives will perform all necessary regulatory, real estate, environmental and cultural due diligence activities.

Presenter(s)

Joshua Cole
Senior Vice President, Transmission Asset Optimization

Exhibit(s)

A – Project Cost Estimates and Cash Flow
B – Project Details

EXHIBIT A

Project Cost Estimates and Cash Flow

Dollars in millions

Project Name	FY 2024 and Prior	FY 2025	FY 2026	FY 2027	FY 2028	Lifetime
Service Reliability Projects						
Transmission Switch – FY 2025 Substation Upgrade	0.0	0.2	3.2	-	-	3.4
System Capacity Projects						
Lockhart-San Marcos Transmission Line Conversion	0.5	3.0	17.7	-	-	21.2
Twin Buttes Load 138-kV Circuit Breaker Addition	0.5	0.1	3.1	-	-	3.7
Total	1.0	3.3	24.0	0.0	0.0	28.3

EXHIBIT B

<h3>Project Details</h3>

Project Name: Transmission Switch – FY 2025 Substation Upgrade

Project Number: 1030898

Lifetime Budget: \$3.4 million

Description: The project will increase the safety and reliability of substation equipment by upgrading transmission switches at the Amos Creek, Bow Wood, Cedar Canyon, Clear Springs, Gilleland Creek, Noelke, Salem and Zorn substations. The scope of work includes installing insulators, surge arresters and other supporting equipment at each substation. The recommended project completion date is May 15, 2026.

Project Name: Lockhart to San Marcos Transmission Line Conversion

Project Number: 1029608

Lifetime Budget: \$21.2 million

Description: The project will increase the capacity of the transmission line between the Lockhart and San Marcos substations by converting the operating voltage from 69 kilovolts to 138 kV. The scope of work includes replacing buswork, power transformers, instrument transformers, switches and other supporting equipment. The recommended project completion date is May 15, 2026.

Project Name: Twin Buttes Load 138-kV Circuit Breaker Addition

Project Number: 1028233

Lifetime Budget: \$3.7 million

Description: The project will provide a transmission point of interconnection for Golden Spread Electric Cooperative by installing new terminal equipment and conductor wires at Twin Buttes Substation in Tom Green County. The scope of work includes installing circuit breakers, switches, protective relaying and other supporting equipment. The recommended project completion date is Dec. 31, 2025.

FOR ACTION

5. Acquisition of Interests in Real Property – Use of Eminent Domain in Crane County

Proposed Motion

I move that the LCRA Transmission Services Corporation Board of Directors adopt the attached resolution; that the Board authorize by record vote the use of the power of eminent domain to acquire rights in the property described in Exhibit 1 to the resolution for the acquisition of easement rights for the North McCamey to Sand Lake Transmission Line Addition project to provide for the reliable transmission of electric energy and, on behalf of LCRA and at LCRA's expense, to provide for communications and to facilitate broadband services on the North McCamey to Sand Lake (T786 and T787) transmission lines; and that the first record vote applies to all units of property to be condemned.

Board Consideration

LCRA TSC Board Policy T401 – Land Resources and Section 2206.053 of the Texas Government Code require Board authorization prior to the initiation of eminent domain proceedings.

Section 2206.053 of the Texas Government Code provides that if two or more Board members object to adopting a single resolution for all units, a separate record vote must be taken for each unit of property. If two or more units of real property are owned by the same person, those units may be treated as one unit of property.

LCRA uses LCRA TSC to provide LCRA with fiberoptic communications and broadband services at LCRA's expense pursuant to LCRA Board Policy 220 – Telecommunications and Section 8503.032 of the Special District Local Laws Code.

Budget Status and Fiscal Impact

The acquisition cost was included in the Board-approved budget for the North McCamey to Sand Lake Transmission Line Addition project.

Summary

LCRA TSC proposes to acquire easement rights in Crane County for the North McCamey to Sand Lake Transmission Line Addition project. O'Brien Right of Way Valuation will perform independent appraisals of the interests in real property to be acquired to determine just compensation to the landowners.

Staff will make an initial offer to acquire the necessary interests in real property voluntarily from the landowners listed on Exhibit C, as required by Section 21.0113 of the Texas Property Code. Staff will continue to negotiate for the purchase of the interests in real property. Staff seeks Board authorization to proceed with condemnation if an agreement cannot be reached with the landowner(s).

Staff has provided to the Board descriptions of the specific property to be acquired and will attach the descriptions to the resolution.

LCRA TSC representatives will perform environmental and cultural due diligence studies and address all identified concerns. Staff requests that the Board adopt the resolution in Exhibit D authorizing the initiation of condemnation proceedings on the first record vote for all units of property.

Presenter(s)

Mark Sumrall
Vice President, Real Estate Services

Exhibit(s)

- A – Vicinity Map
- B – Site Map
- C – Landowner List
- D – Resolution
- 1 – Property Descriptions

EXHIBIT A



EXHIBIT B

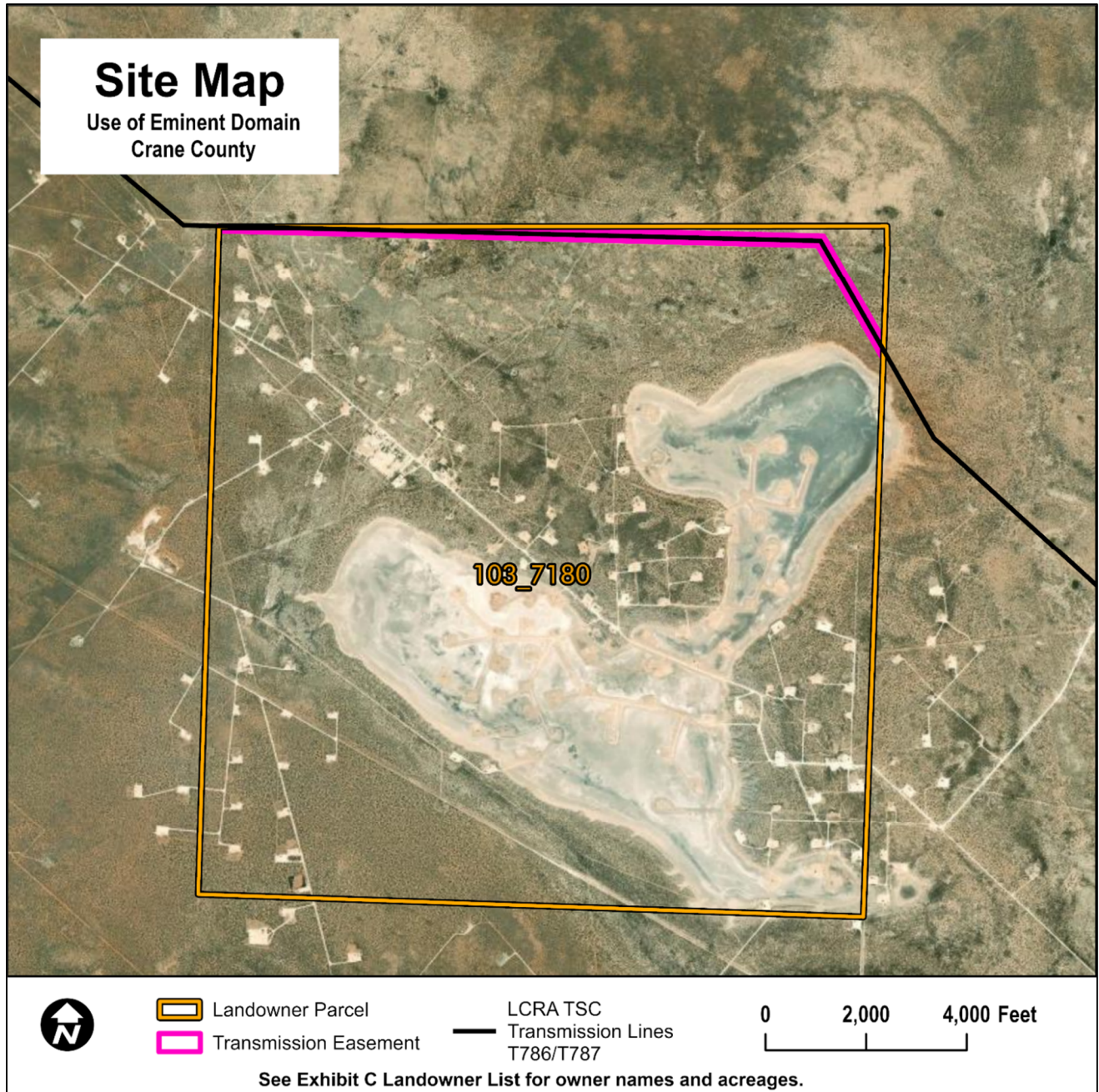


EXHIBIT C

Tract ID	Landowner	Approximate Parent Tract Acreage	Land Rights	Approximate Easement Acreage	County	Approximate Value
103_7180	See below	4,060 acres	Easement	44.37 acres	Crane	\$39,993

103_7180

Thomas B. Cowden; Charles H. Poteet Jr.; Jax Poteet; Josephine Gonzalez; Hallie C. Day et al Trust; Candice Beth Cowden; Cowden Tippett LLC; Cowden Revocable Trust; Cowden Bypass Trust; Van Court Family Ltd. #1; Albert Lee White III; William Coleman White; Mollie Claire Shaw; and Craneco Ranch Ltd.

EXHIBIT D

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PROPOSED MOTION

I MOVE THAT THE LCRA TRANSMISSION SERVICES CORPORATION BOARD OF DIRECTORS ADOPT THE ATTACHED RESOLUTION; THAT THE BOARD AUTHORIZE BY RECORD VOTE THE USE OF THE POWER OF EMINENT DOMAIN TO ACQUIRE RIGHTS IN THE PROPERTIES DESCRIBED IN EXHIBIT 1 TO THE RESOLUTION FOR THE ACQUISITION OF EASEMENTS FOR THE NORTH MCCAMEY TO SAND LAKE TRANSMISSION LINE ADDITION PROJECT TO PROVIDE FOR THE RELIABLE TRANSMISSION OF ELECTRIC ENERGY AND, ON BEHALF OF LCRA AND AT LCRA'S EXPENSE, TO PROVIDE FOR COMMUNICATIONS AND TO FACILITATE BROADBAND SERVICES ON THE NORTH MCCAMEY TO SAND LAKE (T786 AND T787) TRANSMISSION LINES; AND THAT THE FIRST RECORD VOTE APPLIES TO ALL UNITS OF PROPERTY TO BE CONDEMNED.

**RESOLUTION
AUTHORIZING ACQUISITION OF INTERESTS IN REAL PROPERTY BY
CONDEMNATION IN CRANE COUNTY FOR ELECTRIC TRANSMISSION LINE
EASEMENTS.**

WHEREAS, LCRA Transmission Services Corporation has determined the need to acquire the interests in real property necessary for the public uses of construction, operation and maintenance of electric transmission line(s), communication lines, and appurtenances thereto in Crane County; and

WHEREAS, an independent, professional appraisal of the subject property(ies) will be submitted to LCRA Transmission Services Corporation, and an amount will be established to be just compensation for the interests in real property to be acquired;

NOW, THEREFORE, BE IT RESOLVED that the president and chief executive officer or his designee is authorized to purchase the interests in real property from the landowner(s) listed in the attached Exhibit C for the construction of the North McCamey to Sand Lake Transmission Line Addition project for the continued reliable transmission of electric energy on the North McCamey to Sand Lake (T786 and T787) transmission lines, with the description of the location of and interest in the properties LCRA Transmission Services Corporation seeks to acquire being more particularly described in maps provided to the Board and attached to this Resolution as Exhibit 1; that the public convenience and necessity requires the acquisition of said interests in real property; that the public necessity requires the condemnation of the interests in real property in order to acquire them for such uses; that LCRA Transmission Services Corporation does not intend to acquire rights to groundwater or surface water in the land; that LCRA Transmission Services Corporation will make a bona fide offer to acquire the interests in

EXHIBIT D

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real property from the landowner(s) voluntarily as required by Section 21.0113 of the Texas Property Code; and that at such time as LCRA Transmission Services Corporation has determined that the landowner(s) and LCRA Transmission Services Corporation will be unable to reach an agreement on the fair market value of the subject interests in real property and that it should appear that further negotiations for settlement with the landowner(s) would be futile, then the president and chief executive officer or his designee is authorized and directed to initiate condemnation proceedings against the owner(s) of the property(ies), and against all other owners, lien holders, and other holders of an interest in the property, in order to acquire the necessary interests in real property, and that this resolution take effect immediately from and after its passage;

BE IT FURTHER RESOLVED that the president and chief executive officer or his designee is hereby authorized to do all things necessary and proper to carry out the intent and purpose of this resolution, including determination and negotiation of the interest(s) in real property that are proper and convenient for the operation of the electric transmission line(s).

EXHIBIT 1

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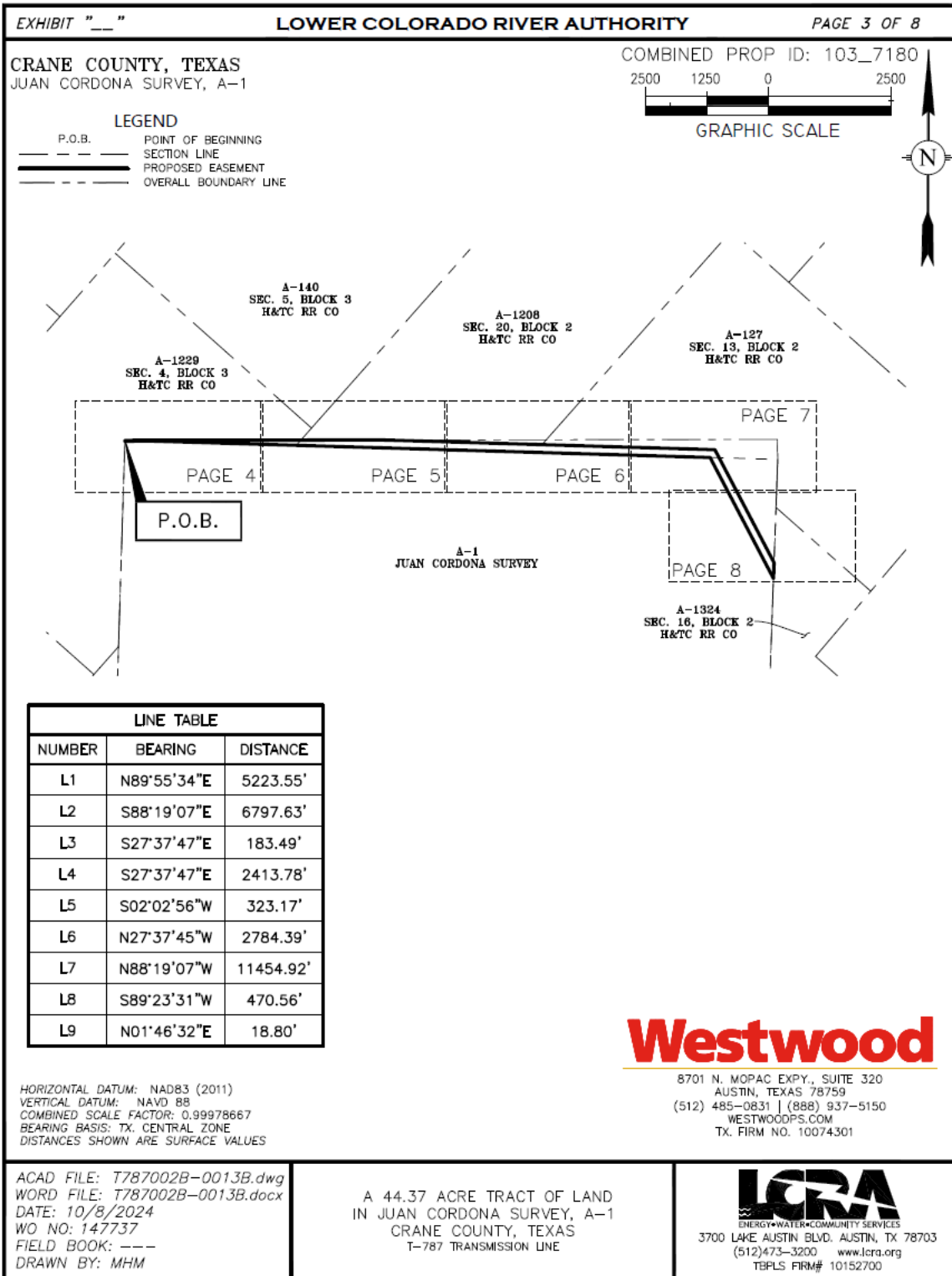


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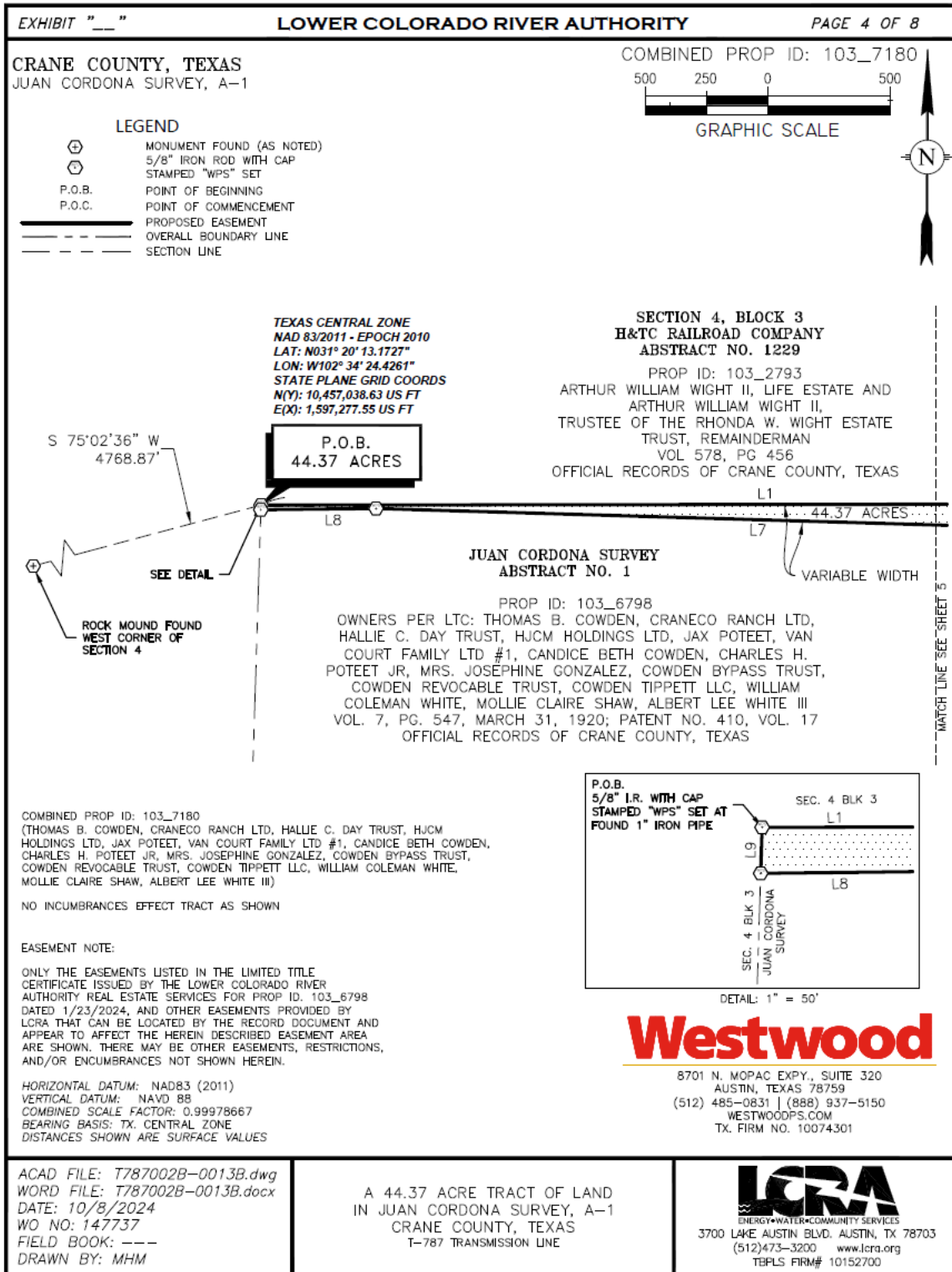


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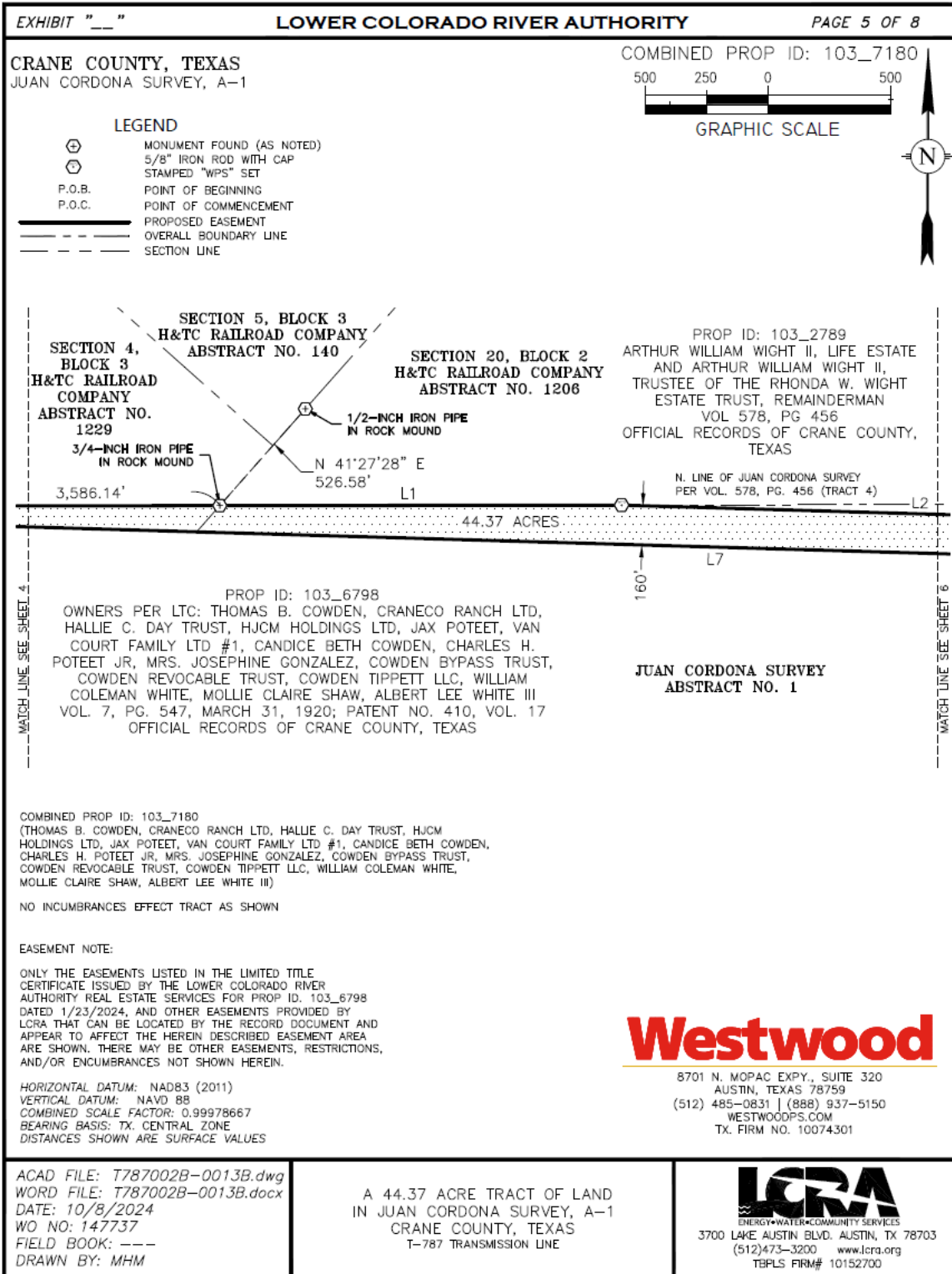


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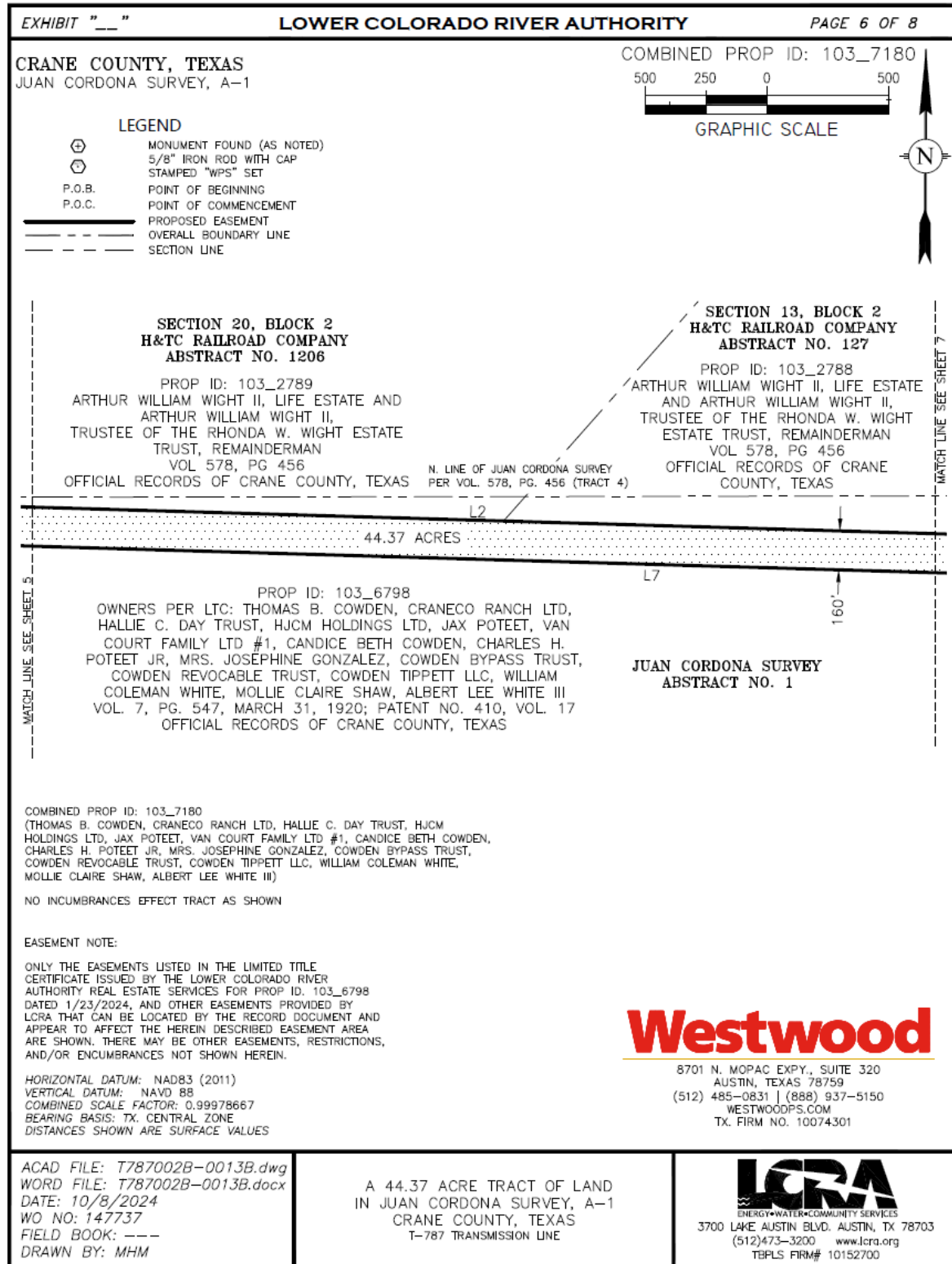


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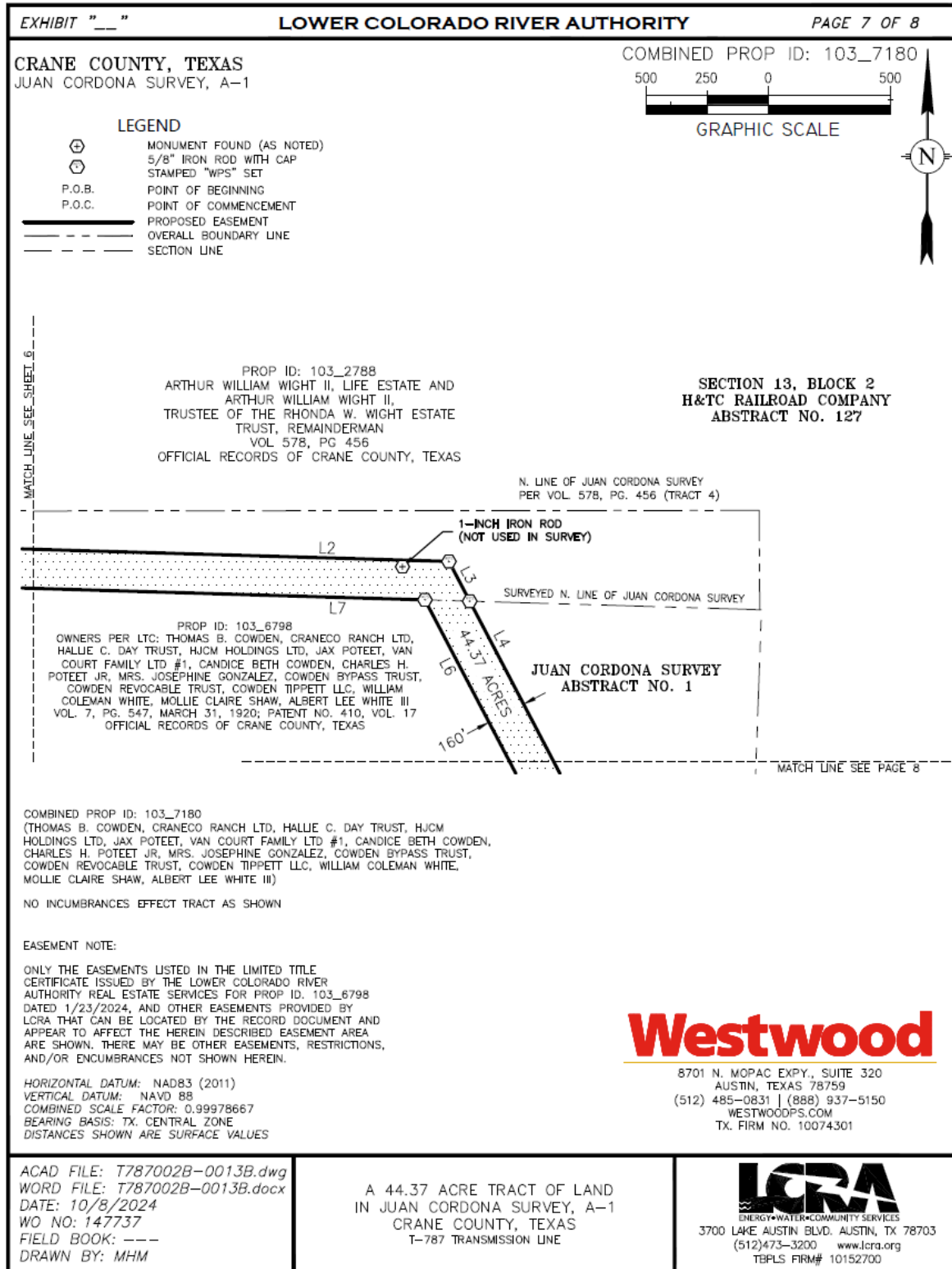
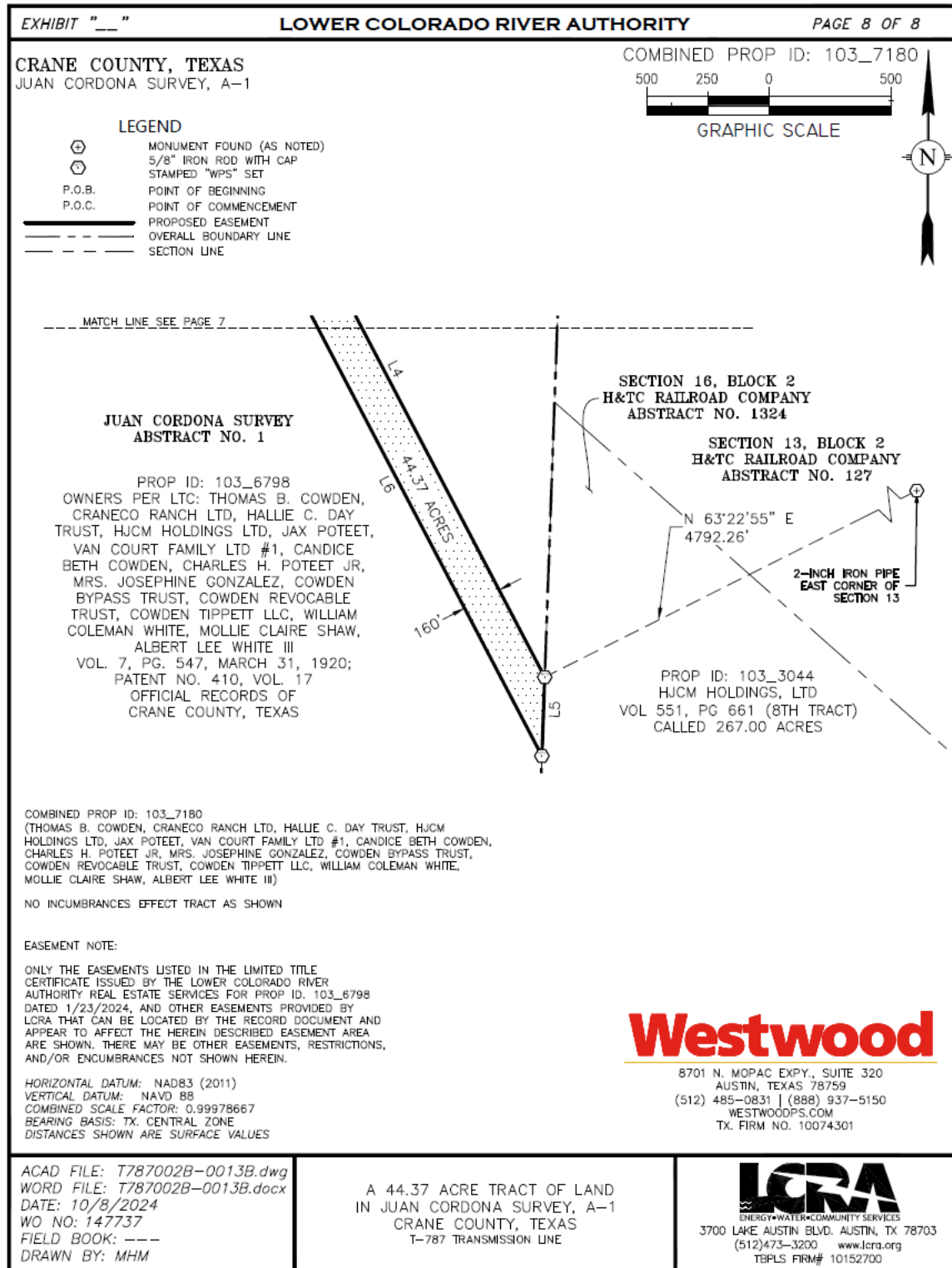


EXHIBIT 1



FOR ACTION

6. Acquisition of Interests in Real Property – Use of Eminent Domain in Upton County

Proposed Motion

I move that the LCRA Transmission Services Corporation Board of Directors adopt the attached resolution; that the Board authorize by record vote the use of the power of eminent domain to acquire rights in the properties described in Exhibit 1 to the resolution for the acquisition of easement rights for the Bearkat to North McCamey Transmission Line Addition project to provide for the reliable transmission of electric energy and communications and, on behalf of LCRA and at LCRA's expense, to provide for communications and to facilitate broadband services on the Bearkat to North McCamey (T788 and T789) transmission lines; and that the first record vote applies to all units of property to be condemned.

Board Consideration

LCRA TSC Board Policy T401 – Land Resources and Section 2206.053 of the Texas Government Code require Board authorization prior to the initiation of eminent domain proceedings.

Section 2206.053 of the Texas Government Code provides that if two or more Board members object to adopting a single resolution for all units of property, a separate record vote must be taken for each unit of property. If two or more units of real property are owned by the same person, those units may be treated as one unit of property.

LCRA uses LCRA TSC to provide LCRA with fiberoptic communications and broadband services at LCRA's expense pursuant to LCRA Board Policy 220 – Telecommunications and Section 8503.032 of the Special District Local Laws Code.

Budget Status and Fiscal Impact

The acquisition costs were included in the Board-approved budget for the Bearkat to North McCamey Transmission Line Addition project.

Summary

LCRA TSC proposes to acquire easement rights in Upton County for the Bearkat to North McCamey Transmission Line Addition project. O'Brien Right of Way Valuation will perform independent appraisals of the interests in real properties to be acquired to determine just compensation to the landowners.

Staff made initial offers to acquire the necessary interests in real property voluntarily from the landowners listed on Exhibit C, as required by Section 21.0113 of the Texas Property Code. Staff will continue to negotiate for the purchase of the interests in real property. Staff seeks Board authorization to proceed with condemnation if agreements cannot be reached with the landowners.

Staff has provided to the Board a description of the specific properties to be acquired, and will attach the description to the resolution.

LCRA TSC representatives will perform environmental and cultural due diligence studies and will address all identified concerns. Staff requests the Board adopt the resolution in Exhibit D authorizing the initiation of condemnation proceedings on the first record vote for all units of property.

Presenter(s)

Mark Sumrall
Vice President, Real Estate Services

Exhibit(s)

A – Vicinity Map
B – Site Map
C – Landowner List
D – Resolution
1 – Property Descriptions

EXHIBIT A

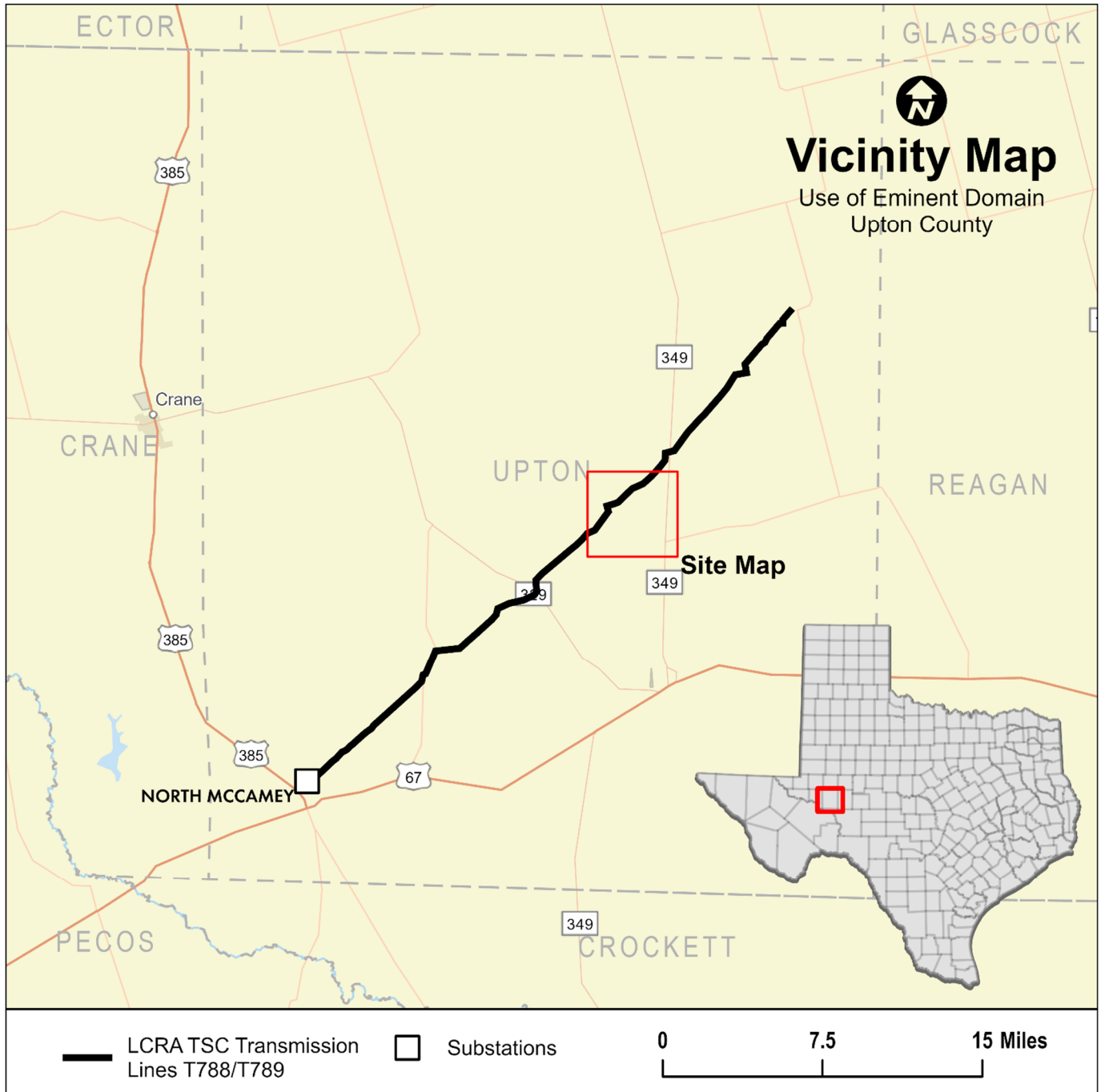


EXHIBIT B

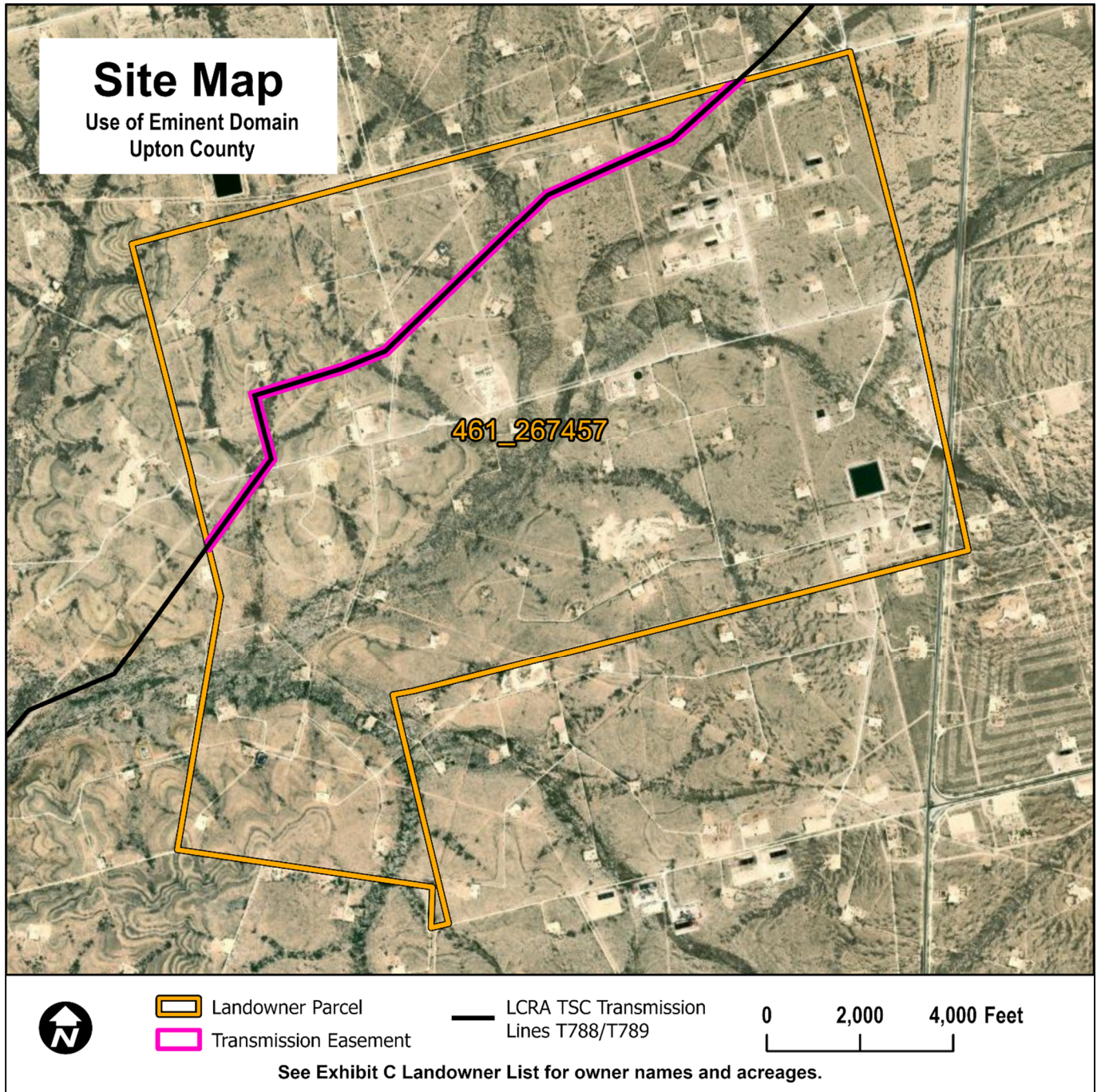


EXHIBIT C

Tract ID	Landowners	Approximate Parent Tract Acreage	Land Rights	Approximate Acquisition Acreage	County	Approximate Value
461_267457	Craig W. McCallam and Laura A. McCallam	646.2 acres	Easement	59.85 acres	Upton	\$69,018

EXHIBIT D

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PROPOSED MOTION

I MOVE THAT THE LCRA TRANSMISSION SERVICES CORPORATION BOARD OF DIRECTORS ADOPT THE ATTACHED RESOLUTION; THAT THE BOARD AUTHORIZE BY RECORD VOTE THE USE OF THE POWER OF EMINENT DOMAIN TO ACQUIRE RIGHTS IN THE PROPERTIES DESCRIBED IN EXHIBIT 1 TO THE RESOLUTION FOR THE ACQUISITION OF EASEMENT RIGHTS FOR THE BEARKAT TO NORTH MCCAMEY TRANSMISSION LINE ADDITION PROJECT TO PROVIDE FOR THE RELIABLE TRANSMISSION OF ELECTRIC ENERGY AND, ON BEHALF OF LCRA AND AT LCRA'S EXPENSE, TO PROVIDE COMMUNICATIONS AND TO FACILITATE BROADBAND SERVICES ON THE BEARKAT TO NORTH MCCAMEY (T788 AND T789) TRANSMISSION LINES; AND THAT THE FIRST RECORD VOTE APPLIES TO ALL UNITS OF PROPERTY TO BE CONDEMNED.

**RESOLUTION
AUTHORIZING ACQUISITION OF INTERESTS IN REAL PROPERTY BY
CONDEMNATION IN UPTON COUNTY FOR TRANSMISSION LINE EASEMENTS.**

WHEREAS, LCRA Transmission Services Corporation has determined the need to acquire the interests in real property necessary for the public purposes of construction, operation and maintenance of electric transmission lines, communication lines, and appurtenances thereto in Upton County; and

WHEREAS, an independent, professional appraisal of the subject properties will be submitted to LCRA Transmission Services Corporation, and an amount will be established to be just compensation for the interests in real property to be acquired;

NOW, THEREFORE, BE IT RESOLVED that the president and chief executive officer or his designee is authorized to purchase the interests in real property from the landowner(s) listed in the attached Exhibit C for the Bearkat to North McCamey Transmission Line Addition project for the continued reliable transmission of electric energy on the T788 and T789 Bearkat to North McCamey transmission lines, with the description of the location of and interest in the properties that LCRA Transmission Services Corporation seeks to acquire being more particularly described in maps provided to the Board and attached to this Resolution as Exhibit 1; that the public convenience and necessity requires the acquisition of the above-stated interests in real property; that the public necessity requires the condemnation of the interests in real property in order to acquire them for such uses; that LCRA Transmission Services Corporation does not intend to acquire rights to groundwater or surface water in the land; that LCRA Transmission Services Corporation will make a bona fide offer to acquire the interests in real property from the landowner(s) voluntarily as required by Section 21.0113 of the Texas Property Code; and that at such time as LCRA Transmission Services Corporation has determined that the landowner(s) and LCRA Transmission Services

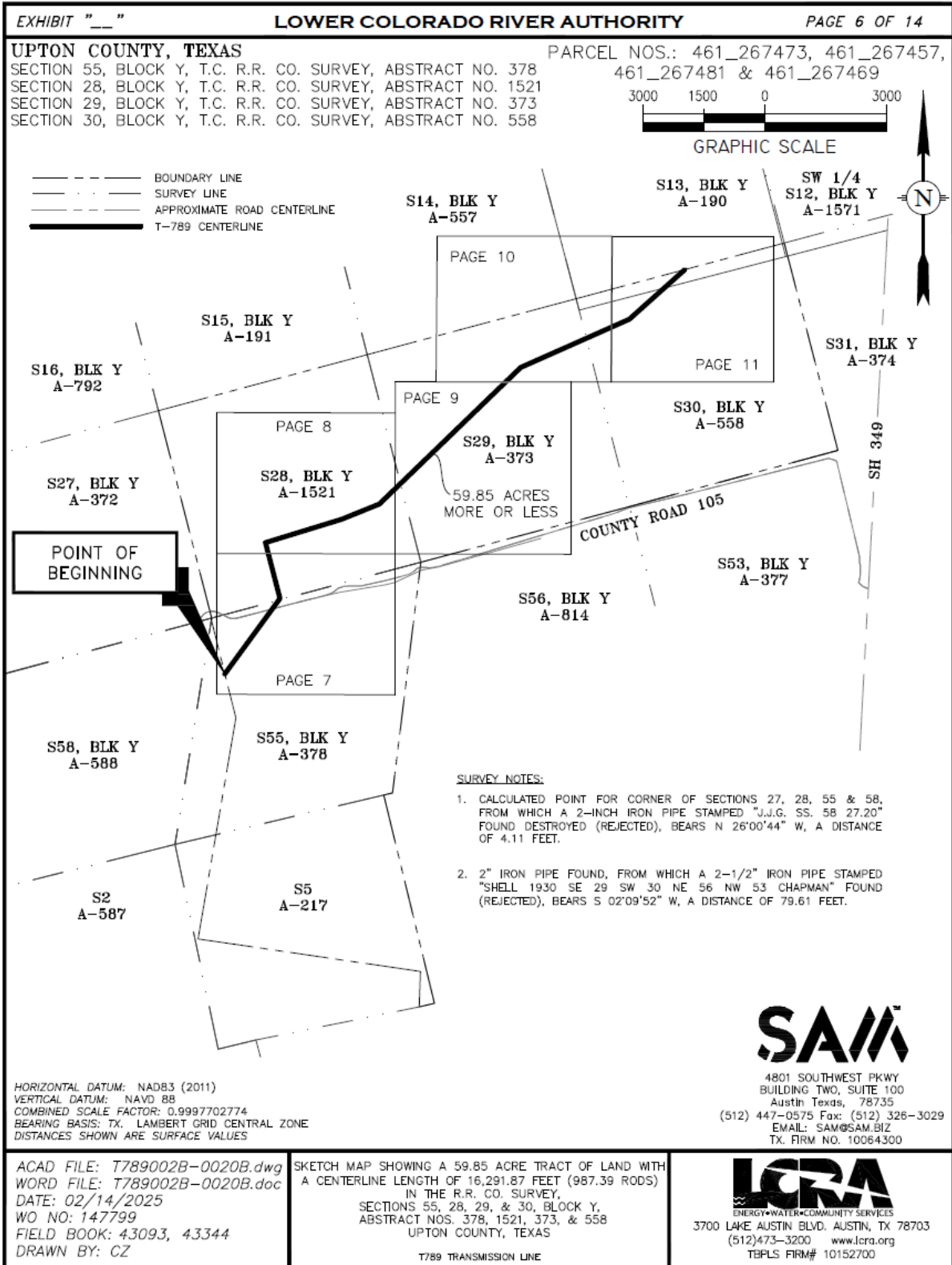
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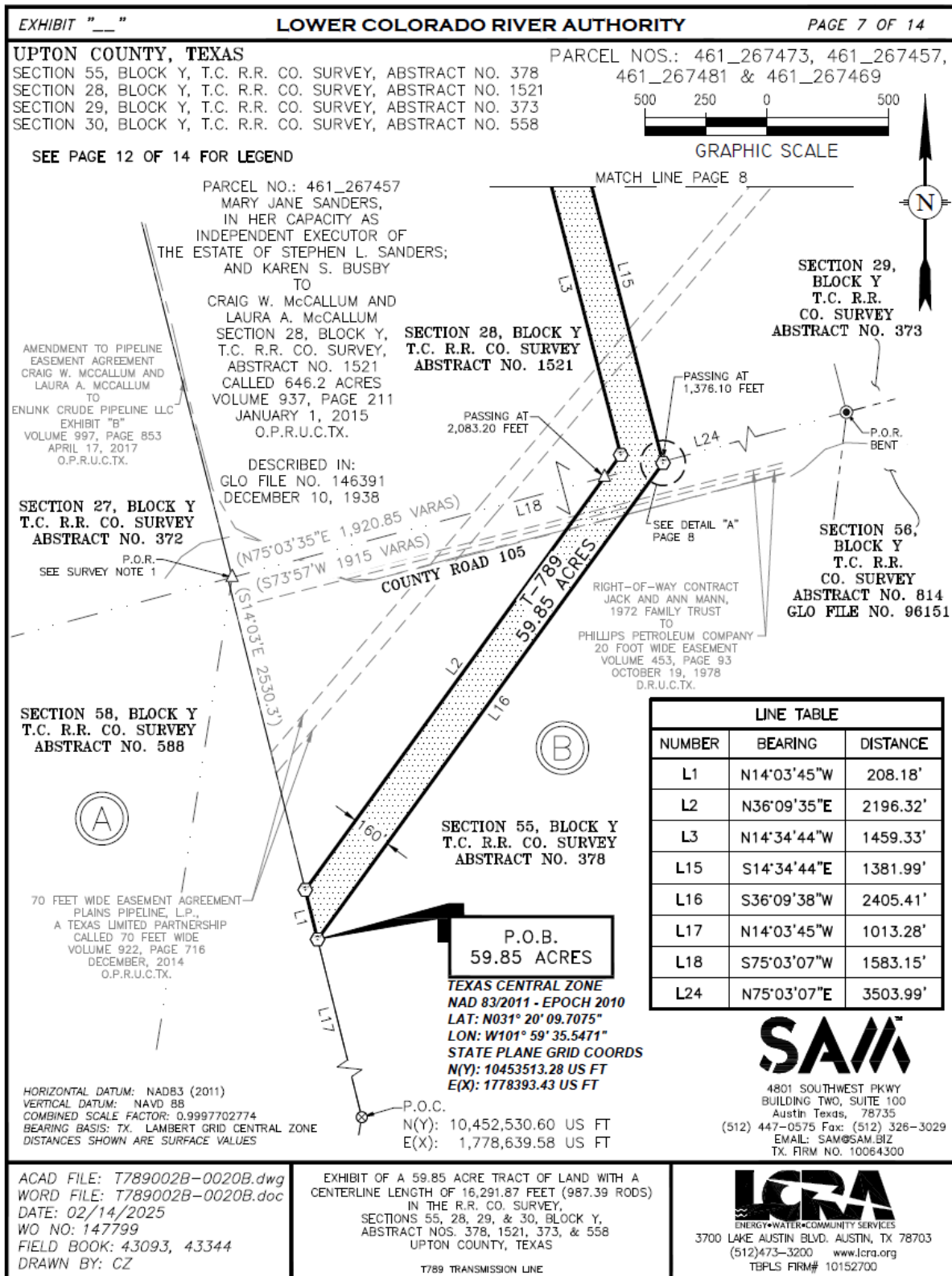
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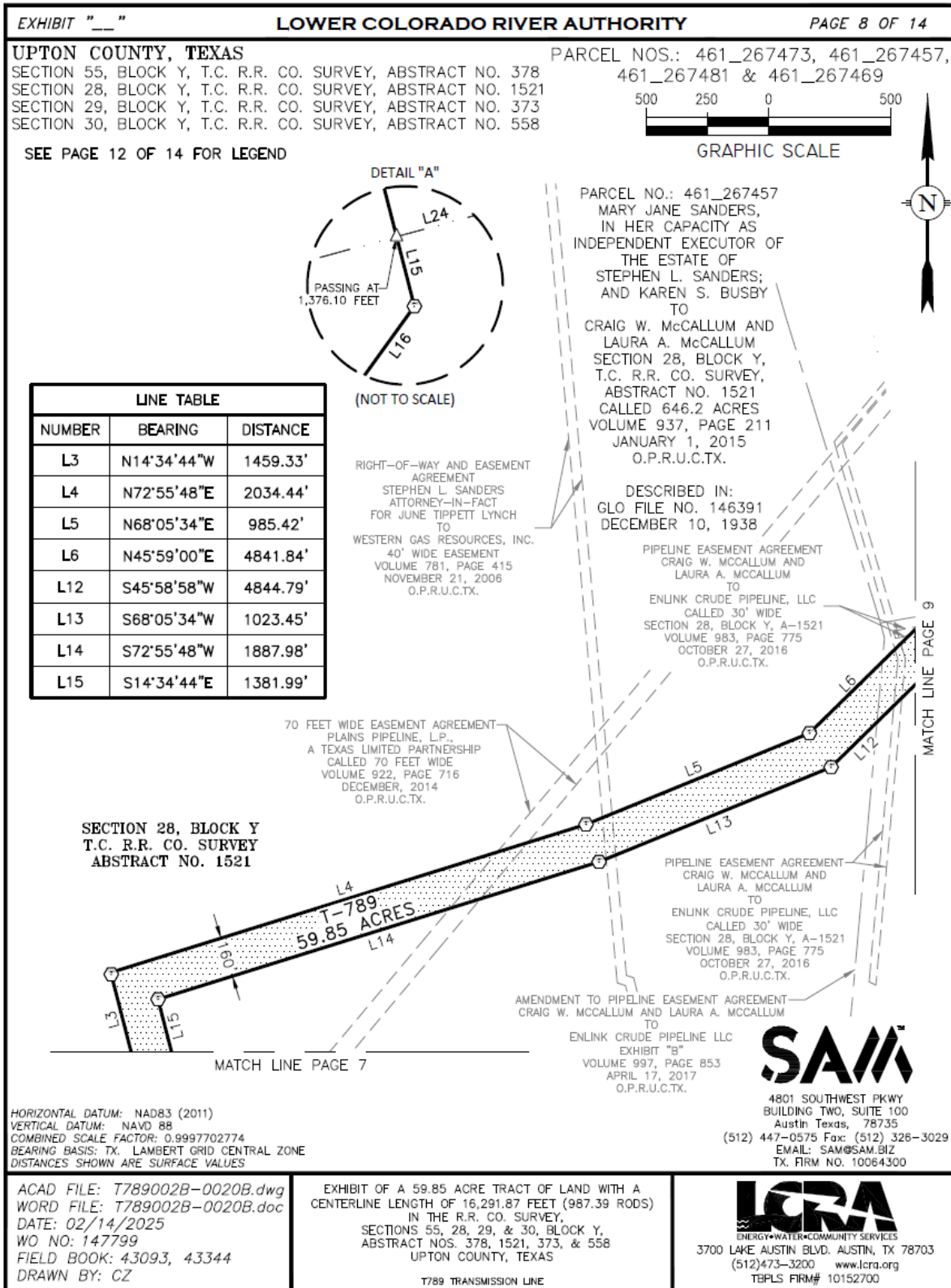
Corporation will be unable to reach an agreement on the fair market value of the subject interests in real property and that it should appear that further negotiations for settlement with the landowner(s) would be futile, then the president and chief executive officer or his designee is authorized and directed to initiate condemnation proceedings against the owner(s) of the property(ies), and against all other owners, lien holders, and other holders of an interest in the property, in order to acquire the necessary interests in real property; and that this resolution take effect immediately from and after its passage;

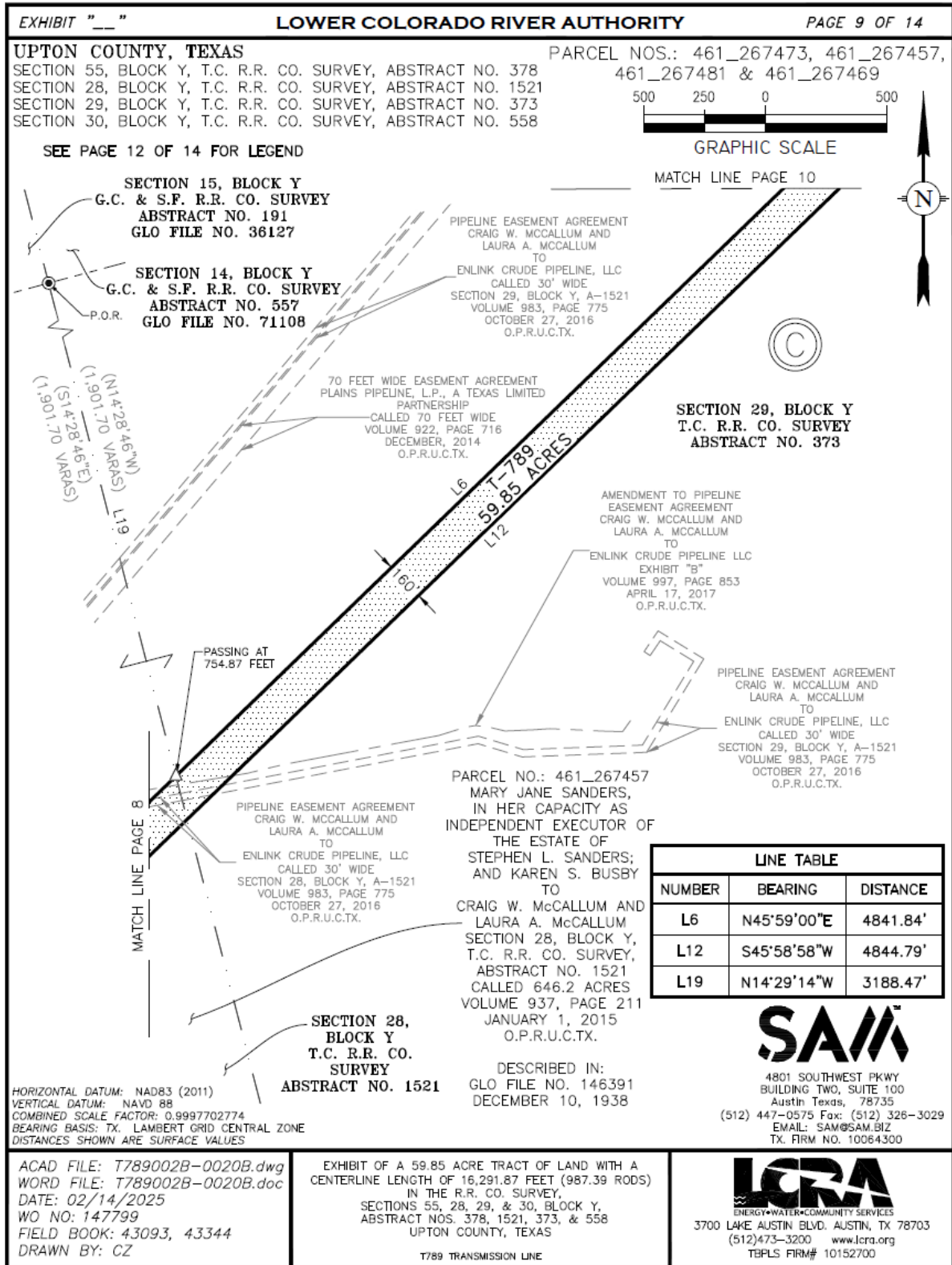
BE IT FURTHER RESOLVED that the president and chief executive officer or his designee is hereby authorized to do all things necessary and proper to carry out the intent and purpose of this resolution, including determination and negotiation of the interest in real property that are proper and convenient for the operation of the electric transmission line(s).

EXHIBIT 1
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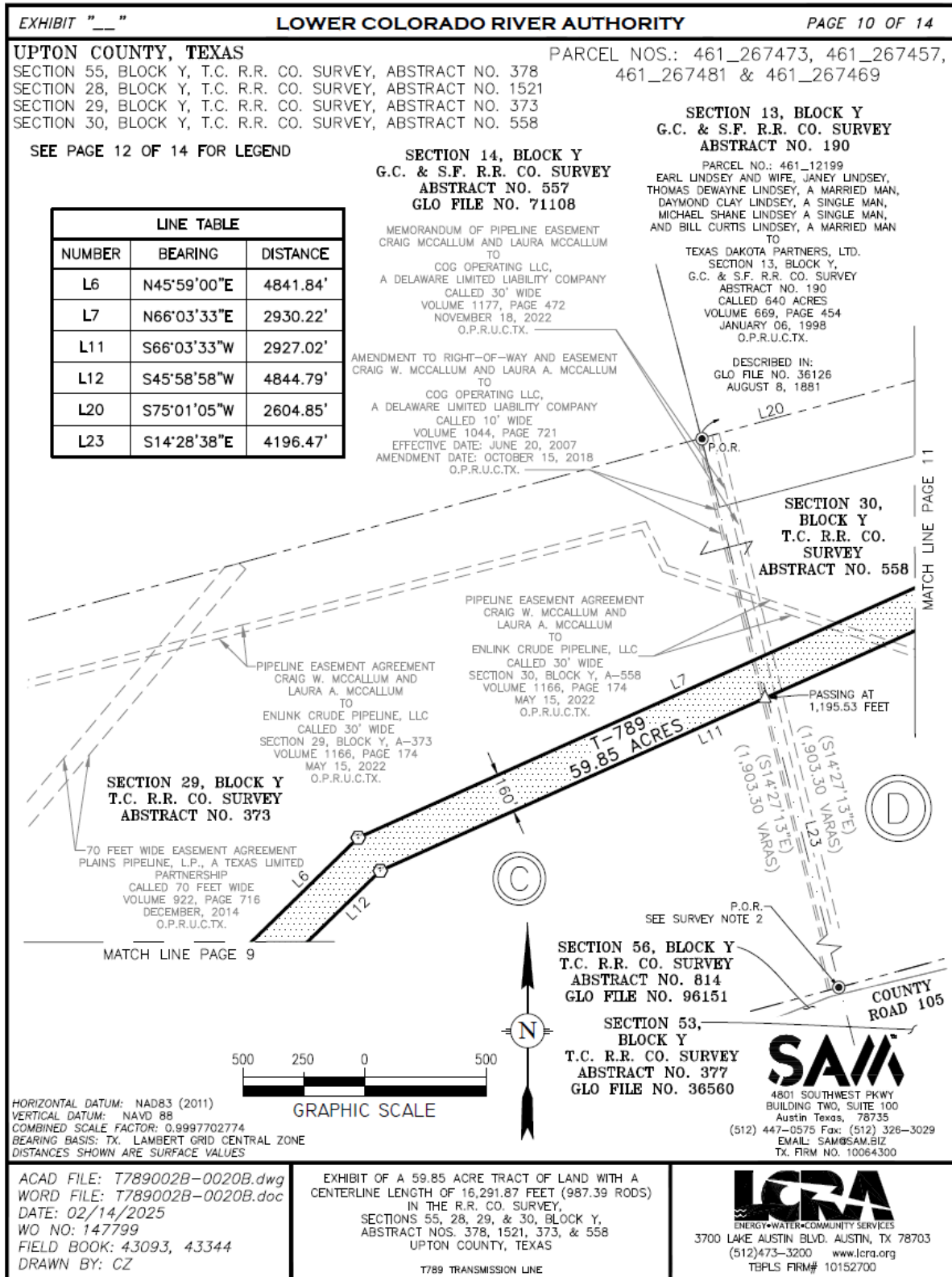


EXHIBIT 1
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