

May 24, 2010

Chairman Barry Smitherman  
Commissioner Kenneth W. Anderson, Jr.  
Commissioner Donna L. Nelson  
Public Utility Commission of Texas  
P.O. Box 13326  
Austin, Texas 78711-3326

Commissioners:

The Interagency Task Force on Economic Growth and Endangered Species continues to review several currently and potentially listed endangered species in Texas that could have an impact on the development of our state's economy. Established by Senate Bill 2534 during the 81st Texas Legislature, the task force may look at cost-efficient and effective ways for communities to work within the federal Endangered Species Act while sustaining economic growth.

The task force created the Lesser Prairie-Chicken Advisory Committee (advisory committee) at the beginning of this year to review and assist in development of programs to help protect the lesser prairie-chicken (LPC) while allowing for continued strong growth of economic opportunities in the Panhandle. This is part of an effort to increase conservation of the species in lieu of federal regulation and minimize the harm to the region's economy if listing does occur.

Contributing nearly \$28 billion to the gross state product, the High Plains region plays an important part in the Texas economy from agriculture production to energy development. In 2008, businesses in this region employed more than 350,000 people and had more than \$9 billion in taxable sales. The economy of the area could face additional and expensive regulatory constraints in development if the LPC were to be listed.

At its April 6, 2010, meeting, the advisory committee discussed the possible impact the Competitive Renewable Energy Zone (CREZ) transmission routes could have on the habitat of the LPC. The committee emphasized the importance of renewable resources and transmission capacity in the state, especially its great economic value to the Panhandle region, but also highlighted the need to preserve LPC habitat. The committee requested the task force communicate to you the relationship between impacts to LPC habitat and considerations for future economic growth in the region. As the presiding officer of the task force, I submit these comments to you on behalf of the task force.

Since the LPC is not currently listed as endangered, there is no mandate to prevent detrimental impacts to this species or its habitat. It is possible the U.S. Fish and Wildlife Service (FWS) could consider actions resulting in further fragmentation of LPC habitat as contributions to "threats to the species" during any future assessment of risks to the species. An increase in "threats to the species" could result in a proposal for listing of the species. If the LPC is listed as endangered before the lines are complete, transmission routes through habitat areas could experience delays in construction or increased cost as a result of this additional regulation.

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The range of the LPC lies across parts of Colorado, Kansas, New Mexico, Oklahoma and Texas. In Texas, the historical range covers 21 counties, with incidental observations of populations in northeast and southwest portions of the Panhandle. Originally listed as a candidate species in 1995, the FWS upgraded the priority of the species from an 8 to a 2 in 2008. This classification as a candidate species means listing is warranted, but with the limited amount of resources available to the FWS, there are higher priority species for listing. Moving a species to a smaller priority number means that the species is higher in priority and listing may be more imminent. In the notice to change the priority number for the species, FWS cited “present and threatened destruction, modification and curtailment of its habitat range” as a major threat to the bird.

There is some research and evidence in other states indicating prairie chickens will avoid vertical structures such as transmission towers. Although there is a continued need for research to further define the possible impact transmission lines and other structures have on lesser prairie-chickens in Texas, consideration of this possible interaction should be a part of the planning process in development of the CREZ transmission line routes. We understand Texas Parks and Wildlife Department staff provided preliminary input on the impacts to wildlife resources, including the LPC, on proposed transmission routes to date, but hope these comments can further describe the need to consider LPC habitat in planning transmission line routes. Please find enclosed a map indicating the location of LPC estimated occupied range in areas of preliminary alternative CREZ transmission routes.

We reiterate the role continued fragmentation of LPC habitat could have on future growth of trade and industry in this part of the state. By supporting efforts to conserve the species and possibly preclude federal regulation, we can continue to assist the region in its vibrant economic growth and welcome more business opportunities in Texas.

Please do not hesitate to contact the task force if we can provide any additional information.

Sincerely,

Susan Combs

Enclosure