



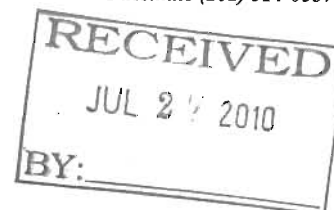
U.S. Department of Justice

Environment and Natural Resources Division

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JUL 22 2010



Jerry M. Bearden  
Mason County Judge  
P.O. Box 1726  
Mason, Texas 76856

Re: Potential U.S. Fish and Wildlife Service Permit for CREZ Transmission Lines  
Proposed by the Lower Colorado River Authority

Dear Judge Bearden:

Thank you for your May 14, 2010 letter to Assistant Attorney General Ignacia Moreno regarding a potential permit to be issued by the U.S. Fish and Wildlife Service ("FWS") for competitive renewable energy zone ("CREZ") electrical transmission lines proposed by the Lower Colorado River Authority Transmission Services Corporation ("LCRA TSC"). Our understanding is that these transmission lines are intended to connect wind power generation facilities with electrical distribution facilities throughout Texas and are mandated by the Public Utilities Commission of Texas ("PUC").

It is also our understanding that FWS is currently in the process of considering whether to issue a permit under the Endangered Species Act ("ESA") for incidental take of ESA listed species that may be related to the CREZ electrical transmission lines requested by LCRA TSC. In considering this permit request, FWS is undertaking the necessary proceedings under both the ESA and the National Environmental Policy Act ("NEPA"). The public has an opportunity to participate in these planning processes. On March 19, 2010, FWS issued a notice in the Federal Register notifying the public of its intent to prepare an environmental impact statement ("EIS") under NEPA and a draft habitat conservation plan ("HCP") under the ESA. See 75 Fed. Reg. 13299 (Mar. 19, 2010).

You should also recognize that, while FWS is responsible for deciding whether to issue a permit to LCRA TSC for incidental take of ESA listed species that may be related to the CREZ electrical transmission lines, the federal government is not involved in selecting the route for those lines. The Texas PUC is responsible for approving the CREZ electrical transmission lines and decides the routes. Therefore, any concerns you have regarding the process for selecting the route for the lines should be directed to the Texas PUC.

Sincerely,

Robert G. Dreher  
Principal Deputy Assistant Attorney General