By: Flores

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## RESOLUTION

1 WHEREAS, The Lower Rio Grande Valley and the northeastern 2 border of Mexico represent one of the most dynamic regions in North 3 America in terms of growth potential for international commerce and 4 economic development; and

5 WHEREAS, Because of the Valley's location on the periphery of 6 Texas' electrical grid, the current transmission infrastructure is 7 inadequate to ensure a stable and reliable electricity system 8 necessary to meet the growing demands of Valley homes and 9 businesses; and

10 WHEREAS, On December 19, 2003, the Electric Reliability 11 Council of Texas and the Comision Federal de Electricidad issued a 12 joint Phase I Interconnection Study analyzing the need for High 13 Voltage Direct Current interconnections, also known as DC ties, to 14 provide stability and reliability support by connecting the 15 separate and independent electrical grids of Texas and Mexico; and

16 WHEREAS, This Phase I study specifically cited the 17 McAllen/Mission/Reynosa region as one of four possible locations to 18 build a High Voltage Direct Current interconnection along the 19 border; and

20 WHEREAS, On January 21, 2005, the United States Department of 21 Energy approved Presidential Permit Order No. PP-285, thereby 22 granting permission to Sharyland Utilities, L.P., of McAllen to 23 construct a 150 Megawatt HVDC interconnection facility in Mission, 24 Texas, and to connect it to the Cumbres Substation located across

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1 the border in Reynosa, Tamaulipas; and

2 WHEREAS, On April 13, 2005, the Public Utility Commission of 3 Texas unanimously approved PUC Docket No. 28834, thereby granting a 4 Certificate of Convenience and Necessity to Sharyland Utilities, 5 L.P., for this project; and

6 WHEREAS, On December 8, 2005, the Comision Federal de 7 Electricidad Board of Governors unanimously adopted Resolution 8 Number One Hundred and Thirty Eight/2005, thereby approving the 9 construction of its portion of this interconnection; and

10 WHEREAS, The Sharyland interconnection will not only provide 11 increased stability and reliability for both grids, but its open 12 access two-way flow design has the potential also to spur the 13 creation of an international wholesale market that will enable 14 cross-border electricity trade that will benefit electricity 15 consumers on both sides; and

16 WHEREAS, On May 8, 2006, stakeholders both from the United 17 States and Mexico will gather in Mission, Texas, to celebrate the 18 groundbreaking and construction of this facility; now, therefore, 19 be it

20 RESOLVED, That the House of Representatives of the 79th Texas 21 Legislature, 3rd Called Session, hereby recognize the Sharyland 22 HVDC Tie Groundbreaking Celebration on May 8, 2006, and extend best 23 wishes to the stakeholders who have contributed to this endeavor in 24 meeting the future electricity needs of the region; and, be it 25 further

26 RESOLVED, That an official copy of this resolution be 27 prepared for Sharyland Utilities, L.P., and for the Comision

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- 1 Federal de Electricidad as an expression of high regard by the Texas
- 2 House of Representatives.