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September 10, 2012

Mr. Les Trobman, General Counsel
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

Re: SOAH Docket No. 582-12-5301; TCEQ Docket No. 2011-2199-IWD

**Application of Southwestern Electric Power Company, Renewal and Major
Amendment of TPDES Permit No. WQ0002496000**

Applicant SWEPCO's Exceptions to the Proposal for Decision and Order

Dear Mr. Trobman:

Southwestern Electric Power Company ("SWEPCO") the Applicant in the above referenced matter, agrees with the Proposal for Decision and Order issued on August 21, 2012 and recommends only the clarifications as described in the attached Exceptions to the Proposal for Decision.

Thank you for your consideration.

Sincerely,



Derek Seal

Enclosures: SWEPCO's Exceptions to the PFD
Service List
Certificate of Service

cc: Service List
TCEQ Chief Clerk via electronic filing

SOAH DOCKET No. 582-12-5301
TCEQ DOCKET No. 2011-2199-IWD

APPLICATION OF SOUTHWESTERN §
ELECTRIC POWER COMPANY FOR §
RENEWAL AND AMENDMENT OF §
TPDES PERMIT NO. WQ0002496000 §

BEFORE THE
STATE OFFICE OF
ADMINISTRATIVE HEARINGS

APPLICANT SOUTHWESTERN ELECTRIC POWER COMPANY'S
EXCEPTIONS TO THE PROPOSAL FOR DECISION

TO THE COMMISSIONERS OF THE TEXAS COMMISSION ON ENVIRONMENTAL
QUALITY:

COMES NOW, Southwestern Electric Power Company, (the "Applicant" or "SWEPCO") and files these exceptions in response to the Administrative Law Judge's ("ALJ's") Proposal for Decision and Order (the "PFD") in the above referenced matter. With the few, limited exceptions that are offered herein as clarifications, SWEPCO agrees with the ALJ's PFD and believes that the PFD is fully supported by the evidentiary record.

Finding of Fact 1: In the first sentence, after "to authorize" add a "(a)" to begin the list of requested changes to the permit in SWEPCO's Application.

Finding of Fact 3: Subdivision (4) should be clarified to state that the proposed permit would "imposed a more stringent liner requirement" to avoid a misinterpretation that the liner requirement is being imposed for the first time.

Finding of Fact 9: A clause should be added at the end of the sentence that " , no parties objected to notice or jurisdiction, and the ALJ found that notice was proper and assumed jurisdiction of the case."

Finding of Fact 21: Finding of Fact 21 should be clarified by replacing the word “along” with “near”. Although Mr. Rosborough suggests in his affidavit that was entered into evidence as Applicant’s Exhibit 2 that his river property is “along” Hatley Creek, the contrary evidence in the record clearly indicates that: (i) Hatley Creek actually flows through property not owned by Mr. Rosborough, and (ii) only floodwaters from Hatley Creek ever cross Mr. Rosborough’s river property. The word “along” in the affidavit implies that Mr. Rosborough’s property is adjacent to Hatley Creek.

Finding of Fact 45: “Brandy Branch Reservoir” should be capitalized.

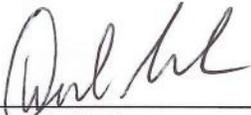
Conclusion of Law 1: Add Texas Water Code § 26.027.

Conclusion of Law 3: Add Texas Water Code § 5.115.

Dated: September 10, 2012

RESPECTFULLY SUBMITTED,

By: _____


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Service List
Southwestern Electric Power Company
SOAH Docket No. 582-12-5301
TCEQ Docket No. 2011-2199-IWD

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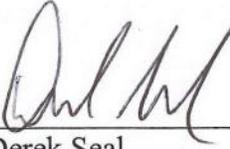
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Certificate of Service

I hereby certify that on this 10th day of September, 2012, a true and correct copy of the foregoing document was provided to the persons on the attached Service List in the manner indicated on the Service List.



Derek Seal