



Control Number: 41606



Item Number: 1129

Addendum StartPage: 0

SOAH DOCKET NO. 473-13-5207
PUC DOCKET NO. 41606

JOINT APPLICATION OF
ELECTRIC TRANSMISSION TEXAS,
LLC AND SHARYLAND UTILITIES
TO AMEND ITS CERTIFICATE OF
CONVENIENCE AND NECESSITY
FOR THE NORTH EDINBURG TO
LOMA ALTA DOUBLE-CIRCUIT
345-KV TRANSMISSION LINE IN
HIDALGO AND CAMERON
COUNTIES, TEXAS

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BEFORE THE STATE OFFICE

OF

ADMINISTRATIVE HEARINGS

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DIRECT TESTIMONY OF FRANK SCHUSTER

ON BEHALF OF MORAVIA, INC., FRANK SCHUSTER FARMS, INC., FRANK AND
DEBORAH SCHUSTER

NOVEMBER 8, 2013

Direct Testimony of Frank Schuster on behalf of Moravia, Inc., Frank Schuster Farms, Inc., Frank and Deborah
Schuster.

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ON BEHALF OF MORAVIA, INC., FRANK SCHUSTER FARMS, INC., FRANK AND
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DIRECT TESTIMONY OF FRANK SCHUSTER
ON BEHALF OF MORAVIA, INC., FRANK SCHUSTER FARMS, INC., FRANK AND
DEBORAH SCHUSTER

I. INTRODUCTION AND BACKGROUND

Q. Please state your name and business address.

A. My name is Frank Schuster. My address is P.O. Box 4448, McAllen, Texas 78502.

Q. Please briefly describe your occupation and educational background.

A. I am Chairman and President of Val Verde Vegetable Co., Inc. a produce packing and marketing company and am co-owner with my family of Frank Schuster Farms, Inc. I was born in San Juan, Texas, 60 years ago and have lived in the Alamo area all of my life, except for my college days. I have a degree in Agricultural Economics from Cornell University and started law school at the University of Texas. I had to quit my legal education and return to the family farm when my father died unexpectedly. I have operated our family farm for the past 38 years. I am a former President of the Texas Vegetable Association and Texas International Produce Association and have previously served on 3 different local bank boards. I currently live at the spot that has been our family homestead for over 65 years.

Q. Are you familiar with the application filed by Electric Transmission Texas, LLC (ETT) and Sharyland Utilities (Sharyland) (together, Joint Applicants)?

A. Yes, generally, I am.

Q. On whose behalf are you testifying?

A. I am testifying on behalf of myself and Deborah Schuster, as well as Moravia, Inc. and Frank Schuster Farms, Inc.

Direct Testimony of Frank Schuster on behalf of Moravia, Inc., Frank Schuster Farms, Inc., Frank and Deborah Schuster.

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1
2 **Q. Did you attend one of the open house meetings conducted by ETT regarding this**
3 **transmission line project?**

4 **A.** Yes, I attended the meeting in McAllen, Texas in 2012.
5

6 **Q. Have you ever testified before the Public Utility Commission (PUC or Commission)**
7 **before?**

8 **A.** No, I have not.
9

10 **II. PURPOSE AND SCOPE**

11 **Q. What is the purpose and scope of your testimony?**

12 **A.** My testimony provides a description of the land interests of myself and my wife, Moravia,
13 Inc., and Frank Schuster Farms, Inc., a family-owned agricultural business that was started
14 by my father in 1935 when he arrived in the Lower Rio Grande Valley from his native
15 Austria at the age of 15. My testimony will describe how the routing of a transmission line
16 on this property using many of the proposed links and routes would negatively impact it and
17 interfere with its purpose as producing farmland in one of the most important agricultural
18 areas in the United States.
19

20 **Q. How is the land owned by the interests you are testifying on behalf of identified in this**
21 **case?**

22 **A.** Moravia, Inc.'s properties are identified as Property Nos. 200452, 200453, 203414, 203415,
23 203416, 203418, 203419, 203420, 203421, and 541973. These properties are potentially
24 impacted by prosed Links 121, 123, 129, 131, and 132a of the North Edinburg to Loma Alta
25 transmission line project. Frank Schuster Farms, Inc.'s properties are identified as Property
26 Nos. 111267, 111293, 111323, 111327, 111328, 111395, 111465, 111490, 200458, 277293,
27 277294, 277297, 277298, 277299, 277301, 277303, 277318, 277323, 277337, 277338,
28 290843, 290845, 290848, 290851, 290852, 302280, 307725, 307728, 307729, and 307737.

1 These properties are potentially impacted by proposed Links 123, 124, 131, 132a, 132b, 133,
2 166, 170a, 171, 173a, 179, 180, and 183 of the North Edinburg to Loma Alta transmission
3 line project. The properties of Frank and Deborah Schuster are identified as Property Nos.
4 111295, 111315, 111316, 111466, 277300, 277303, 277329, 458377, and 485404. These
5 properties are potentially impacted by proposed Links 124, 130, 166, 170a, 171, 176, 179,
6 180, and 352 of the North Edinburg to Loma Alta transmission line project.
7

8 **Q. Is the depiction of the property on the Joint Applicants' maps accurate?**

9 A. It is generally accurate. Excerpts of Attachment 9a showing the properties as impacted by
10 the proposed transmission line routes are attached to this testimony as Attachment A.
11

12 **Q. How long has your family owned the property?**

13 A. My father started acquiring land in this area in the 1930's. When he died in 1977 he owned
14 over 2,000 acres in Hidalgo County. Since then, I and my family have continued to invest
15 in farmland in this area. Some of the ground that is affected by this proposed power line is
16 one of the first tracts purchased by my father, while other proposed lines cross in front of
17 our last tract purchased in 2011.
18

19 **Q. Do you have a position regarding the routing of the proposed transmission line in this
20 case?**

21 A. Yes. Generally, I support routing of the line on property that has already been developed in
22 a manner consistent with transmission infrastructure to the extent possible and will not have
23 a direct harmful impact on the use of the land that is traversed. I support routing the line
24 where its impacts are more compatible with existing land use and development and oppose
25 routing the line in areas where the agricultural cultivation of the land will be severely
26 negatively impacted by the presence of the line or where the line will take away the use of
27 land with strong economic development potential. Further, I strongly support routes that are
28 formed by the collaboration and settlement among the parties participating in this
29 proceeding whose interests may be directly impacted. By approving a transmission line

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1 route that is the result of a settlement among landowners, the Commission can dramatically
2 lessen the negative impacts of the proposed line and truly give a voice to the interests of the
3 community that have come together to find a solution in this difficult process.

4 Finally, I would observe that the most harmful routing options to our properties
5 are those that make a "loop" by progressing back to the west from east of McAllen and then
6 back to the east after reaching the self-described "routing circle" presented in the
7 Application. While the necessity to route the North Edinburg to Loma Alta transmission
8 line within that circle is not my area of expertise, it has been strongly questioned in this
9 case. I would refer to the Direct and Route Adequacy Testimony of Brian Almon, James
10 Dauphinais, and Rudi Reinecke that is filed in this case that explains that the Joint
11 Applicants have not demonstrated that it is necessary to route the line within their
12 designated "routing circle." Given that testimony, it is my strongly held position that no
13 routes including the east/west loop be approved in this case. A forward progressing route
14 such as Supplemental Route 2S is a far preferable option. Many of the routes that employ
15 an east/west loop would doubly impact our property in proximity so close as to make large
16 sections of land unusable for agriculture. This would destroy the work of three generations
17 of our family and is simply unacceptable.

18
19 **Q. Do you have a position regarding specific routing alternatives proposed by the Joint**
20 **Applicants?**

21 **A.** The Administrative Law Judge (ALJ) in this case correctly ruled in Order No. 6 that there is
22 not sufficient evidence to support the Joint Applicants' contention that all routes must pass
23 through their unilaterally designated "routing circle." All of the routes initially proposed in
24 the Application passed through the routing circle and should be rejected, including the
25 Route 32, which the Joint Applicants identified as the route they favored. Instead, one of
26 the Supplemental Routes filed by the Joint Applicants in the Supplement to the Application
27 filed on October 28 or a similar route using noticed links in a forward progressing manner
28 should be approved. My property would be impacted by proposed Link Nos. 166, 170a,

1 171, 176, 179, and 180 as described in this testimony. Proposed Supplemental Routes 5S,
2 6S, and 7S include one or more of these links.

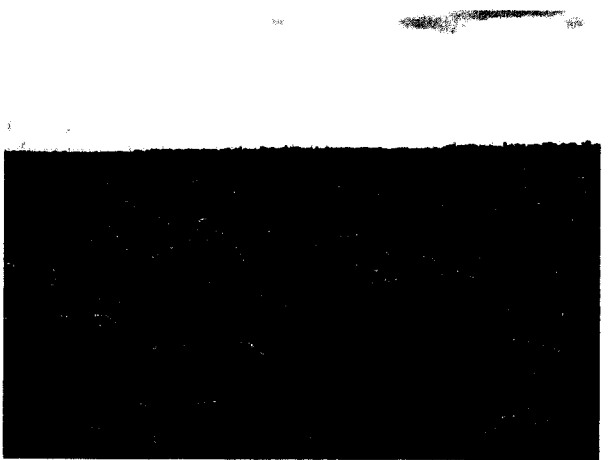
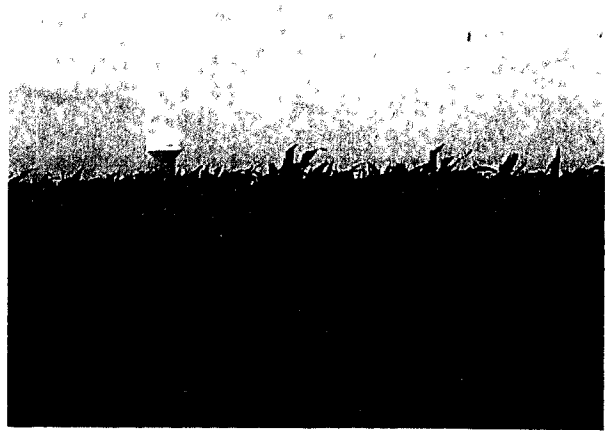
3 In general, I oppose proposed routes that would severely impact the vital
4 agricultural production on the land traversed and that would severely limit the economic
5 development that could occur on the land traversed as the Lower Rio Grande Valley
6 continues to develop as one of the fastest-growing communities in the nation. The route that
7 the Joint Applicants have recommended, Route 32, is one such route that I oppose. There
8 are many competing interests represented by the intervenors in this case and obviously,
9 every individual landowner that will be impacted by the line will have their own concerns
10 regarding the presence of the line and I am not dismissing or discounting those concerns. I
11 do believe, however, that given the immense agricultural value of our property interests that
12 could be negatively impacted – and in some cases destroyed altogether - by the proposed
13 transmission line, protection of the continued use of our land for agricultural production
14 should be a primary concern in the ultimate decision of where to route the line.

15 16 **III. DESCRIPTION OF THE PROPERTY**

17 **Q. What are the general geographical features of your property?**

18 **A.** The land interests of Moravia, Inc. Frank Schuster Farms, Inc., and Frank and Deborah
19 Schuster that may be impacted by the proposed transmission line routes are primarily
20 agricultural in nature, having been cultivated over decades to maximize their productive
21 value while ensuring with sound land management practices that the land will continue to be
22 productive for generations to come. The pictures below were taken on the property in
23 October, 2013, and are representative of the terrain and characteristics of the property:
24

1



2
3
4

1 **Q. Are habitable structures present on the property?**

2 A. Yes. There are two habitable structures on our property that may be impacted by proposed
3 transmission line links. Proposed Link No. 179 passes approximately 500 feet north of a
4 house that we own along Tower Road between Las Milpas Road and Anaya Road. The
5 house is a concrete block structure used for employee housing. More critically, proposed
6 Link No. 124 passes within 250 feet of my house located at the southeast corner of US 281
7 and FM 907. The house is a 3,000 square foot residence that has recently been remodeled
8 and has been my home for 60 years.
9



10
11 **Q. Describe the nature of the agricultural production that occurs on your property.**

12 A. We grow crops that vary by season and the need to rotate crops to continue the vitality of
13 the land. These include cabbage, greens, watermelon, onions, honeydew, carrots,
14 cucumbers, cilantro, daikon, tomatoes, bell peppers, hot peppers, eggplant, squash, and
15 broccoli. In 1987 I established the Val Verde Vegetable Co. to market our produce and to
16 market the produce of other growers in the United States and Mexico. Moravia, Inc. and
17 Frank Schuster Farms, Inc. are part of a large-scale agricultural operation that encompasses
18 over 3,000 acres of production and provides over \$4 million annually in direct payroll to the
19 local economy. Through Val Verde Vegetable Co., our produce is shipped nationwide.
20
21

Direct Testimony of Frank Schuster on behalf of Moravia, Inc., Frank Schuster Farms, Inc., Frank and Deborah
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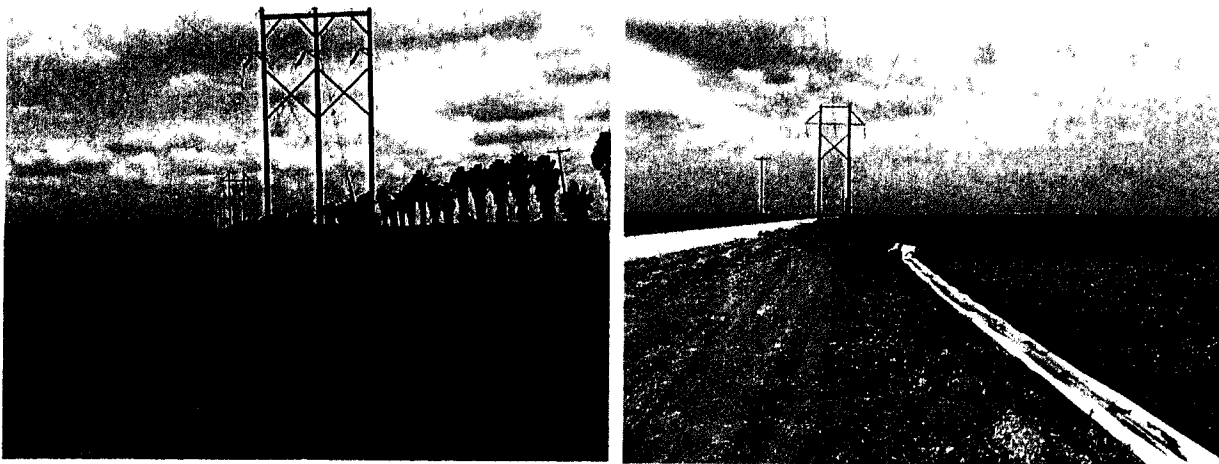
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1 **Q. Is there an electric transmission line on the property?**

2 **A.** Yes. On the Moravia, Inc. properties identified as 203420, 203421, and 541793, a wooden
3 H-frame transmission line runs across the south side of the property parallel to Hi Line
4 Road. Proposed Link No. 123 would parallel this existing line to the south. On the Frank
5 Schuster Farms, Inc. properties identified as 277323, 277337, 307725, 307727, 307728, and
6 307729, a wooden H-frame transmission line runs along the south side of the property
7 parallel to US Highway 281. Proposed Link No. 133 would cross over these properties at an
8 angle and then generally parallel the existing H-frame transmission line and in doing so
9 would make the properties effectively useless because of the portion of the land that would
10 be covered by the line easements. On the Frank Schuster Farms, Inc. properties identified as
11 111327 and 111328 a wooden H-frame transmission line runs along the southern boundary
12 of the property. Proposed Link No. 132b would parallel this line to the south. According to
13 the depiction on Attachment 9a, this link would not require an easement on Frank Schuster
14 Farms, Inc. land, though it would be almost immediately adjacent to it. As demonstrated by
15 the pictures below, the wooden H-frame transmission lines are not much larger than
16 distribution poles and have a far less imposing impact on the properties than the proposed
17 150-ft tall steel towers.
18



1 **Q. Do any other types of easements affect the property?**

2 **A.** Yes. There are various pipeline and roadway easements on the properties. There is a gas
3 metering station on the Frank Schuster Farms, Inc. property identified as 111293 that would
4 cause proposed Link No. 180 to make a detour to the north to avoid it. Many Irrigation
5 District water pipelines and canals as well as Drainage District ditches for local authorities
6 also cross our properties. These have been developed collaboratively over the years so that
7 they do not interfere with the agricultural production of the land.

8
9 **IV. IMPACTS OF THE PROPOSED TRANSMISSION LINE ON PROPERTY**

10 **Q. In what manner would the current use of Moravia, Inc.'s land be impacted by the**
11 **proposed transmission line?**

12 **A.** Moravia, Inc. would be impacted by proposed Link Nos. 121, 123 and 131. The most direct
13 impact would be from proposed Link No. 121 which would traverse the northern edge of the
14 properties identified as 203414, 203415, 203416, and 203418. This proposed link would
15 cause the loss of actual farmable land resulting in a decrease in farm revenue. Additional
16 adverse impacts could include the complication of aerial applications to the fields (i.e. crop
17 dusting) and the hindrance of field equipment due to the presence of the transmission poles
18 and possible interference with GPS and navigation systems. For aerial applications to be
19 effective the entire field must be sprayed. Although proposed Link No. 121 as depicted in
20 the Application would parallel the northern boundary of the properties, this could require the
21 field to be set back from the right-of-way in order to be sprayed, thus further reducing the
22 amount of farmable land due to the presence of the line. Although Link Nos. 123 and 131,
23 as depicted in the Application, do not traverse Moravia, Inc. property, they are directly to
24 the east and south of the properties and could have similar implications as proposed Link
25 No. 121 to aerial application.

26
27 **Q. In what manner would the current use of Frank Schuster Farms, Inc.'s land be**
28 **impacted by the proposed transmission line?**

1 A. Frank Schuster Farms, Inc. would be impacted by proposed Link Nos. 123, 124, 131, 132a,
2 132b, 133, 166, 170a, 171, 173a, 179, and 180. The property identified as 200458 would be
3 traversed by proposed Link Nos. 123, 131, and 132a. This proposed links would cause the
4 loss of actual farmable land resulting in a decrease in farm revenue. Additional adverse
5 impacts could include the complication of aerial applications to the fields (i.e. crop dusting)
6 and the hindrance of field equipment due to the presence of the transmission poles and
7 possible interference with GPS and navigation systems. Proposed Link No. 124 would
8 traverse the properties identified as 277293, 277294, 277297, 277298, 277299, and 277301
9 near their southern boundaries parallel to US Highway 281. In addition to the agricultural
10 impacts that this would cause as discussed above, proposed Link No. 124 would parallel the
11 highway where tall palm trees planted by my father still grow as shown below:
12



13
14 As depicted in Attachment 9a of the Application, the right-of-way of Link No.
15 124 would encompass the trees. My understanding from the Application is that this would
16 cause the trees to be cut down, thus destroying a part of my family's heritage on these
17 properties.

18 Proposed Link No. 132b would parallel the southern boundaries of Property Nos.
19 11327 and 11328. This could impact the aerial application of those fields.

20 Proposed Link No. 133 would bisect the properties identified as 277323 and
21 307729 at an angle, effectively bisecting them and making them useless for agricultural

Direct Testimony of Frank Schuster on behalf of Moravia, Inc., Frank Schuster Farms, Inc., Frank and Deborah
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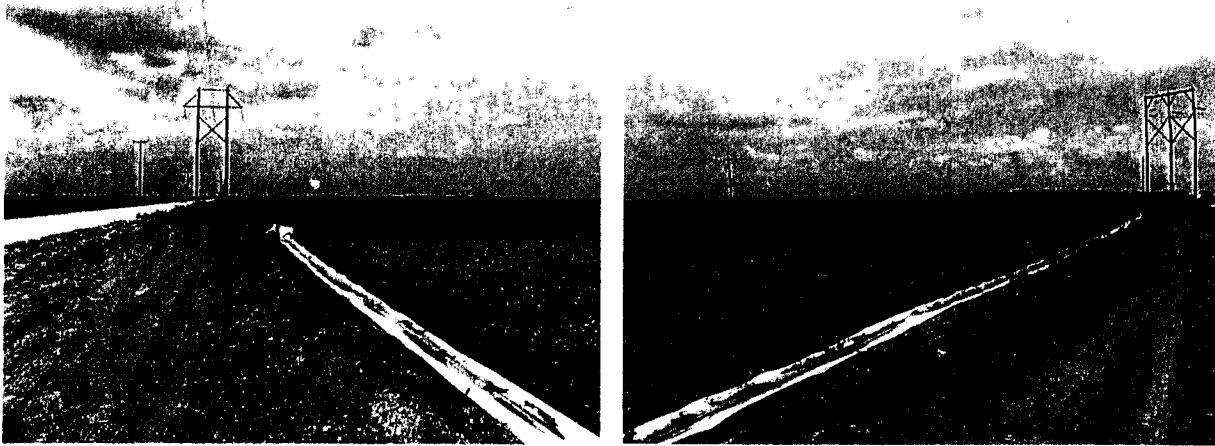
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1 production due to the impracticality of operating heavy equipment around the poles or using
2 aerial application. The proposed Link No. 133 would then parallel an existing wooden H-
3 frame transmission line across properties 307728, 307727, and 307725. The impact on
4 these properties would not be significantly less severe than that on properties 277323 and
5 307729, however, as the new line's right-of-way would parallel the existing line's right-of-
6 way, taking a considerable amount of farmland out of use as depicted on the pictures below:



7
8 Proposed Link No. 166 would impact Property No. 290852 by traversing the
9 entire length of its eastern border. Although paralleling the property boundary, the property
10 is relatively narrow and the impact of proposed Link No. 166 would be significant. An
11 more severe impact from proposed Link No. 166 would occur to Property No. 290845 as the
12 link traverses that relatively narrow property diagonally, making most of it unusable as
13 farmable land.

14 Proposed Link No. 171 would severely impact Property No. 111465 as it would
15 cross it at an angle, not parallel to its northern border, then take away more farmable land as
16 the link continues to parallel the eastern border.

17 Proposed Link No. 179 would parallel the southern boundary of Property No.
18 111395 but would not require an easement across it according to the depiction in
19 Attachment 9a to the Application. More importantly, however, proposed Link No. 179
20 passes approximately 500 feet north of a house that we own along Tower Road between Las
21 Milpas Road and Anaya Road as described above.

Direct Testimony of Frank Schuster on behalf of Moravia, Inc., Frank Schuster Farms, Inc., Frank and Deborah
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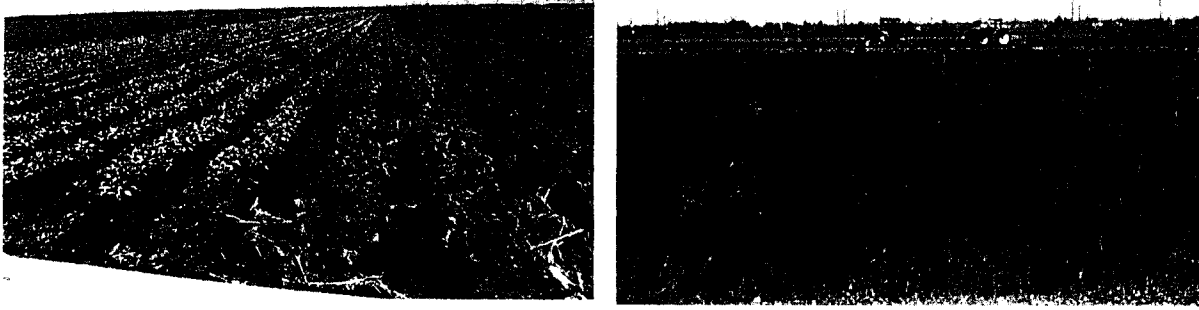
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1 Proposed Link No. 180 would severely impact Property No. 111293, crossing it in
2 an angular manner such as to effectively end its use as productive farmland.



3
4
5 **Q. In what manner would the current use of Frank and Deborah Schuster's land be**
6 **impacted by the proposed transmission line?**

7 **A.** Frank and Deborah Schuster would be impacted by proposed Links 124, 130, 166, 170a,
8 171, 176, 179, 180, and 352.

9 Proposed Link No. 124 would parallel the southern boundaries of Property Nos.
10 277300 and 277303, with the right-of-way for the line entirely on those properties. The line
11 would be directly across the highway from Property Nos. 277329, where my home is
12 located, 458 377 with two habitable structures, and 485404 which is a wooded property kept
13 in a natural state. Additionally, routing the line on Property Nos. 277300 and 277303 would
14 require the removal of the tall palms planted by my father that are along U.S. Highway 281
15 as described above.

16 Property No. 111466 would be directly impacted by proposed Link Nos. 170a and
17 171. According to Attachment 9a to the Application, approximately half the right-of-way of
18 proposed Link No. 170a would be located on the property. Proposed Link No. 171 would
19 cross the property at an angle across its northern side, with the entirety of the right-of-way
20 on the property, making that land unable to be farmed. This would be true also for a small
21 part of the right-of-way for proposed Link No. 166.

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1 Proposed Link No. 179 would parallel the northern boundary of Property Nos.
2 111315 and 111316, taking a 150-ft right-of-way across the entire southern boundary out of
3 production as land usable for agricultural production.

4 Proposed Link No. 180 would parallel the southern boundary of Property No.
5 111295, taking a 150-ft right-of-way across the entire southern boundary out of production
6 as land usable for agricultural production and taking additional acreage near the eastern
7 boundary as the line takes a northeastern angle.
8

9 **Q. What other economic impacts would routing the transmission line on the land owned**
10 **by Moravia, Inc., Frank Schuster Farms, Inc., and Frank and Deborah Schuster have?**

11 **A.** All of the properties described in this testimony are in a prime growth corridor for future
12 economic development. The Pharr International Bridge is driving a transformation of land
13 in the study area from agricultural to industrial and commercial use. As traffic across the
14 bridge continues to grow as a main route of trade between the United States and Mexico,
15 that development is very likely to continue and the land in the growth corridor, such as that
16 owned by Moravia, Inc., Frank Schuster Farms, Inc., and Frank and Deborah Schuster, will
17 have value for commercial and residential development. That value would be significantly
18 diminished if a large transmission line makes development of the property impossible or is a
19 significant presence on the land, making it relatively less attractive for development than
20 land without the line.
21

22 **V. CONCLUSION**

23 **Q. Are all of the pictures included in this testimony true and correct reproductions of**
24 **photographs of your property taken in October 2013?**

25 **A.** Yes. Full sized copies of each photograph are attached as Attachment B to this testimony.
26

27 **Q. Does this conclude your testimony?**

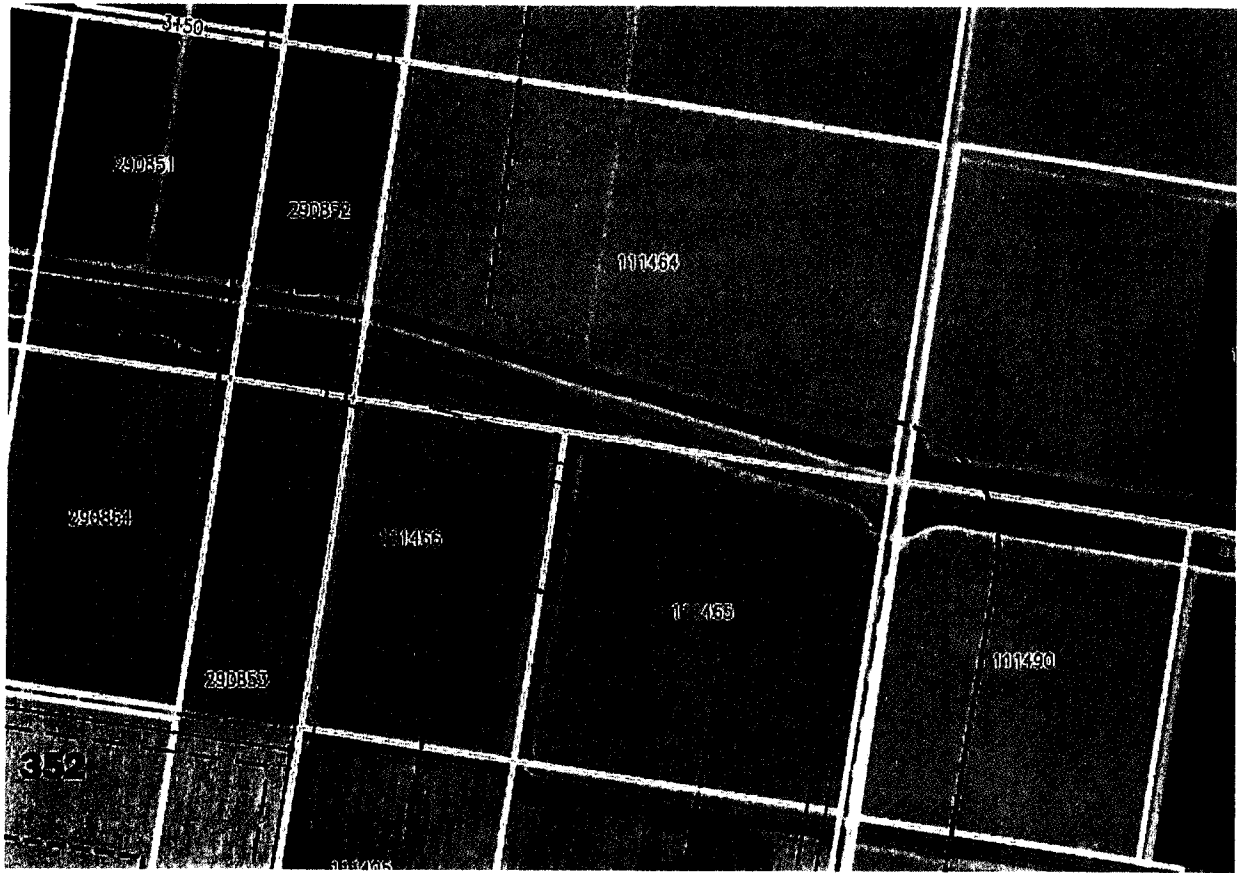
28 **A.** Yes it does.

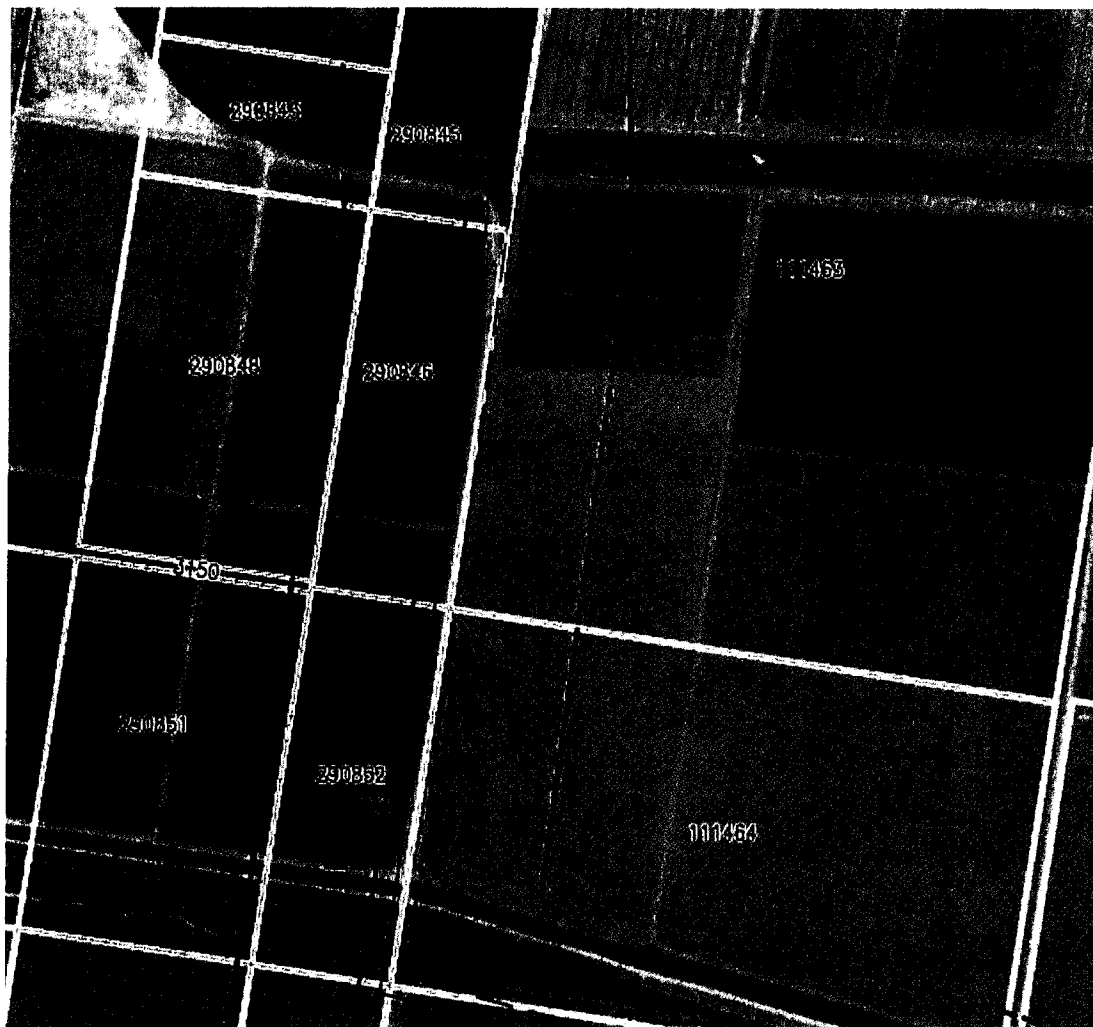
ATTACHMENT A

EXCERPT OF ATTACHMENT 9A TO THE APPLICATION

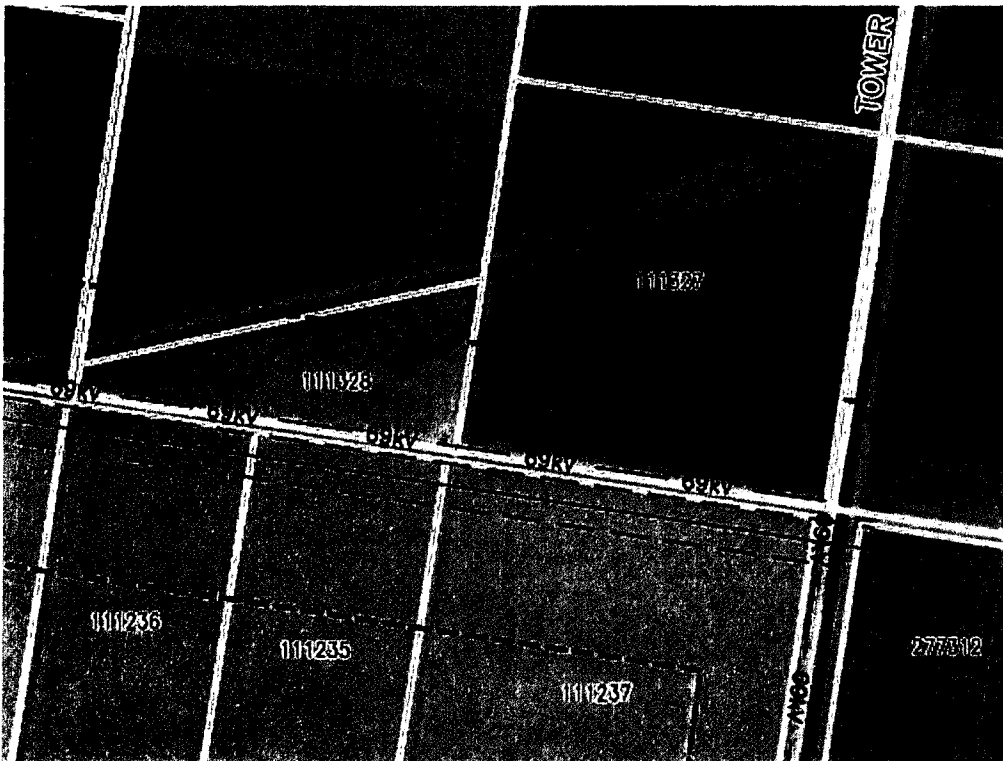
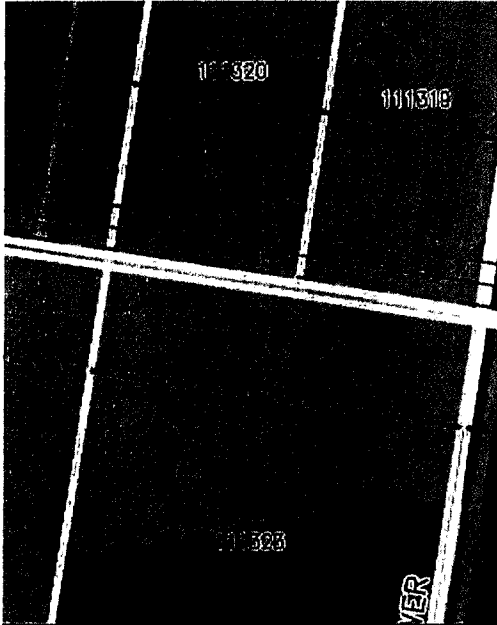




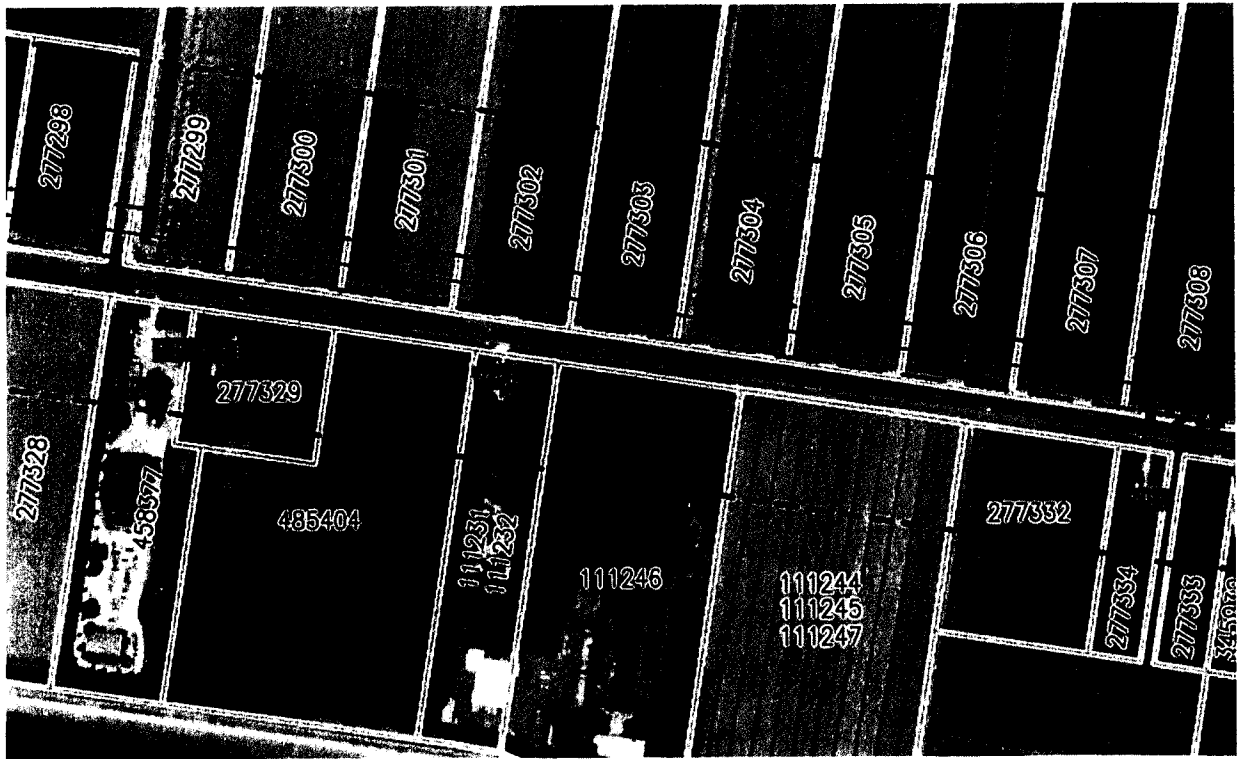






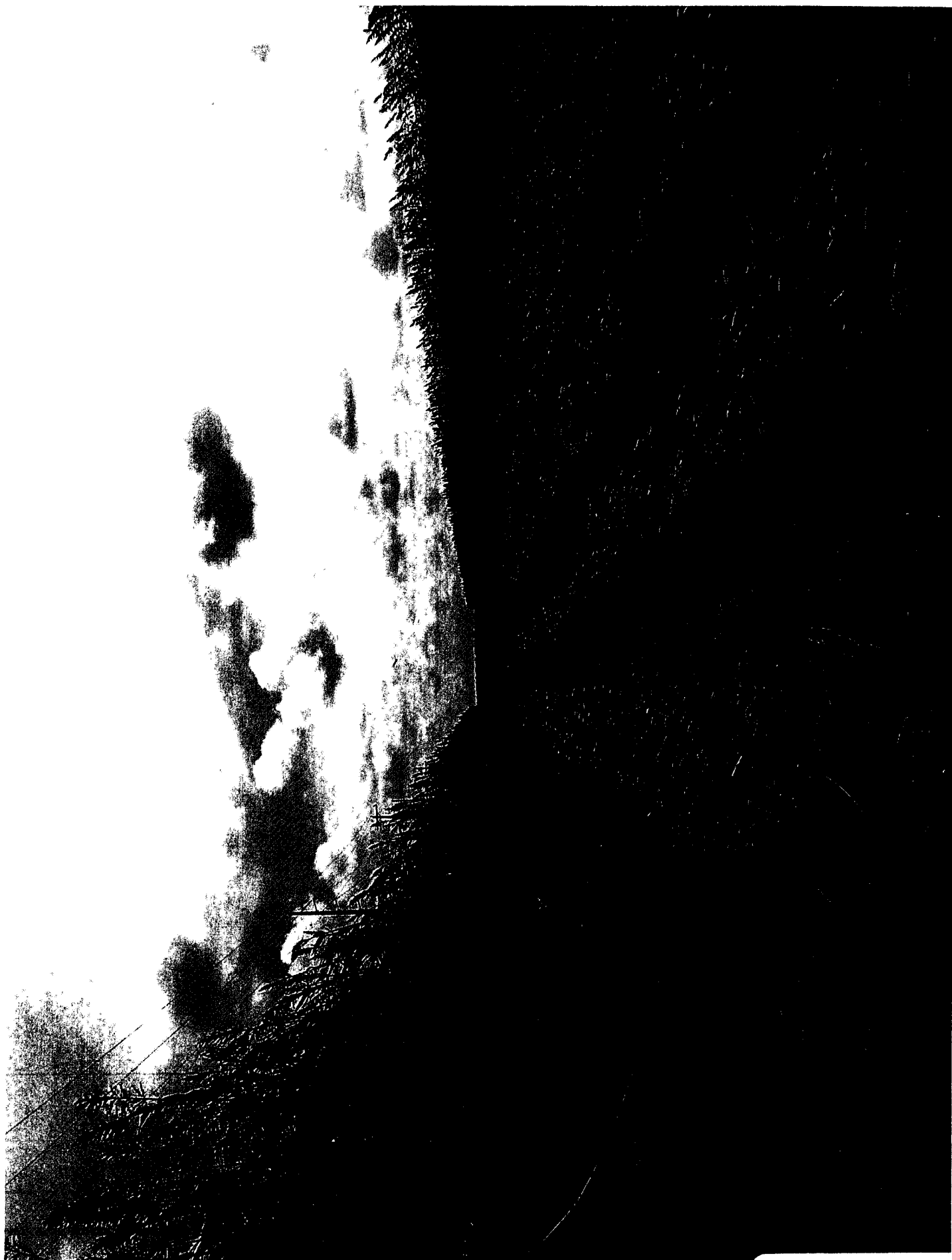




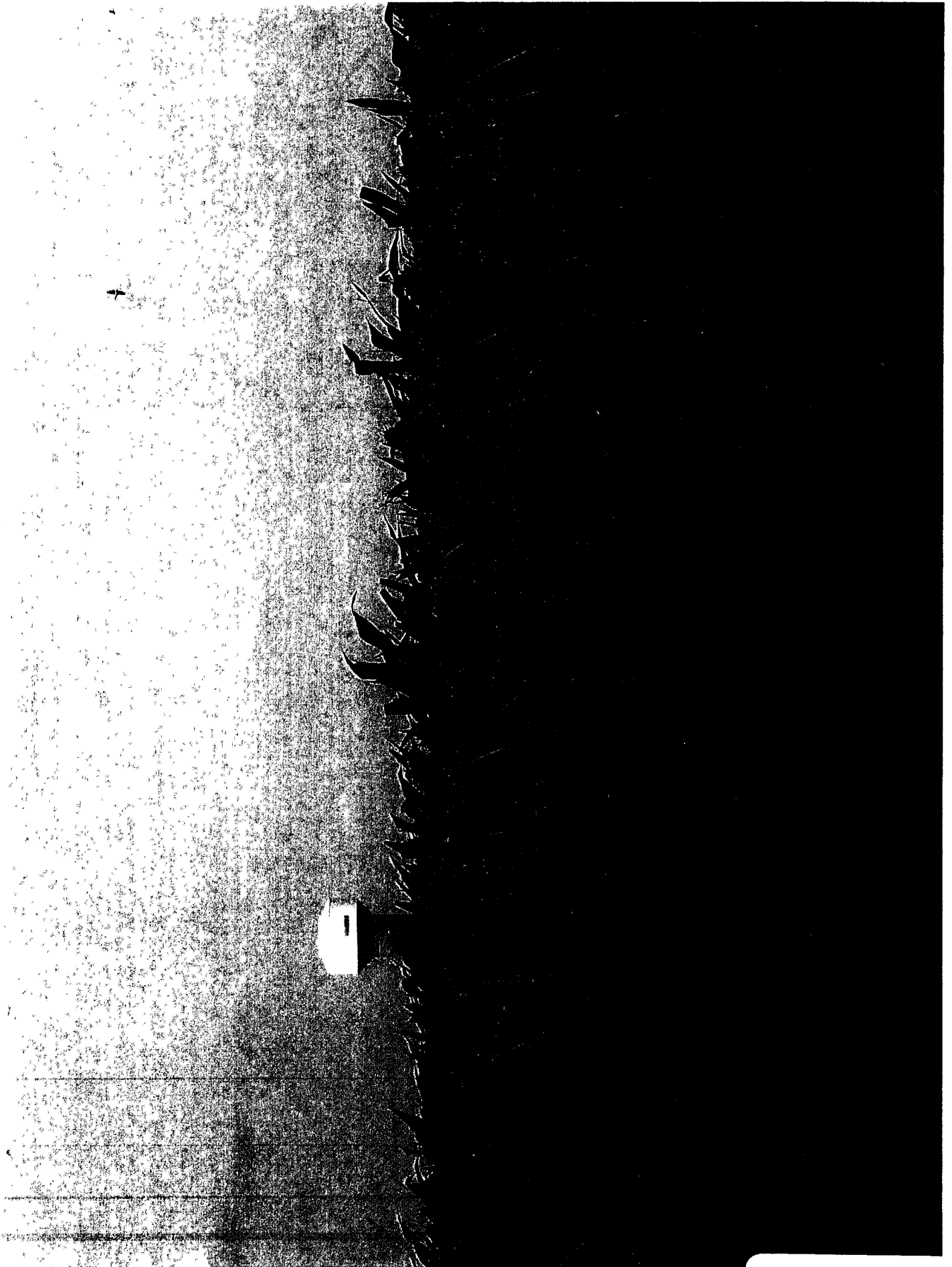


ATTACHMENT B

FULL SIZE COPIES OF TESTIMONY PHOTOGRAPHS

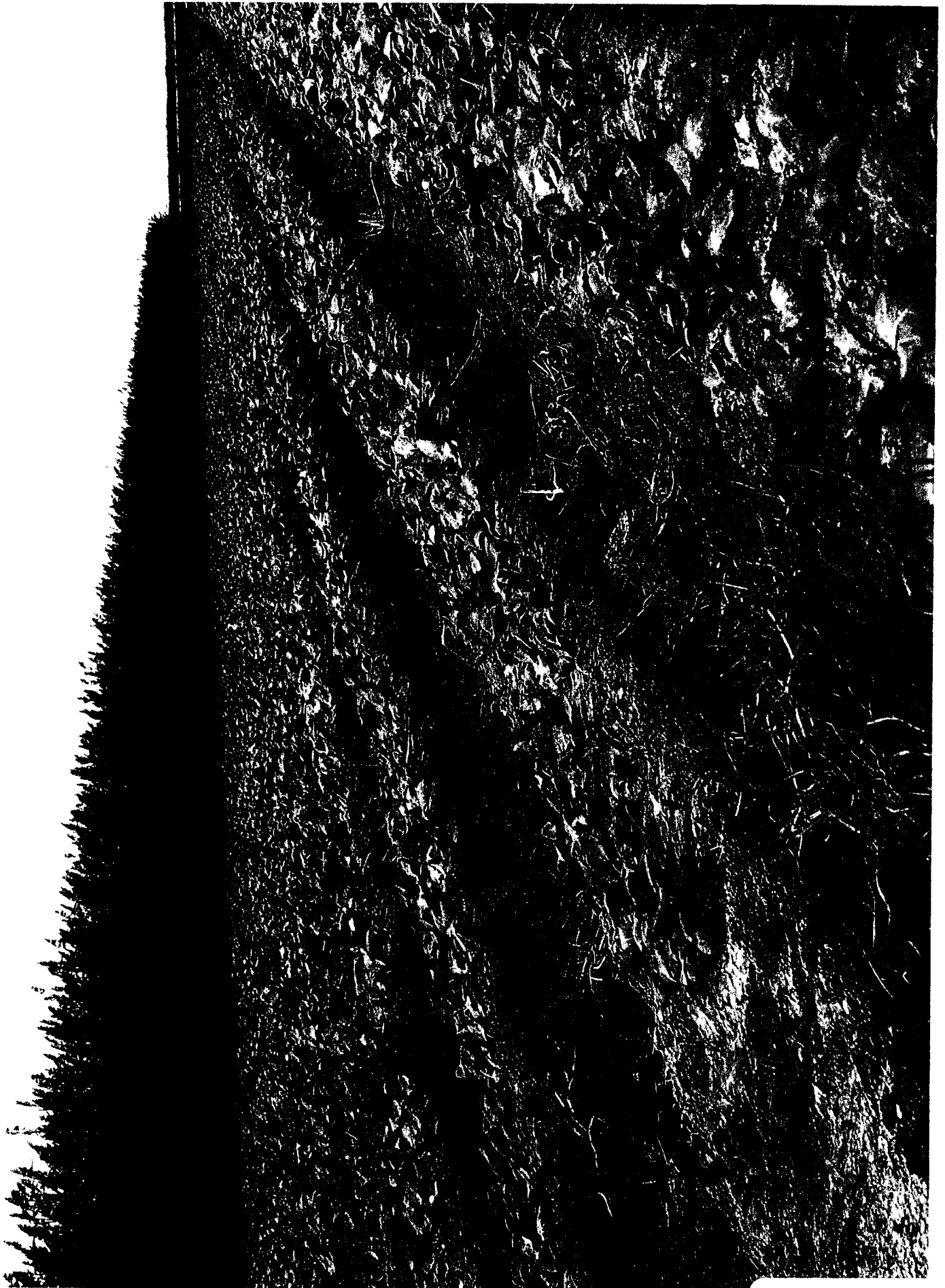


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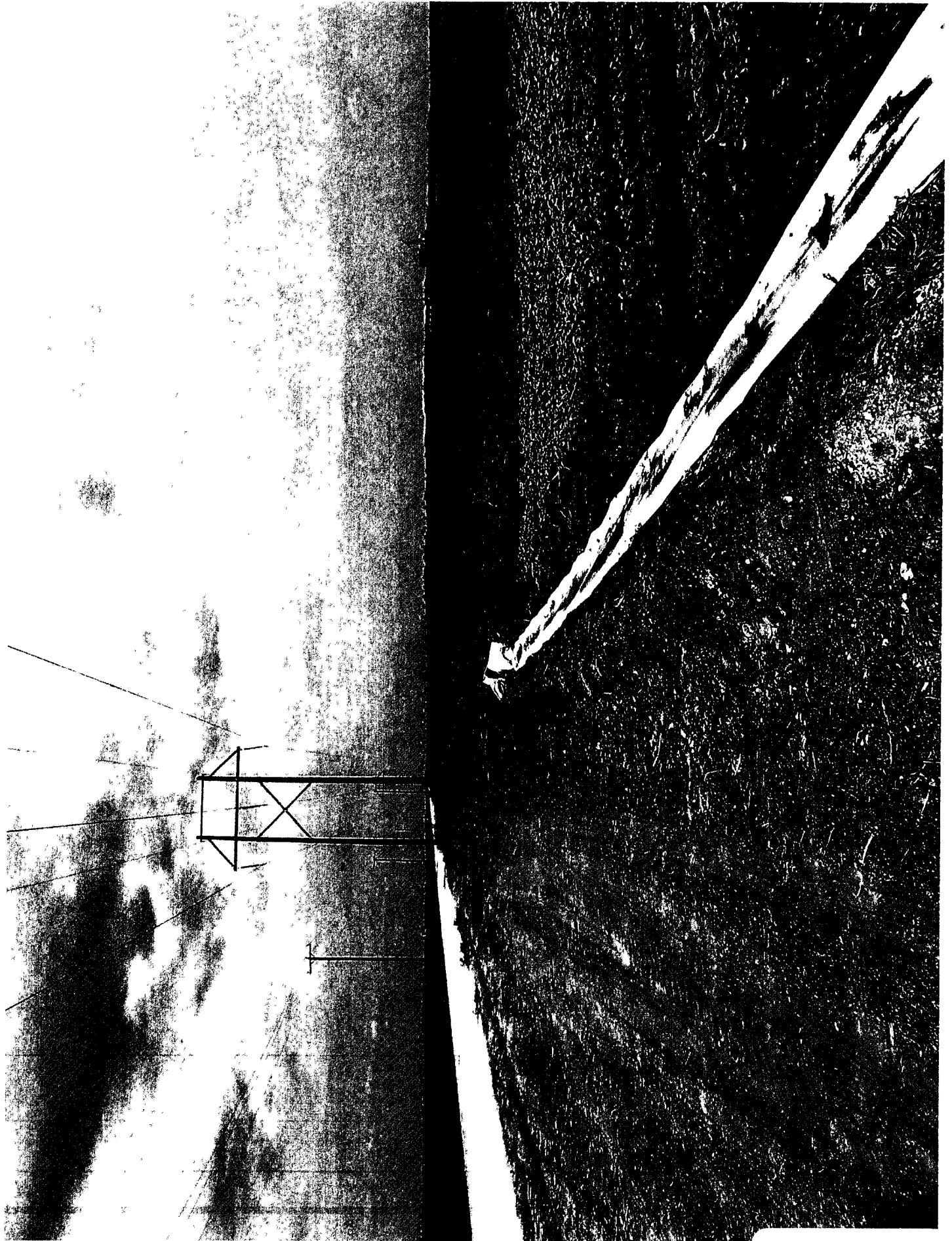
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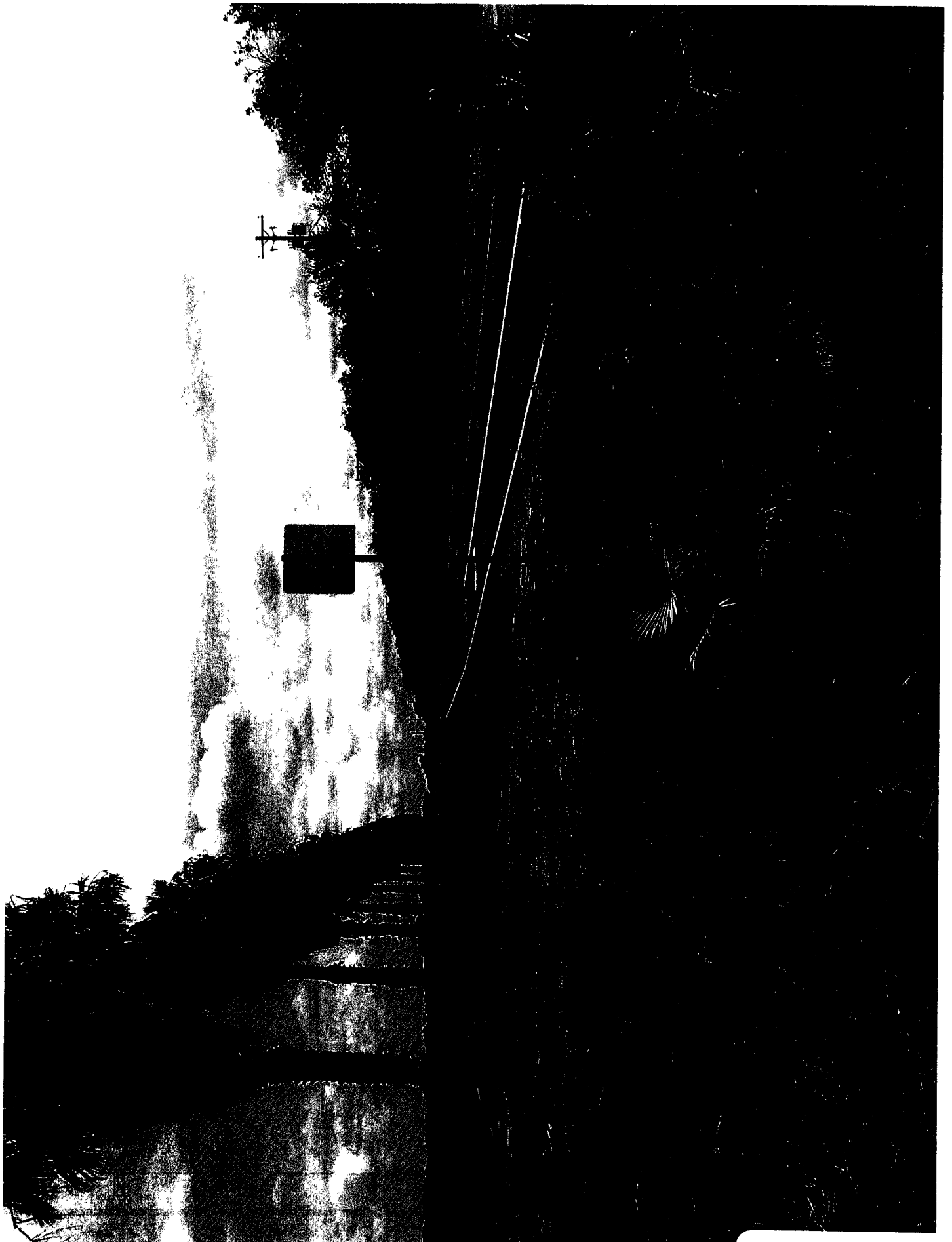
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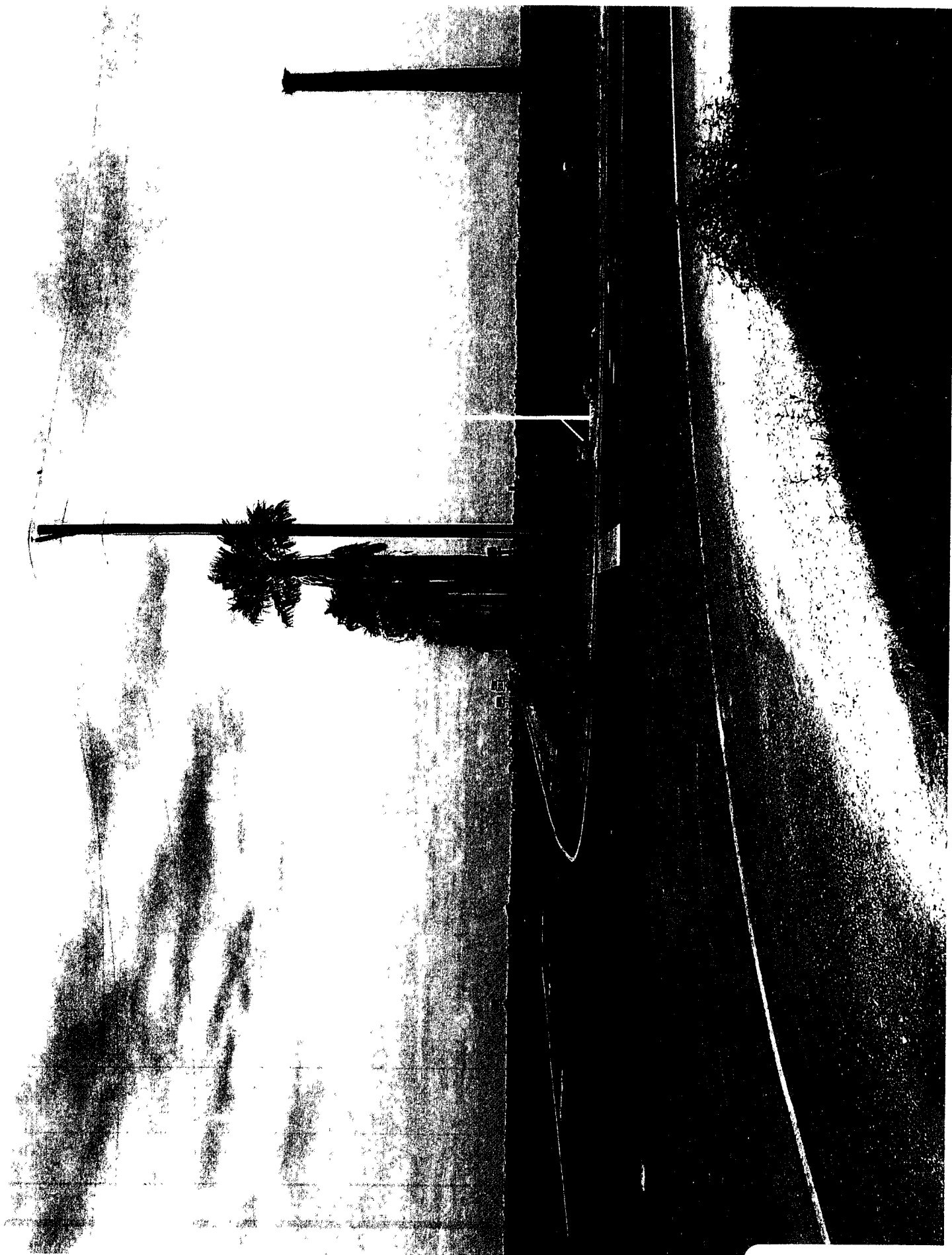
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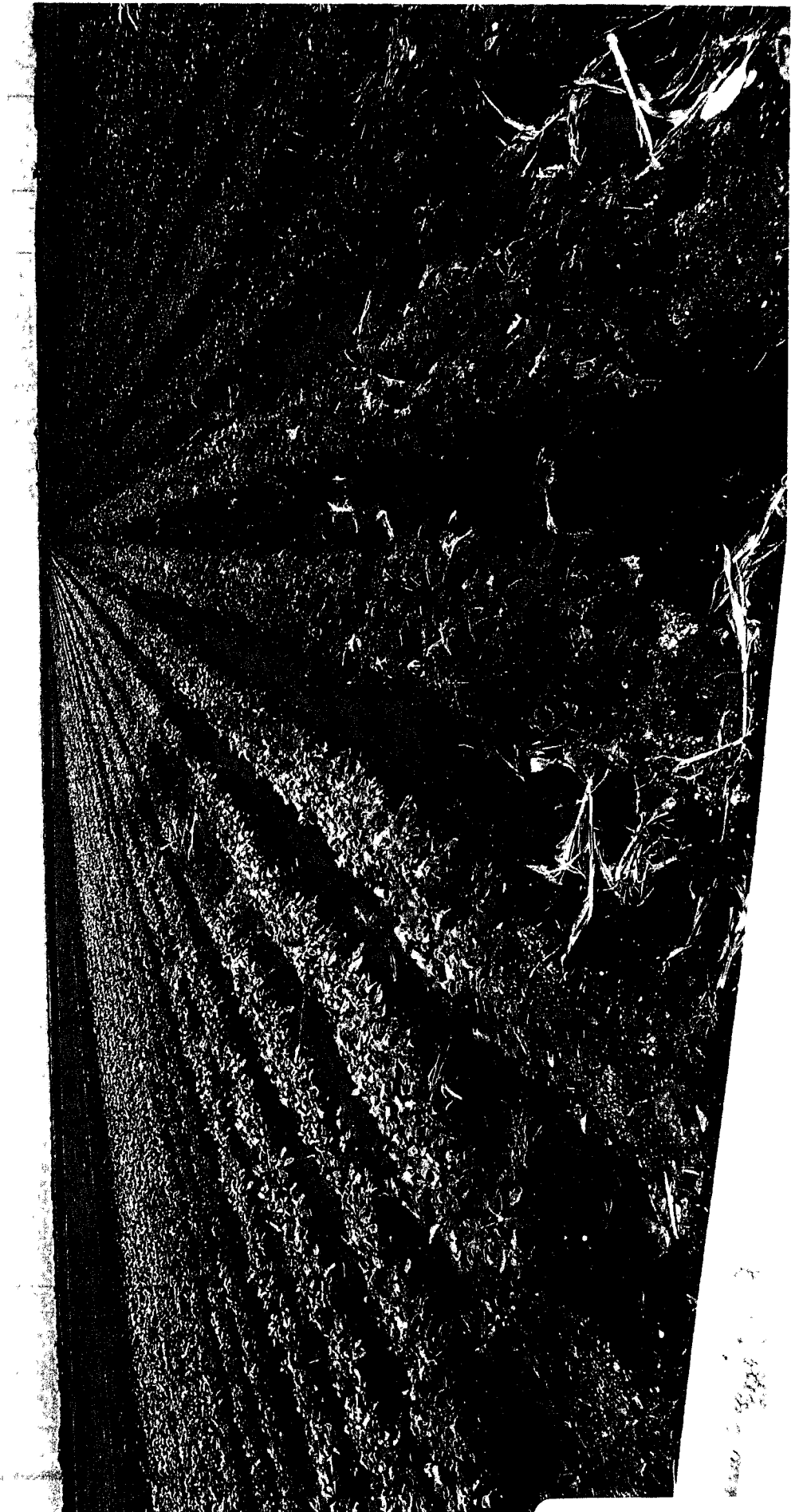
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