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| SAN ANTONIO TO AMEND ITS | § | |
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| SCENIC LOOP 138-KV | § | |
| TRANSMISSION LINE IN BEXAR | § | |
| COUNTY | § | ADMINISTRATIVE HEARINGS |

DIRECT TESTIMONY

OF

BRAD JAUER

ON BEHALF OF

BRAD JAUER AND BVJ PROPERTIES, L.L.C

February 17, 2021

- 1 O. PLEASE STATE YOUR NAME AND ADDRESS.
- 2 A. My name is Brad Jauer. I reside at 25716 Creekside Cove, Boerne, Texas 78006.
- 3 Q. ARE YOU AN INTERVENOR IN THIS CASE IN WHICH SAN ANTONIO'S CITY
- 4 PUBLIC SERVICE BOARD ("CPS") IS SEEKING A CCN TO CONSTRUCT A
- 5 138-kV TRANSMISSION LINE IN BEXAR COUNTY, TEXAS?
- 6 A. Yes, I am.
- 7 Q. HAVE YOU PREVIOUSLY TESTIFIED IN A COMMISSION PROCEEDING?
- 8 A. No, I have not.
- 9 Q. DO YOU HAVE ANY EXHIBITS TO YOUR TESTIMONY?
- 10 A. Yes.
- Exhibit BJ-1 contains some pictures which I took of a natural gas pipeline riser on the north
- side of and along Toutant Beauregard Road where Segment 20 would be located according
- to the maps filed by CPS in the matter.¹
- Exhibit BJ-2 contains:
- i) CPS's response to Brad Jauer & BVJ Properties RFI 2-8;
- ii) CPS's response to Brad Jauer & BVJ Properties RFI 2-16; and
- iii) CPS's response to Anaqua Springs Homeowners' Association RFI 2-13.
- 18 Q. CAN YOU BRIEFLY SUMMARIZE YOUR INTEREST IN THIS CASE?
- 19 A. I co-own, with BVJ Properties. L.L.C., the properties identified by CPS as Tract C-014 and
- Tract C-029, which are directly affected by one or more proposed segments of the Scenic
- Loop 138-kV transmission line in the CPS Application. This is my primary residence and
- I have personal knowledge and experience regarding my land and the surrounding area.

¹ See e.g., Attachment 6 Amended, entitled "Scenic Loop 138 kV Electric Transmission Project: Location of Directly Affected Parcels and Habitable Structure," Sheet 7 of 17, included in of Attachment 5 to CPS Energy's Application Amendment (Dec. 20, 2020) as Attachment 5.

- Proposed Segments 32 and 36 would run along my property and near my home. My primary interest is to present evidence of the negative effect a transmission line would have on my home and the property that I have purchased at great expense to preserve.
- Q. DO YOU OWN TRACT C-028, WHICH IS BORDERED BY YOUR TRACT C-029
 ON THE WEST AND SOUTH, TOUTANT BEAUREGARD ON THE NORTH,
 AND SUNDANCE RANCH ON THE EAST?
- 7 A. No. It is owned by SDR TX-015, LLC.
- 8 Q. DO YOU OWN THE FCC-REGISTERED COMMUNICATIONS TOWER 9 LOCATED ON TRACT C-028, WHICH IS DESGNATED ON AMENDED FIGURE 10 4-1 AS "COMMUNICATION TOWER NO. 501"?²
- 11 A. No. It is owned and operated by CellTex Site Service, Ltd., which has a ground lease from
 12 the owner of Tract C-028. Greg Huber is a principal in both CellTex Site Service, Ltd. and
 13 SDR TX-015, LLC. He will testify in more detail about the particulars of Tract C-028 and
 14 the communications tower.
- 15 Q. PLEASE DESCRIBE YOUR PROPERTY THAT IS DIRECTLY AFFECTED BY CPS' PROPOSED PROJECT.
- A. My property is on the south side of Toutant Beauregard Road, between Anaqua Springs and the Sundance Ranch subdivisions. Segment 32 would run along the east side of my property for approximately 570 yards (the length of almost 6 football fields), based on the scale bars on the routing maps filed by CPS with its amended Application,³ and Segment 36 would run along the front of my property on the north for approximately 225 yards (the

² See Figure 4-1 Amended, entitled "Habitable Structures and Other Land Use Features in the Vicinity of the Primary Alternative Routes," in CPS Energy's Application Amendment (Dec. 20, 2020), Appendix E.

³ See Id.

length of 2 ¼ football fields) and include an apparent angle structure in the northeast corner of my property.⁴

Q. PLEASE DESCRIBE THE HABITABLE STRUCTURES ON THE PROPERTY.

We have two houses on the property. After years of planning, my wife and I selected Anaqua Springs Ranch back in 2010 as the perfect place to raise our two children and build our new home. We chose it because it provided us beautiful views of the Hill Country, privacy, and serenity. We purchased our initial five-acre homesite in 2010 and spent the next year building our home. In 2015, we added a gym, spa, garage, tennis court and pavilion on the property.

In 2016, we purchased the home next door, adding another five acres to our property. We use this home to provide additional housing for family and visitors, for homeschooling our children, as well as additional privacy.

13 Q. HAVE YOU TAKEN ANY MEASURES TO PROTECT THE PROPERTY FROM ENCROACHMENT?

Yes. In 2016, we were notified that a developer, DR Horton, intended to build 60+ homes on 70 acres behind our property. To preserve the land from development and to protect our views of the Hill Country and our privacy, we purchased the 70 acres from Tom Dreiss, the developer of Anaqua Springs, to prevent it from being sold to DR Horton. Then, two years later, in 2018, we purchased an additional 10 acres behind our home to prevent anyone else from building there.

Q. FOR YOU PERSONALLY, WHAT IS AT STAKE IN THIS PROCEEDING?

Α.

A.

⁴ See Id.

Over the course of the last 10 years, my wife and I have spent over \$7.5MM building our house, making improvements, and purchasing surrounding land (90+ acres) to preserve it from development. We have no plans to sell or develop any of the land around our home, as it was purchased to protect against that very thing -- development. We invested this money in order to have a beautiful residence with sweeping hilltop views of the Hill Country that was a quiet, peaceful, and serene environment in which to raise our family. We want to keep it preserved.

A.

A.

Q. WOULD THE PROPOSED TRANSMISSION LINE HAVE AN IMPACT ON THE COMMUNITY AROUND YOU?

The power lines that CPS has proposed to build along Toutant Beauregard would not only destroy our majestic peaceful views of the Hill Country, but they would also cause a potential health risk to our family that my wife and I are deeply concerned about. If CPS builds these transmission lines as currently proposed, the transmission lines would also encroach upon McAndrew Elementary, which is the elementary school down the street where both of my kids went to school. We are worried about the potential health risk to the teachers, staff, and students of McAndrew Elementary, as well as the attractive nuisance risk relative to the more adventurous students. This proposal would cause irreparable damage to the value of ALL of our properties.

Mark Anderson will provide expert testimony on our behalf regarding the relative merits of the routes that have been proposed or should be considered in this proceeding. He will detail why the Toutant Beauregard routes are problematic, undesirable, and significantly lacking as to the factors prescribed by law, and why Route R1 Modified best meets those factors.

- Q. ARE YOU AWARE OF ANY PIPELINES OR OTHER STRUCTURES THAT
 MIGHT BE RELEVANT TO THE SITING OF THE TRANSMISSION LINE
 ROUTES PROPOSED ALONG TOUTANT BEAUREGARD ROAD?
- There is a steel natural gas pipeline that runs along Toutant Beauregard Road. Based on 4 A. 5 my observations, it appears to run from Scenic Loop Road past Anaqua Springs. I took 6 pictures of one of the gas pipeline facilities which are attached as Exhibit BJ-1. Based on 7 the riser in the pictures, it looks like a 4-to-6-inch pipeline operated by CPS Energy. This 8 particular installation is about 10 to 15 feet north of Toutant Beauregard Road, where Segment 20 would be located,⁵ but I have seen pipeline flags on the south side of Toutant 9 Beauregard Road as you approach Scenic Loop Road, as well. In addition to the existence 10 of the pipeline itself, as a steel natural gas pipeline, it would likely need cathodic protection 11 and could have anode beds in proximity to the transmission line, as well. 12

13 Q. ARE YOU FAMILIAR WITH NATURAL GAS PIPELINES?

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A. I am very familiar with natural gas pipelines. I have a degree in mechanical engineering from UTSA and have worked in the oil field as an engineer for 20+ years. Currently, I am the President and CEO of GulfTex Energy and, prior to that, I was the President and Founder of Dolphin Petroleum. GulfTex's operations are currently focused on the Austin Chalk and Eagle Ford Shale in South Texas. Currently, we have 5,200 gross /4,400 net acres leased in the Austin Chalk and Eagle Ford. The company has approximately 17 producing oil and gas wells with more than 70+ drilling locations to develop. Our current production is about 5,000 barrels of oil equivalent per day (BOEPD).

⁵ See e.g., Amendment to CPS Energy's Application, Attachment 5, "Application Attachment 6 Amended," Sheet 7.

| 2 | | REGARDING EXISTING PIPELINES ALONG THE ROUTES IT HAS PROPOSED IN THIS MATTER? |
|----|----|--|
| 4 | A. | Yes. In CPS's response to Brad Jauer & BVJ Properties RFI 2-8, CPS states: |
| 5 | | "CPS Energy is not aware of any steel natural gas or water pipelines in the |
| 6 | | area. Further, any issues necessitating potential consideration of cathodic |
| 7 | | protection will only be related to steel pipelines carrying hydrocarbons |
| 8 | | running parallel to the proposed transmission line facilities." |
| 9 | | And, specifically with respect to Segment 20 where the riser for the natural gas pipeline is |
| 10 | | located, in CPS's response to Brad Jauer & BVJ Properties RFI 2-16, CPS states: |
| 11 | | "CPS Energy does not have any information regarding any pipelines in |
| 12 | | proximity to Segment 20, including owner, size, composition or material, |
| 13 | | and type." |
| 14 | Q. | WHO OWNS THE NATURAL GAS PIPELINE ALONG THE LOCATION OF |
| 15 | | SEGMENT 20? |
| 16 | A. | The sign on the pipeline says, "CPS Energy," which can be seen in the photographs |
| 17 | | attached to my testimony as part of Exhibit BJ-1, particularly the third photograph. |
| 18 | Q. | ARE YOU AWARE OF ANY STATEMENTS OR CLAIMS THAT CPS HAS MADE |
| 19 | | REGARDING THE INCLUSION OF CATHODIC PROTECTION COSTS IN THE |
| 20 | | COST ESTIMATES CPS HAS USED FOR THE PROJECT? |
| 21 | A. | Yes. In CPS's response to Anaqua Springs Homeowners' Association RFI 2-13, CPS |
| 22 | | states: "There are no cathodic protection costs included in CPS Energy's cost estimates for |
| 23 | | this Project." |
| 24 | Q. | HAVE YOU INCLUDED THESE RFI RESPONSES FROM CPS WITH YOUR |
| 25 | | TESTIMONY? |
| 26 | A. | Yes. Each of CPS's RFI responses to which I have referred is attached to my testimony as |
| 27 | | part of Exhibit BJ-2. |
| 28 | Q. | ARE THERE ANY NATURAL FEATURES ON YOUR PROPERTY THAT THE |
| 29 | - | COMMISSION SHOULD BE AWARE OF WHEN ROUTING A TRANSMISSION |
| 30 | | LINE? |

1 Q. ARE YOU AWARE OF ANY STATEMENTS OR CLAIMS THAT CPS HAS MADE

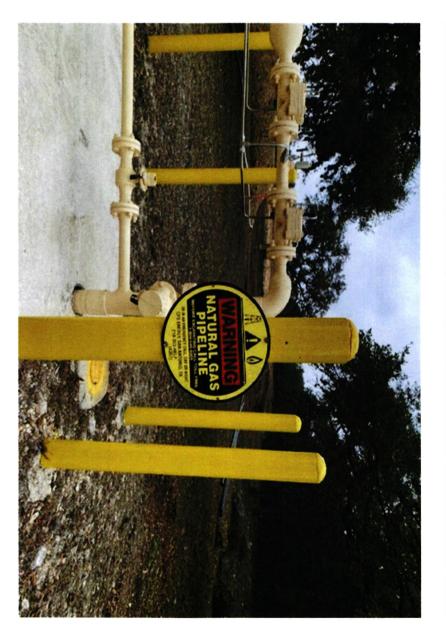
- Yes, the front of my property has a growth of mature Ashe juniper trees, or "cedar" trees
- 2 as we call them here in Texas that I understand are suitable golden cheeked warbler habitat.
- 3 Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?
- 4 A. Yes.

DIRECT TESTIMONY OF BRAD JAUER

EXHIBIT BJ-1

Photographs of Steel Natural Gas Pipeline Riser on North Side of Toutant Beauregard Where Segment 20 Is Sited









DIRECT TESTIMONY OF BRAD JAUER

EXHIBIT BJ-2

CPS's responses to:
Brad Jauer & BVJ Properties RFI 2-8;
Brad Jauer & BVJ Properties RFI 2-16; and
Anaqua Springs Homeowners' Association RFI 2-13

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CPS ENERGY'S RESPONSE TO BRAD JAUER'S AND BVJ PROPERTIES, L.L.C.'S SECOND REQUESTS FOR INFORMATION TO CPS ENERGY

Brad Jauer & BVJ Properties RFI 2-8:

CPS response to AS 2-12 states in part: "As a prudent utility operator CPS Energy will ensure appropriate grounding, if necessary, for any of the facilities proposed for the construction of the Project." Please state how CPS determines if appropriate grounding is necessary? Do CPS easements convey the right to enter properties and test and install grounding systems? Does CPS disclose up front when initial easement negotiations take place with impacted homeowners that grounding may be necessary, what potential dangers will be mitigated, and how this grounding will be maintained? Please describe CPS's typical cathodic protection for steel natural gas or water pipelines.

Response No. 2-8:

CPS Energy obtains easements that provide sufficient access to safely construct and operate its facilities. Any specific landowner requirements, negotiations, or access needs are addressed on a case by case basis. It is not anticipated that access to any property outside of the easement will be necessary to ensure safe grounding of the proposed transmission line facilities. Once CPS Energy identifies the exact locations and the foundations are installed, a resistivity test is conducted on all foundations. If the test returns a result of 25 ohms or greater, additional grounding conductor is buried around the foundations until a reading of less than 25 ohms is achieved.

CPS Energy is not aware of any steel natural gas or water pipelines within the study area. Further, any issues necessitating potential consideration of cathodic protection will only be related to steel pipelines carrying hydrocarbons (not water) running parallel to the proposed transmission line facilities. CPS Energy is not aware of any standards that require it to take any specific actions with regard to a pipeline's cathodic protection requirements to safely operate pipeline facilities.

Prepared By: Scott D. Lyssy Title: Manager Civil Engineering Sponsored By: Scott D. Lyssy Title: Manager Civil Engineering

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CPS ENERGY'S RESPONSE TO BRAD JAUER'S AND BVJ PROPERTIES, L.L.C.'S SECOND REQUESTS FOR INFORMATION TO CPS ENERGY

Brad Jauer & BVJ Properties RFI 2-16:

Regarding the pipeline or other utility service line currently marked with yellow paint and flags on the north side of Toutant Beauregard along Segment 20, please provide its (e.g., the pipeline's) owner, size (e.g., diameter), composition or material (e.g., metal, polyvinyl, etc., including type thereof), and type (e.g. water, natural gas, etc., as well as whether it is a distribution or transmission line), and please indicate whether CPS is the entity currently having that pipeline or other utility service marked.

Response No. 2-16:

CPS Energy does not have any information regarding any pipelines in proximity to Segment 20, including owner, size, composition or material, and type. The pipeline information that POWER obtained from PLATTs and the Railroad Commission of Texas (RRC) in performing the routing assessment for this Project does not show any distribution, transmission, gathering, intrastate, or interstate hydrocarbon pipelines within the study area. CPS Energy is not currently surveying or marking pipelines in the Study Area in association with this Project. Following approval of a specific route for the Project by the Public Utility Commission of Texas, survey and geotechnical studies necessary to design and construct the proposed transmission line facilities will be completed.

Typical pipeline system types in the RRC data include the following:

A = Offshore (Liquids)

B = Apartment Complexes

C = Compressor Station

D = Distribution

E = Interstate Transmission Gas

F = Non-Jurisdictional Gathering

G = Gas Gathering

H = Government (Housing Authority)

I = LP Gas Distribution

J = Direct Sales Customer

K = Carbon Dioxide Pipelines

O = Crude Transmission

M = Municipal Distribution

N = City Not Served

L = Crude Gathering

P = Product Lines (NOT Highly Volatile)

Q = Other Liquid Lines (Highly Volatile)

S = Municipal Supply Line

T = Transmission

U = Underground Liquid Storage

V = Underground Gas Storage

W = Mobile Home Parks

X = Liquefied Natural Gas

Y = Brine

Z = Offshore (Gas) Gathering

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CPS ENERGY'S RESPONSE TO ANAQUA SPRINGS HOMEOWNERS' ASSOCIATION SECOND REQUEST FOR INFORMATION

Anaqua Springs Question No. 2-13:

Where has CPS included cathodic protection costs in its estimation of costs related to each transmission line segment proposed in this docket?

Response No. 2-13:

There are no cathodic protection costs included in CPS Energy's cost estimates for this Project.

Prepared By: Scott D. Lyssy Title: Manager Civil Engineering Sponsored By: Scott D. Lyssy Title: Manager Civil Engineering