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SOAH DOCKET NO. 473-21-0247  
PUC DOCKET NO. 51023

APPLICATION OF THE CITY OF §  
SAN ANTONIO, ACTING BY AND §  
THROUGH THE CITY PUBLIC §  
SERVICE BOARD (CPS ENERGY) §  
TO AMEND ITS CERTIFICATE OF §  
CONVENIENCE AND NECESSITY §  
FOR THE PROPOSED SCENIC §  
LOOP 138-KV TRANSMISSION LINE §

BEFORE THE STATE OFFICE  
OF  
ADMINISTRATIVE HEARINGS

DIRECT TESTIMONY

OF

TOM DREISS

ON BEHALF OF

TOUTANT RANCH, LTD.,  
ASR PARKS, LLC,  
PINSON INTERESTS LTD. LLP, AND  
CRIGHTON DEVELOPMENT CO.

February 22, 2021

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1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND ADDRESS.**

3 A. My name is Tom Dreiss. My address is 325 E. Sonterra Blvd., #110, San Antonio, TX  
4 78258.

5 **Q. HAVE YOU PREVIOUSLY TESTIFIED IN A COMMISSION PROCEEDING?**

6 A. No, I have not.

7 **Q. ON WHOSE BEHALF ARE YOU TESTIFYING?**

8 A. I am testifying on behalf of Toutant Ranch, Ltd. (Toutant Ranch), ASR Parks, LLC,  
9 Pinson Interests Ltd. LLP, and Crighton Development Co. (collectively the  
10 “Companies”).

11 **Q. WHAT IS YOUR RELATIONSHIP TO THE COMPANIES?**

12 A. I am the President of Toutant Ranch. Collectively, the Companies develop large tracts of  
13 unimproved ranchland into residential communities. Toutant Ranch and ASR Parks,  
14 LLC are developing residential communities in the northwestern end of the study area. I  
15 have a longstanding business relationship with Pinson Interests Ltd. (“Pinson Interests”),  
16 which regularly provides unimproved real estate for development. Crighton  
17 Development Co. is an ongoing joint venture between myself and Pinson Interests. I am  
18 authorized to appear on behalf of Pinson Interests and Crighton Development in this  
19 proceeding.<sup>1</sup>

20 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

21 A. I am addressing CPS Energy’s application to amend its certificate of convenience and  
22 necessity (“CCN”) for a transmission line in Bexar County. Specifically, I address the  
23 impact that constructing the proposed line would have on the Companies’ properties and  
24 business interests in the study area.

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<sup>1</sup> See Docket No. 51023, Toutant Ranch, Ltd. and ASR Parks, LLC’s Supplemental Motion to Intervene at Attachment A (Nov. 9, 2020) (PUC Interchange # 377).



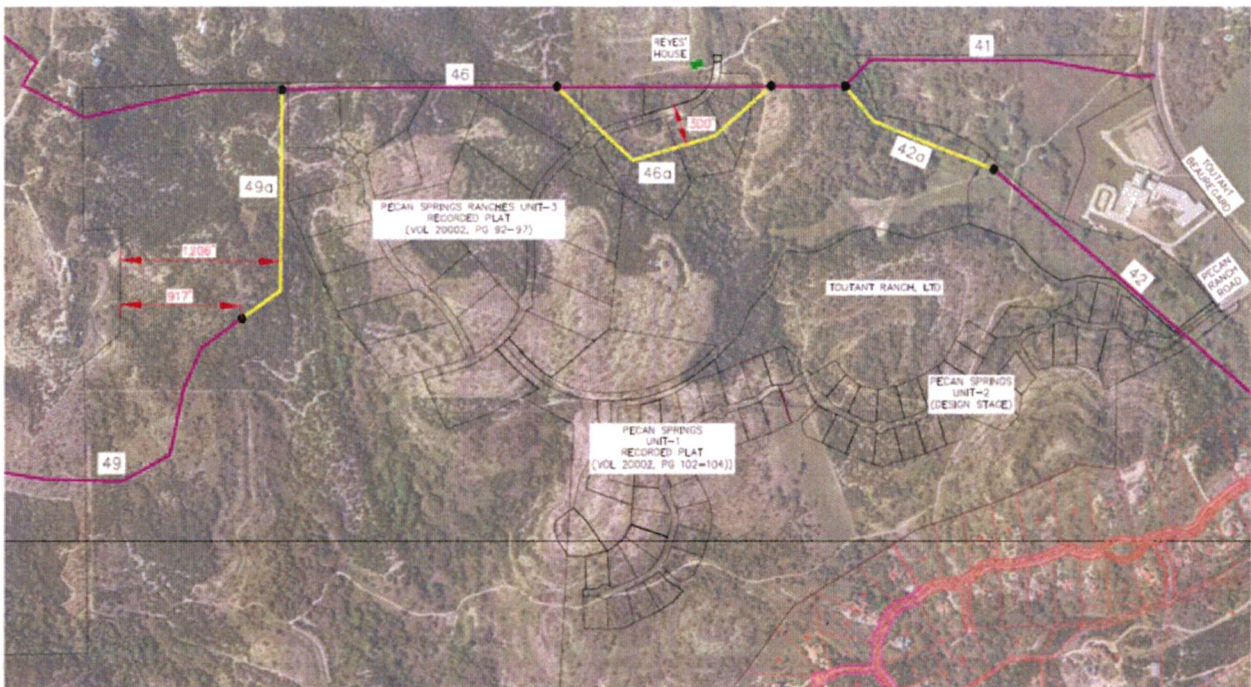
1 Q. ARE THESE PROPERTIES DIRECTLY IMPACTED BY THE PROPOSED  
2 TRANSMISSION LINE?

3 A. Yes. The Companies' properties are directly impacted by the following proposed  
4 segments: 29, 31, 33, 35, 36, 40, 41, 42a, 46, 46a, 46b, and 49a.

5 Q. PLEASE DESCRIBE WHAT THE COMPANIES ARE DOING WITH THEIR  
6 PROPERTIES.

7 A. The Companies are currently developing and building out a large portion of their  
8 remaining land into three new communities, including Pecan Springs Ranches Unit 3,  
9 which is located to the south of Segments 46 and 46a, and Pecan Springs Units 1 and 2,  
10 which are located to the west of Segment 42a and northeast of the existing Anaqua  
11 Springs community. The platted locations for those communities are shown on the map  
12 below:

13 **Figure 2: Developments in the Vicinity of CPS Energy's Amended Routing Segments**



14 Before CPS Energy announced this transmission project, Crighton Development and  
15 Toutant Ranch had each invested millions of dollars to design and plan these  
16 communities and build out infrastructure such as roads, underground electric lines, and

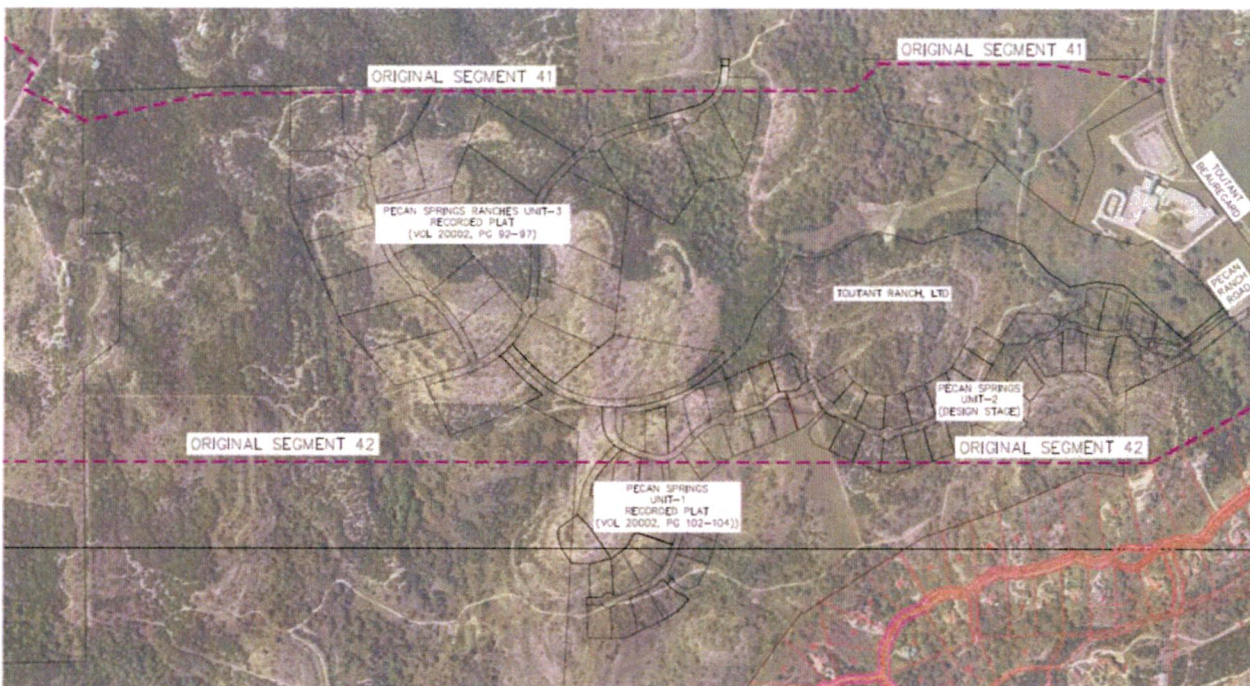
1 water lines. Development is ongoing, but some lots, including those in Pecan Springs  
2 Ranches Unit 3, are complete and ready to be sold to a homeowner. The Companies have  
3 also invested significant time and resources into designing later-stage communities that  
4 will be located on the remainder of their properties in the study area.

5 **III. IMPACT OF THE PROPOSED TRANSMISSION LINE**

6 **Q. HOW DID CPS ENERGY'S PRELIMINARY PLAN FOR THE SCENIC LOOP**  
7 **TRANSMISSION LINE IMPACT YOUR ONGOING ACTIVITIES?**

8 A. When CPS Energy first released preliminary route segments at the community Open  
9 House meetings, it became apparent to me that CPS Energy was at least partially unaware  
10 of the Companies' ongoing development in the area. As shown below, preliminary  
11 segment 42 would have bisected the tracts that the Companies were building out for  
12 Pecan Springs Units 1 and 2. If adopted, preliminary segment 42 would have been  
13 disastrous for those ongoing projects.

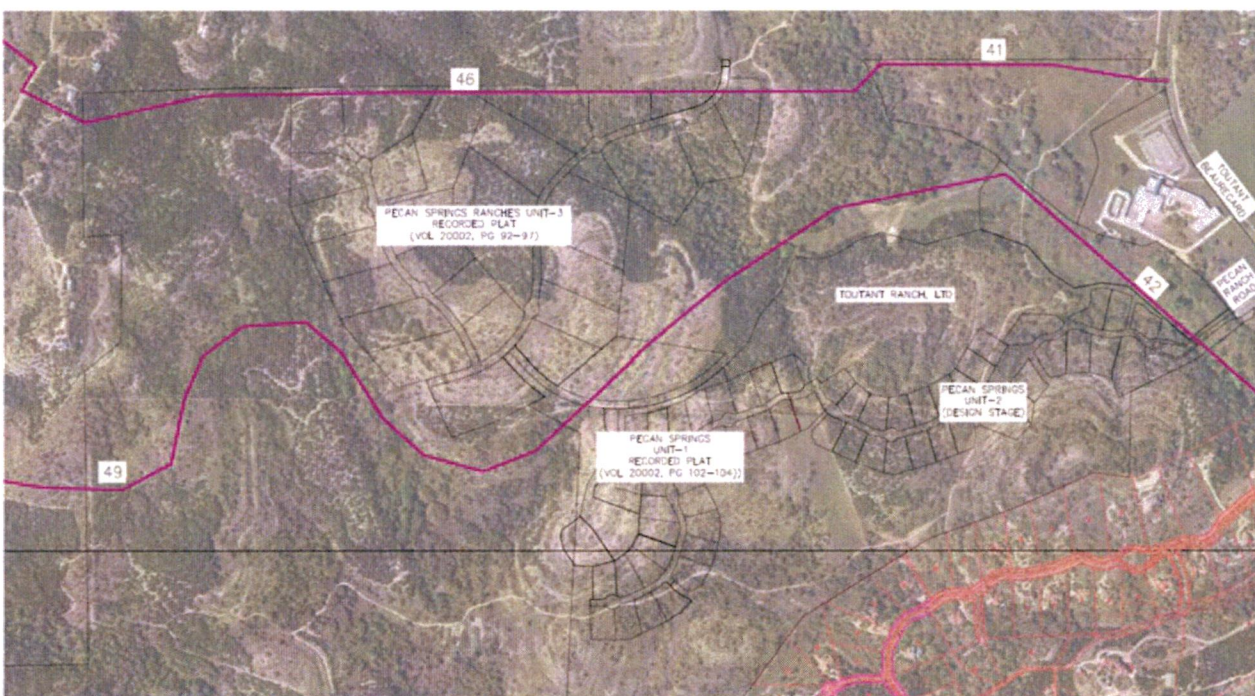
14 **Figure 3: Preliminary Routing Segments Presented at Open House Meeting**



1 **Q. HOW DID THE COMPANIES ADDRESS THIS ISSUE?**

2 A. In late spring/early summer 2020, my business partner and I arranged a series of meetings  
3 with CPS Energy and worked with them to develop an alternative path for preliminary  
4 segment 42. While we originally hoped to eliminate preliminary segment 42 entirely,  
5 CPS Energy was not able to agree to that request. Eventually, after we agreed to donate a  
6 portion of the right-of-way (ROW) along what is now Segment 42a, CPS Energy  
7 developed Segment 49, which followed boundaries between the three ongoing  
8 subdivision projects rather than bisecting them. While we did not believe this solution  
9 was ideal at the time, we were willing to accept it because it avoided a “worst case”  
10 scenario for the Companies.

11 **Figure 4: Routing Segments as Proposed in CPS Energy’s Original Application**



12 **Q. DID THE REVISED ROUTING SEGMENTS IN CPS ENERGY’S ORIGINAL**  
13 **APPLICATION COMPLETELY RESOLVE YOUR ISSUES?**

14 A. No. After CPS Energy filed its CCN application, it became increasingly clear that the  
15 uncertainty around the location for the transmission line was impeding our ability to sell  
16 finished home sites in our completed Pecan Springs Ranches Unit 3 because the tracts  
17 were surrounded on both sides by potential transmission line paths. Having these home



1 sites sit idly on the market until completion of the routing process would have been a  
2 substantial strain on our finances, and would have delayed our ability to build out the  
3 remaining planned subdivisions. Given the relatively long litigation timelines for  
4 transmission CCN cases, we sought a way to resolve this issue sooner.

5 **Q. WHAT WAS YOUR RESPONSE?**

6 A. At the conclusion of our meetings in the summer of 2020, it was our understanding that  
7 CPS Energy was amenable to discussing additional route modifications after the CCN  
8 application was filed, provided that those modifications only impacted properties that the  
9 Companies owned or controlled. In the fall, we arranged another series of meetings with  
10 CPS Energy to develop route modifications that would remove one of the two potential  
11 transmission line paths through the center of the Companies' properties and give us a  
12 chance to start selling our completed homes near the proposed line.

13 **Q. WHAT WAS THE RESULT OF THOSE MEETINGS WITH CPS ENERGY?**

14 A. The Companies and CPS Energy were able to agree on proposed route modifications that  
15 only directly impact tracts owned by the Companies. Those modifications are shown  
16 below:

1 **Figure 5: Agreed Route Modifications on the Companies' Tracts<sup>4</sup>**



2 **Q. DID THE COMPANIES MAKE ANY CONCESSIONS IN EXCHANGE FOR CPS**  
3 **AGREEING TO THESE REQUESTED MODIFICATIONS?**

4 A. Yes. A copy of the Companies' agreement with CPS Energy is attached as Exhibit 1. As  
5 shown in that document, the Companies<sup>5</sup> made significant concessions to support their  
6 requested route modifications, including agreeing to support the Commission routing this  
7 transmission line along a path that begins at the node that interconnects Segments 41,  
8 42a, 46, and 46a and travels to the west.

9 **Q. HAVE THE AGREED MODIFICATIONS BEEN INCORPORATED INTO CPS**  
10 **ENERGY'S APPLICATION?**

11 A. Yes. The Companies requested that CPS Energy be ordered to amend its application to  
12 incorporate the proposed agreed modifications.<sup>6</sup> Pursuant to SOAH Order No. 4,<sup>7</sup> CPS  
13 Energy filed an amended application that incorporated those modifications.

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<sup>4</sup> Excerpt from Docket No. 51023, Amended Environmental Assessment at Figure 6-20.

<sup>5</sup> ASR Parks, LLC did not participate in the agreement with CPS Energy because no properties owned by entity were impacted by the proposed modifications.

<sup>6</sup> See Docket No. 51023, Toutant Ranch, Ltd., ASR Parks, LLC, Pinson Interests, Ltd. LLP, and Crighton Development Co.'s Statement on Route Adequacy and Request for Approval of Proposed Agreed Amendments to CPS Energy's Application (Nov. 24, 2020).

1                    **IV.    POSITION ON TRANSMISSION LINE ROUTING**

2 **Q.    WHAT IS THE COMPANIES' POSITION WITH RESPECT TO WHERE THIS**  
3 **TRANSMISSION LINE SHOULD BE ROUTED?**

4 A.    Pursuant to their agreement with CPS Energy, the Companies support the Commission  
5 routing this transmission line along a path that begins at the node that interconnects  
6 Segments 41, 42a, 46, and 46a and travels to the west.<sup>8</sup> If the Commission selects a route  
7 that uses one of those paths, the Companies would strongly prefer that the transmission  
8 line approach that node along Segment 41 in order to minimize the impact of this line on  
9 the Companies' ongoing subdivision projects.

10                    **V.    CONCLUSION**

11 **Q.    IS THERE ANYTHING ELSE YOU WOULD LIKE THE COMMISSION TO**  
12 **KNOW?**

13 A.    Yes. I would like to express my appreciation for the time and effort that CPS Energy put  
14 into developing the various modifications that were necessary across the Companies'  
15 tracts.

16 **Q.    DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

17 A.    Yes, it does.

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<sup>7</sup> Docket No. 51023, SOAH Order No. 4 (Dec. 4, 2020).

<sup>8</sup> This includes the following segment combinations:

- 46-46b
- 46a-46b
- 46-49a
- 46a-49a

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LINE

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BEFORE THE PUBLIC UTILITY  
COMMISSION OF TEXAS

AFFIDAVIT OF TOM DREISS

STATE OF TEXAS

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§  
§


COUNTY OF BEXAR

Before me, the undersigned authority, on this day personally appeared the person known by me to be Tom Dreiss, who, after being sworn by me, stated as follows:

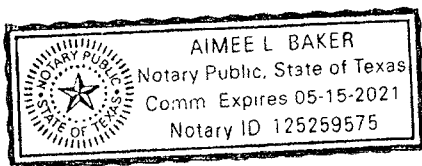
1. My name is Tom Dreiss. I am over eighteen years of age, am of sound mind and competent to make this Affidavit. I have personal knowledge of every statement contained in this Affidavit, and every statement contained herein is true and correct and based on my own personal knowledge.

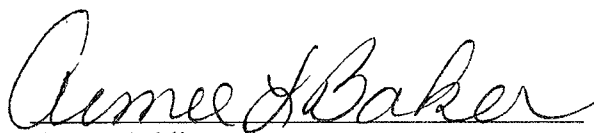
2. I make this Affidavit in support of my testimony on behalf of Toutant Ranch, Ltd., ASR Parks LLC, Pinson Interests Ltd. LLP, and Crighton Development Co. Attached hereto and made a part hereof for all purposes is my Direct Testimony and Exhibits, which have been prepared in written form for submission into evidence in SOAH Docket No. 473-21-0247 and Public Utility Commission of Texas Docket No. 51023.

3. I hereby swear and affirm that my answers contained in the testimony are true and correct.

  
\_\_\_\_\_  
Tom Dreiss

SUBSCRIBED AND SWORN to before me on this the 22 of February 2021 to certify which witness my hand and seal of office.



  
\_\_\_\_\_  
Notary Public

## Exhibit 1

**Agreement Regarding Agreed Route Modifications and Amendment to Application**  
CPS Scenic Loop CCN, Docket No. 51023

Parties:

- CPS Energy
- Toutant Ranch, Ltd., Pinson Interests LTD LLP, and Crighton Development Co. (collectively, "Developers")

Background:

- Developers are in the process of developing residential communities in the northwestern portion of the study area, including along proposed Segments 42, 46, 48, and 49. The presence of multiple potential transmission line paths across Developers' property has severely impacted Developers' business such that Developers believe they need relief before litigation will conclude in Docket No. 51023.
- Developers have asked CPS Energy to amend its Application to eliminate one of the four potential transmission line paths that impact Developers' properties. In exchange, Developers are willing to accept the transmission line on their properties, donate additional ROW as necessary to minimize the impact of their requested modifications, and compromise on the proposed condemnation value of any ROW that is not donated pursuant to this or a prior agreement. The proposed modifications will only impact properties that Developers own or control through various development agreements.

Terms:

- 1) **Prior Agreements:** Developers will honor all prior agreements with CPS Energy, independently of the terms of this agreement, specifically with respect to Developers agreement to donate approximately 2,059 feet of ROW on Segment 42 in the location previously agreed upon.
- 2) **Route Adequacy Proposal:** Developers will present a route adequacy proposal on November 24, 2020 requesting CPS Energy be ordered to amend its application in the manner shown on Exhibit A.
  - a) **It is the parties' intention that the changes shown on Exhibit A will only directly impact land owned by one of the Developers. All ROW for new segments or modifications will fall on land owned by one of the Developers, and the centerline of the new segments or modifications will not pass within 300 feet of any habitable structure.**
  - b) The modifications depicted on Exhibit A are as follows:
    - i) **Segment 49a:** Segment 49a will connect Segment 46 to Segment 49. Segment 49a will originate at the northeastern corner of Developers' Tract B-004, and all associated ROW for Segment 49a will be contained within Tract B-004. Segment 49a will head south from Segment 46 to Segment 49, and will include a single angle

at the southern end to match the existing curve of Segment 49 as Segment 49 heads to the west.<sup>1</sup>

- ii) **Partial Removal of Segment 49:** Segment 49 to the east the interconnection with new Segment 49a will be removed. The western portion of Segment 49 will remain as proposed.
  - iii) **Creation of Alternative Segment 46a:** Two angles will be incorporated into Segment 46 to create alternative Segment 46a on Developers' Tracts B-005 and B-007 such that the centerline of Segment 46a will stay at least 300 feet from the boundary of Tract B-013 (the "Reyes Tract") and well over 300 feet from Habitable Structure 15 (the "Reyes Home").
  - iv) **Creation of Segment 42a:** A new Segment 42a will be created to connect the existing node of Segments 41, 46, and 48 directly to existing Segment 42 on Tract B-041 before Segment 42 turns from the northwest to the west. This new segment will travel as straight as possible while retaining all ROW on Developers' property and staying at least 300 feet from any habitable structure.
  - v) **Elimination of Segment 48:** Segment 48, which would be unnecessary following the addition of Segment 42a and the partial removal of Segment 49 will be removed.
- 3) **CPS Energy Agreement to Route Adequacy Proposal:** CPS Energy will file a pleading following the filing of Developers' route adequacy proposal acknowledging the proposal and expressing support and agreement with the changes proposed. CPS Energy agrees, following issuance of an order from the ALJs requiring the proposed adjustments, to amend its Application in Docket No. 51023 to incorporate the modifications depicted on Exhibit A.
  - 4) **Staff Non-Opposition:** CPS Energy's agreement to file in support of the Developers' route adequacy proposal is contingent on Staff expressing support for the proposal, or at a minimum agreeing not to oppose the proposal.
  - 5) **Agreement to Support Routing Options:** Developers<sup>2</sup> agree to support the Commission routing the line down either Segment 46 Modified (full length) or Segments 46 Modified (partial)-49a-49 (western portion), but do not commit to a position regarding the remainder of the route to the south or east of the eastern node of Segment 46. Developers reserve their right to argue that the Commission should reach Segment 46 Modified by following a path that includes Segment 41.
  - 6) **No Net Cost Increase:** Developers agree to donate additional ROW as necessary to offset any net cost increase that results from Developers' requested modifications. The parties agree that the "net cost increase" will be calculated as follows:
    - a) If the Commission uses Segment 42a-46 Modified (full length):
      - i) The cost of Segment 42a minus the cost of proposed Segments 42 and 48; plus

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<sup>1</sup> At its closest point, the centerline of Segment 49a will be approximately 917 feet from the western boundary of Tract B-004.

<sup>2</sup> As well as all other legal entities owned or controlled by Developers.

- ii) The cost of Segment 46 Modified (full length) minus the cost of proposed Segment 46.
  - b) If the Commission uses Segments 42a-46 Modified (partial)-49a-49:
    - i) The cost of Segment 42a minus the cost of proposed Segment 42; plus
    - ii) The cost of Segment 46 Modified (full length) minus the cost of proposed Segment 46;<sup>3</sup> plus
    - iii) The cost of Segment 49a and the portion of Segment 49 to the west of the interconnection with Segment 49, minus the cost of proposed Segment 49.
  - c) If the Commission uses Segment 41-46 Modified (full length):
    - i) The cost of Segment 46 Modified (full length) minus the cost of proposed Segment 46.
- 7) **Maintain Existing Cost Differentials:** Developers agree to donate additional ROW as necessary to maintain the existing cost differential between routes that use Segment 46 and Segment 49.<sup>4</sup> There are two possible scenarios:
- a) **Scenario 1:** The Commission selects a route that uses a variation of Segment 42.
    - i) In the current Application, starting at the node of Segment 36 and Segment 42, using Segments 42-48-46 costs \$57,133 less than using Segments 42-49.<sup>5</sup>
    - ii) If the Commission selects a route that uses a variation of Segment 42, Developers commit to donating additional ROW as necessary to make the estimated cost of using Segments 42a-46 Modified (full length) \$57,133 less than the estimated cost of using Segments 42a-46 Modified (partial)-49a-49.
  - b) **Scenario 2:** The Commission selects a route that uses Segment 41.
    - i) If the Commission selects a route that uses Segment 41, Developers commit to donate additional ROW as necessary to make the estimated cost of using Segments 41-46 Modified (full length) \$57,133 less than the estimated cost of using Segments 41-46 Modified (partial length)-49a-49.
- 8) **ROW Acquisition:** If the Commission selects a route that uses any of the modified segments shown on Attachment A, Developers agree to provide all necessary ROW across Developers' property (including any necessary access easements) that has not been donated pursuant to this (or an earlier) agreement to CPS Energy without resorting to a contested condemnation process. Developers will agree to provide all necessary, non-donated ROW across Developers' property to CPS Energy at the lower value of (1) \$0.40 per square foot, which is a 20% discount off of CPS Energy's assumed cost of ROW along the segments that impact Developers' property; or (2) the value of the ROW along the segments that impact Developers' property pursuant to an independent appraisal for the property right by an one or more appraisers agreed to by

<sup>3</sup> This captures the cost of avoiding the Reyes Tract on 46 Modified (partial).

<sup>4</sup> The magnitude of any associated ROW donation will be determined after CPS develops cost estimates for the new and modified segments described in this agreement.


<sup>5</sup> This is the difference between CPS's cost estimates for proposed Route Z (Sub 7-54-20-36-42-48-46) and Proposed Route AA (Sub 7-54-20-36-42-49). See Application Attachment 3.




the parties. Additionally, Developers will not seek any recovery for damages to the remainder value of any tracts that are impacted by the transmission line, including where Segment 46 Modified crosses Developers' Pecan Springs Ranch, Unit 3 development on Tract B-005.

- 9) CPS agrees that, consistent with the Commission's final order, if a route is approved by the Commission that includes Segment 42a, CPS Energy will work with Developers to make minor route deviations to Segment 42/42a as appropriate to minimize impacts to Developers' activities in the area.

Signed this 23<sup>rd</sup> day of November, 2020.

 (Sign)

TAYLOR DREISS (Print)  
For Developers

 (Sign)

PAUL BARHAM (Print)  
For CPS Energy

