



## **Filing Receipt**

**Filing Date - 2023-07-31 02:53:29 PM**

**Control Number - 55067**

**Item Number - 1457**

**SOAH DOCKET NO. 473-23-21216  
PUC DOCKET NO. 55067**

<b>APPLICATION OF ONCOR</b>	<b>§</b>	<b>BEFORE THE STATE OFFICE</b>
<b>ELECTRIC DELIVERY LLC TO</b>	<b>§</b>	
<b>AMEND ITS CERTIFICATE OF</b>	<b>§</b>	<b>OF</b>
<b>CONVENIENCE AND NECESSITY</b>	<b>§</b>	
<b>FOR THE RAMHORN HILL -</b>	<b>§</b>	<b>ADMINISTRATIVE HEARINGS</b>
<b>DUNHAM 345 KV TRANSMISSION</b>	<b>§</b>	
<b>LINE IN DENTON AND WISE</b>	<b>§</b>	
<b>COUNTIES</b>	<b>§</b>	

**DIRECT TESTIMONY OF STEVE ELIS**

**ON BEHALF OF NEW DIMENSION INVESTMENTS II, LLC**

**JULY 31, 2023**

**DIRECT TESTIMONY OF STEVE ELIS ON BEHALF OF  
INTERVENOR NEW DIMENSION INVESTMENTS II, LLC**

**TABLE OF CONTENTS**

	<b>Page</b>
I. INTRODUCTION AND BACKGROUND .....	1
II. PURPOSE AND SCOPE.....	2
III. NEW DIMENSION INVESTMENTS .....	3
IV. ROUTING IMPACTS AND SEGMENTS OPPOSED.....	6
V. NEW DIMENSION INVESTMENTS ROUTING PREFERENCES.....	10
VI. CONCLUSION.....	11

**ATTACHMENTS**

Attachment SE-1	Buyer’s Statements for 525 CR 4840 and 585 CR 4840, Haslet, TX 76052
Attachment SE-2	Southwest Sales Building Office Concept

**I. INTRODUCTION AND BACKGROUND**

**Q. Please state your name and occupation.**

A. My name is Steve Elis, and I am the President of New Dimension Investments II, LLC (New Dimension Investments). I am also the Chief Executive Officer of Southwest Sales, Inc. (Southwest Sales).

**Q. Please briefly describe your professional background.**

A. I have 40-plus years of sales experience in the plumbing and the heating, ventilation, and air conditioning (HVAC) industry. In 2000, I started Southwest Sales with my business partner, Kevin Taylor, as a sales representative entity for major plumbing manufacturers covering the state of Texas with just a handful of employees. In 2014, we converted the company to be employee owned (Employee Stock Ownership Plan, or ESOP), meaning the employees benefit in the growth and success of the company, mostly through their retirement accounts. ESOP companies are proven to help lower compensated employees achieve much better retirement resources than employees who do not work for ESOP companies. We now have about 60 employees and are expanding into Oklahoma. In 2022, we won the most prestigious national industry award, the Supply House Times “Agency of the Year” award.<sup>1</sup> Kevin Taylor and I continue to share the leadership responsibility for Southwest Sales and our investment entities, New Dimension Investments (I, II, and III).

**Q. What is New Dimension Investments’ association with Southwest Sales?**

A. New Dimension Investments is the investment vehicle of Southwest Sales. The employees of Southwest Sales participate in an ESOP at no cost to the employee. The

---

<sup>1</sup> Natalie Forster, “Texas-Based Rep Firm Uses Ownership Mentality and Rich Analytics to Foster Success,” SUPPLY HOUSE TIMES, June 2022, [https://digitaledition.supplyht.com/june-2022/feature-1-rep-of-year/?oly\\_enc\\_id=8531D2715401C3S](https://digitaledition.supplyht.com/june-2022/feature-1-rep-of-year/?oly_enc_id=8531D2715401C3S).

1 employee's ownership shares in Southwest Sales increase the longer the employee  
2 stays with the company. As the investment vehicle for Southwest Sales, the employees'  
3 retirement funds directly correlate to New Dimension Investments' performance and  
4 the investments it chooses to make on behalf of the employees of Southwest Sales. In  
5 other words, New Dimension Investments is operated to the benefit of Southwest Sales'  
6 employees. In the past couple of years, we have purchased property under New  
7 Dimension Investments with the profits of Southwest Sales.

8 **Q. Have you ever testified before the Public Utility Commission of Texas**  
9 **(Commission)?**

10 A. No.

## 11 II. PURPOSE AND SCOPE

12 **Q. On whose behalf are you testifying in this proceeding?**

13 A. I am testifying on behalf of intervenor New Dimension Investments.

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

15 A. This testimony responds to the application filed by Oncor Electric Company, LLC  
16 (Oncor) to amend its certificate of convenience and necessity (CCN) to construct and  
17 operate a 345-kilovolt (kV) transmission line and associated facilities in Denton and  
18 Wise counties (the Ramhorn Hill-Dunham Project) in a study area that includes tracts  
19 of land owned by New Dimension Investments. My testimony describes New  
20 Dimension Investments and explains the potential effect of proposed transmission line  
21 segments on New Dimension Investments and the community at large.

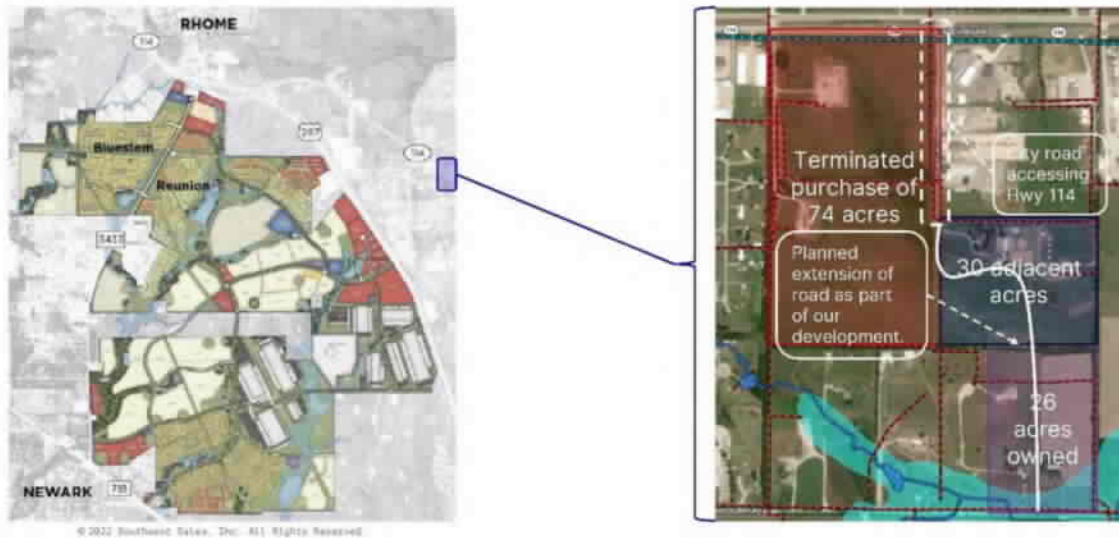
22

1                                   **III.     NEW DIMENSION INVESTMENTS' LAND**

2     **Q.     Approximately where is the land owned by New Dimension Investments located**  
3     **within the study area?**

4     A.     New Dimension Investments owns two properties within the study area, which are  
5             located at 525 County Road (CR) 4840, Haslet, Texas 76052 and 585 CR 4840, Haslet,  
6             Texas 76052 (CR 4840 Properties). The CR 4840 Properties owned by New  
7             Dimension Investments are located in the eastern most portion of the study area and  
8             both properties are bordered by CR 4840 and natural gas pipelines on the south.  
9             Segment R6 cuts directly through the middle of the CR 4840 Properties. Additionally,  
10            there is a flood plain on the southern portion of the CR 4840 Properties, and a creek to  
11            the east of the CR 4840 Properties. New Dimension Investments is in contract for the  
12            property located immediately north of the CR 4840 Properties. This property is located  
13            at 265 Iron Horse Court, Rhome, Texas 76052 (Iron Horse Property). The contract is  
14            due to be executed in approximately 120 days. As part of its development, New  
15            Dimension Investments plans to construct a road extension from the CR 4840  
16            Properties to a city road accessing Highway 114.

**Figure 1**  
**New Dimension Investments' Development Plans<sup>2</sup>**



**Q. Briefly describe New Dimension Investments' ownership history for the affected properties?**

A. The CR 4840 Properties were both purchased by New Dimension Investments on February 16, 2022.<sup>3</sup> Each property is approximately 13 acres.<sup>4</sup> The properties were purchased for the purpose of developing an industrial space in three- to five-acre tracts intended for two to four tenants per tract to be used for business, commercial, and industrial purposes.

Specifically, New Dimension Investments purchased the CR 4840 Properties, and has contracted to purchase the Iron Horse Property, for the purpose of industrial

<sup>2</sup> The CR 4840 Properties are displayed in Figure 1 as the light purple-shaded property labeled as "26 acres owned," which New Dimension Investments owns. The Iron Horse Property is displayed in Figure 1 as the dark purple-shaded property labeled as "30 adjacent acres," which New Dimension Investments is under contract for. While New Dimension Investments was under contract for the property shaded in red and labeled as "terminated purchase of 74 acres," that contract was terminated, but New Dimension Investments is renegotiating this contract with the landowner to purchase this property.

<sup>3</sup> See Attachment SE-1—Buyer's Statements for 525 CR 4840 and 585 CR 4840, Haslet, TX 76052.

<sup>4</sup> *Id.*

1 development and has created site plans for dividing the affected properties into  
2 separate, smaller parcels for sale and rent.<sup>5</sup> The industrial warehouse spaces are  
3 intended to serve residential communities that have recently been built nearby by  
4 providing places of business for contractors such as roofers, plumbers, electricians, etc.  
5 As this is a newly and rapidly developing area, the residents of these communities  
6 would have difficulty accessing needed resources without warehouses for contractors  
7 nearby. The Rhone and Newark areas are highly competitive markets for leasing and  
8 selling tracts of land, and New Dimension Investments is and intends to continue to be  
9 an active participant in that market.

10 **Q. Does New Dimension Investments have gas pipelines on its properties?**

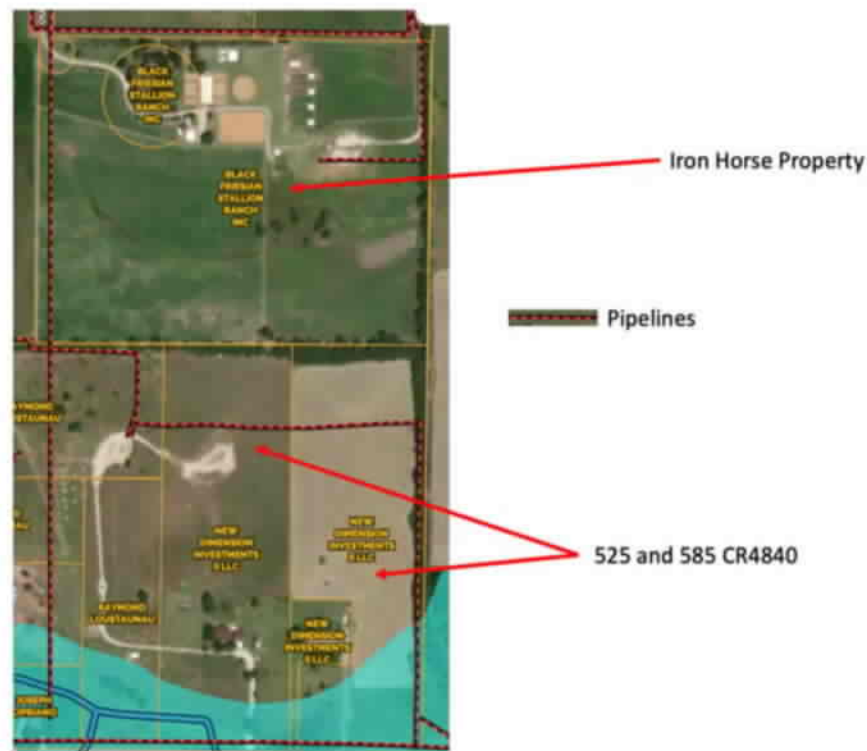
11 A. Yes, there are gas pipelines located on the southern and eastern borders and in the  
12 northern portion of the CR 4840 Properties. There are also gas pipelines running along  
13 the entirety of the northern and western borders and a portion of the eastern and  
14 southern borders of the Iron Horse Property.

---

<sup>5</sup> Attachment SE-2—Southwest Sales Building Office Concept.



**Figure 2**  
**Map Showing Gas Pipelines on CR 4840 Properties and Iron Horse Property**



#### IV. ROUTING EFFECTS AND SEGMENTS OPPOSED

**Q. What types of concerns do you have with regard to the transmission line segments proposed by Oncor?**

A. My routing concerns, on behalf of New Dimension Investments, are primarily related to the negative effects the transmission line would have on the industrial space being developed by New Dimension Investments and its buyers and tenants, and the incompatibility of the transmission line in this densely populated community.

**Q. Which proposed segments and routes do you oppose?**

A. On behalf of New Dimension Investments and the buyers and tenants of the industrial space being developed, New Dimension Investments opposes Segment R6 and any routes that incorporate Segment R6 because it will negatively affect the development

1 and use of the property and ultimately devalue the retirement investments of the  
2 employees of Southwest Sales. Therefore, of the alternative proposed routes, New  
3 Dimension Investments opposes Routes 11, 26, and 192 because those routes utilize  
4 the opposed segment.

5 I also oppose Segment U1, which runs the length of the property adjacent to the  
6 Iron Horse Property, and which is in close proximity to the Iron Horse Property.  
7 Therefore, I also oppose Routes 1, 41, 42, 65, 67, 72, 86, 94, 96, 103, 117, 138, 142,  
8 143, 207, and 218 because those routes utilize the opposed segment.

9 **Q. Are there proposed segments that affect New Dimension Investments but that you**  
10 **do not oppose outright at this time?**

11 A. No. The segments listed in response to the previous question are the only segments  
12 that affect the property owned by New Dimension Investments.

13 **Q. Why do you strongly oppose Segment R6?**

14 A. Segment R6 is proposed to be sited through the middle of the property owned by New  
15 Dimension Investments. The unavoidable and unsightly view of the transmission  
16 facilities is inconsistent with the industrial and commercial character of the property  
17 and would diminish the appeal of the property to buyers and tenants in a highly  
18 competitive market. As described above, the 26-acre property<sup>6</sup> is being developed as  
19 industrial space in three- to five-acre tracts intended for two to four tenants per tract to  
20 be used for business, commercial, and industrial purposes. The tracts' owners and/or  
21 tenants would be saddled with the unavoidable view of the project's facilities. The  
22 transmission facilities would therefore adversely affect the attractiveness for New

---

<sup>6</sup> The CR 4840 Properties together are collectively 26 acres.

1 Dimension Investments' customer base and would deter them from purchasing or  
2 renting industrial warehouse space on the property as their place of business.

3 Further, the presence of large steel pole structures along the borders and through  
4 the middle of the property owned by New Dimension Investments is inconsistent with  
5 the intended use of the land. The transmission facilities hinder the ability of New  
6 Dimension Investments to develop the property efficiently. Because of the proposed  
7 placement of Segment R6, the transmission facilities will cause the shape and layout of  
8 the property to change and will make the use of the land much less efficient and  
9 effective. New Dimension Investments was already limited in how it could develop  
10 the property due to the placement and need for streets and parking, as well as the gas  
11 pipelines located along the properties, and the transmission facilities will cause New  
12 Dimension Investments to lose the freedom to design to all efficiencies to maximize  
13 the usefulness of the land for its future buyers and tenants. For example, there are  
14 certain widths and lengths of property required in order to receive and accept shipments  
15 from a semitrailer truck, such as an 18-wheeler. If the property cannot be developed to  
16 accommodate industrial needs such as this, the property loses its function and value.  
17 Segment R6 will cause New Dimension Investments' property to be irregularly platted,  
18 which will cause a direct affect to the use of the property. As stated above, the property  
19 represents the retirement funds of the 60 employees of Southwest Sales, and any  
20 detrimental effects to the marketability of the land would have a proportional effect on  
21 the retirement investments of these employees, who contribute to the employee  
22 ownership through the ESOP.

23 As stated above, the construction of a transmission line is incompatible with  
24 current and projected land uses and contravenes the community values in the area.

1 **Q. Are there other considerations concerning the routing of the proposed**  
 2 **transmission line that should be considered?**

3 A. Yes. The only three routes that include Segment R6—Routes 11, 26, and 192—already  
 4 have anywhere from 200 to 400 habitable structures within 500 feet of their centerline,  
 5 which is much more than the route proposed and supported by Oncor—Route 179.<sup>7</sup> In  
 6 particular, Route 192 has the highest number of habitable structures within 500 feet of  
 7 its centerline.<sup>8</sup> While the development of the industrial space is not yet complete, there  
 8 will be between 10 and 32 more habitable structures in the nearby vicinity of Routes  
 9 11, 26, and 192, depending on how the property is developed. Those routes already  
 10 affect a very high number of habitable structures, and they are the only three proposed  
 11 routes that include Segment R6.

12 **Q. Are there any other issues with Routes 11, 26, and 192?**

13 A. Yes. The estimated transmission line costs for Route 11 and Route 26 are relatively  
 14 expensive—\$186,578,000 and \$181,445,000, respectively—compared to the route  
 15 proposed by Oncor—\$175,208,000.<sup>9</sup> And while the estimated transmission line costs  
 16 for Route 192—\$168,132,000—are less than the costs for the route proposed by Oncor,  
 17 Route 192 affects the highest number of habitable structures, as mentioned above, and  
 18 should therefore be avoided.<sup>10</sup> In addition, Route 26 has the greatest length (15,960

---

<sup>7</sup> The route and number of habitable structures within 500 feet of the centerline are as follows: Route 11 – 352; Route 26 – 202; Route 192 – 400; Route 179 (Oncor’s proposed “best meets” route) – 97). *See* Application of Oncor Electric Delivery LLC to Amend its Certificate of Convenience and Necessity for the Ramhorn Hill - Dunham 345 kV Transmission Line in Denton and Wise Counties (Application) at Attachment 7—Routing Memorandum of Brenda J. Perkins at Table 2 (Jun. 8, 2023).

<sup>8</sup> Application, Attachment 7 at 4.

<sup>9</sup> Application, Attachment 7 at Table 2.

<sup>10</sup> *Id.*

feet) of its route across upland woodlands which are associated with the floodplain of Elizabeth Creek, making it less than ideal.<sup>11</sup> Further, Route 11 and Route 26 do not parallel at all with existing electric transmission lines, while Route 179, proposed by Oncor, has 5,227 feet of its length which parallels with existing electric transmission lines.<sup>12</sup> Therefore, I believe that Routes 11, 26, and 192 are not viable options.

## **V. NEW DIMENSION INVESTMENTS ROUTING PREFERENCES**

### **Q. Which proposed route does New Dimension Investments support?**

A. New Dimension Investments opposes any of the proposed routes that include Segment R6 for the reasons stated here in my testimony. New Dimension Investments does not oppose Route 179, which is the route Oncor has identified as the route that best addresses the requirements of the Public Utility Regulatory Act and the Commission's rules.<sup>13</sup> There are also a number of other routes proposed by Oncor, which are not opposed by New Dimension Investments.

### **Q. What route does the Texas Parks and Wildlife Department (TPWD) support?**

A. TPWD supports Route 137 as the route having the least potential to impact fish and wildlife resources.<sup>14</sup>

### **Q. Does New Dimension Investments support Route 137?**

A. New Dimension Investments does not oppose Route 137 because, among other reasons, it does not use Segment R6 and has a low effect on natural resources.

---

<sup>11</sup> Application, Attachment 7 at 4.

<sup>12</sup> Application, Attachment 7 at Table 2.

<sup>13</sup> See Application, Attachment 7 at 2; see also Direct Testimony of Brenda J. Perkins at 8–11 (Jun. 8, 2023).

<sup>14</sup> TPWD's Comments Regarding the Application of Oncor Electric Delivery Company, LLC for a Certificate of Convenience and Necessity for the Proposed Ramhorn Hill Switch – Dunham Switch 345-kilovolt Transmission Line Project in Denton and Wise Counties (Jul. 19, 2023).

**VI. CONCLUSION**

1  
2 **Q. In summary, what recommendation do you make to the Commission?**

3 A. On behalf of New Dimension Investments, I request that the Commission select Route  
4 179 as the route for Oncor's Ramhorn Hill-Dunham Project. I further request that the  
5 Commission reject any route that uses Segment R6 because the construction of that  
6 segment will negatively affect New Dimension Investments.

7 **Q. Does this conclude your direct testimony?**

8 A. Yes and thank you very much for the opportunity to testify in this matter.

## Alamo Title Company

2900 South Hulen Street, Suite 30, Ft Worth, TX 76109

Phone: (817)370-7393 | Fax: (817)370-6131

### BUYER'S STATEMENT

**Settlement Date:** February 16, 2022

**Escrow Number:** 6000182100633

**Disbursement Date:** February 16, 2022

**Escrow Officer:** Janet Langebartel

**Buyer:** New Dimensions Investments II, LLC

**Seller:** Damon Tinius and Elizabeth Tinius

525 County Road 4840

Haslet, TX 76052

**Property:** 525 County Road 4840

Haslet, TX 76052

12.978 Acres, Abst A-743 SMITH CSL, Tract 12

		\$	DEBITS	\$	CREDITS
<b>FINANCIAL CONSIDERATION</b>					
Sale Price of Property			900,000.00		
Deposit or earnest money					25,000.00
Seller Credit for survey					1,650.00
<b>PRORATIONS/ADJUSTMENTS</b>					
Seller credit for est rollback taxes					20,088.12
County Taxes at \$2,350.64	01/01/22-02/17/22 (\$2,350.64 / 365 X 47 days)				302.69
<b>TITLE &amp; ESCROW CHARGES</b>					
Title - eRecording Fee - FBO CSC e-Recording Services, Inc.	Alamo Title Company		4.32		
<b>GOVERNMENT CHARGES</b>					
Recording Fees (\$64.00)	Alamo Title Company		38.00		
<b>MISCELLANEOUS CHARGES</b>					
Escrow Fee	Parks, Huffman, McVay, Shepard, & Wells		550.00		
Survey	Graham Associates, Inc.		6,349.95		
TOPO	Graham Associates, Inc.		3,994.42		
1/2 cost					
<b>Subtotals</b>			910,936.69		47,040.81
<b>Balance Due FROM Buyer</b>					<b>863,895.88</b>
<b>TOTALS</b>			910,936.69		910,936.69

**APPROVED and ACCEPTED**

Buyer and Seller understand the Closing or Escrow Agent has assembled this information representing the transaction from the best information available from other sources and cannot guarantee the accuracy thereof. Any real estate agent or lender involved may be furnished a copy of this Statement. Buyer and Seller understand that tax and insurance prorations and reserves were based on figures for the preceding year or supplied by others or estimates for current year, and in the event of any change for current year, all necessary adjustments must be made between Buyer and Seller direct. The undersigned hereby authorizes Alamo Title Company to make expenditures and disbursements as shown and approves same for payment. The undersigned also acknowledges receipt of Loan Funds, if applicable, in the amount shown above and a receipt of a copy of this Statement.

I have carefully reviewed the Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the Settlement Statement.

BUYER:

New Dimensions Investments II, LLC

BY: \_\_\_\_\_

To the best of my knowledge, the Settlement Statement which I have prepared is a true and accurate account of the funds which were received and have been or will be disbursed by the undersigned as part of the settlement of this transaction.

\_\_\_\_\_  
Alamo Title Company  
Settlement Agent



## Alamo Title Company

2900 South Hulen Street, Suite 30, Ft Worth, TX 76109

Phone: (817)370-7393 | Fax: (817)370-6131

### BUYER'S STATEMENT

**Settlement Date:** February 16, 2022

**Escrow Number:** 6000182100630

**Disbursement Date:** February 16, 2022

**Escrow Officer:** Janet Langebartel

**Buyer:** New Dimensions Investments II, LLC

**Seller:** HB Processing LLC

585 CR 4840

Haslet, TX 76052

**Property:** 585 CR 4840

Haslet, TX 76052

1.200 Acres, Abst: A-743 SMITH CSL, Tract 12

12.398 Acres, Abst: A-743 SMITH CSL, Tract 12

		\$	DEBITS	\$	CREDITS
<b>FINANCIAL CONSIDERATION</b>					
Sale Price of Property			900,000.00		
Deposit or earnest money					25,000.00
Seller Credit for survey					6,000.00
<b>PRORATIONS/ADJUSTMENTS</b>					
Seller credit on rollback taxes					9,638.66
County Taxes at \$2,350.64	01/01/22-02/17/22 (\$2,350.64 / 365 X 47 days)				302.69
<b>TITLE &amp; ESCROW CHARGES</b>					
Title - eRecording Fee - FBO CSC e-Recording Services, Inc.	Alamo Title Company		8.64		
<b>GOVERNMENT CHARGES</b>					
Recording Fees	Alamo Title Company		34.00		
<b>MISCELLANEOUS CHARGES</b>					
Settlement or Escrow Fee	Parks, Huffman, McVay, Shepard, & Wells		550.00		
Survey	Graham Associates, Inc.		6,585.93		
TOPO	Graham Associates, Inc.		3,994.43		
1/2					
<b>Subtotals</b>			911,173.00		40,941.35
<b>Balance Due FROM Buyer</b>					<b>870,231.65</b>
<b>TOTALS</b>			911,173.00		911,173.00

**APPROVED and ACCEPTED**

Buyer and Seller understand the Closing or Escrow Agent has assembled this information representing the transaction from the best information available from other sources and cannot guarantee the accuracy thereof. Any real estate agent or lender involved may be furnished a copy of this Statement. Buyer and Seller understand that tax and insurance prorations and reserves were based on figures for the preceding year or supplied by others or estimates for current year, and in the event of any change for current year, all necessary adjustments must be made between Buyer and Seller direct. The undersigned hereby authorizes Alamo Title Company to make expenditures and disbursements as shown and approves same for payment. The undersigned also acknowledges receipt of Loan Funds, if applicable, in the amount shown above and a receipt of a copy of this Statement.

I have carefully reviewed the Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the Settlement Statement.

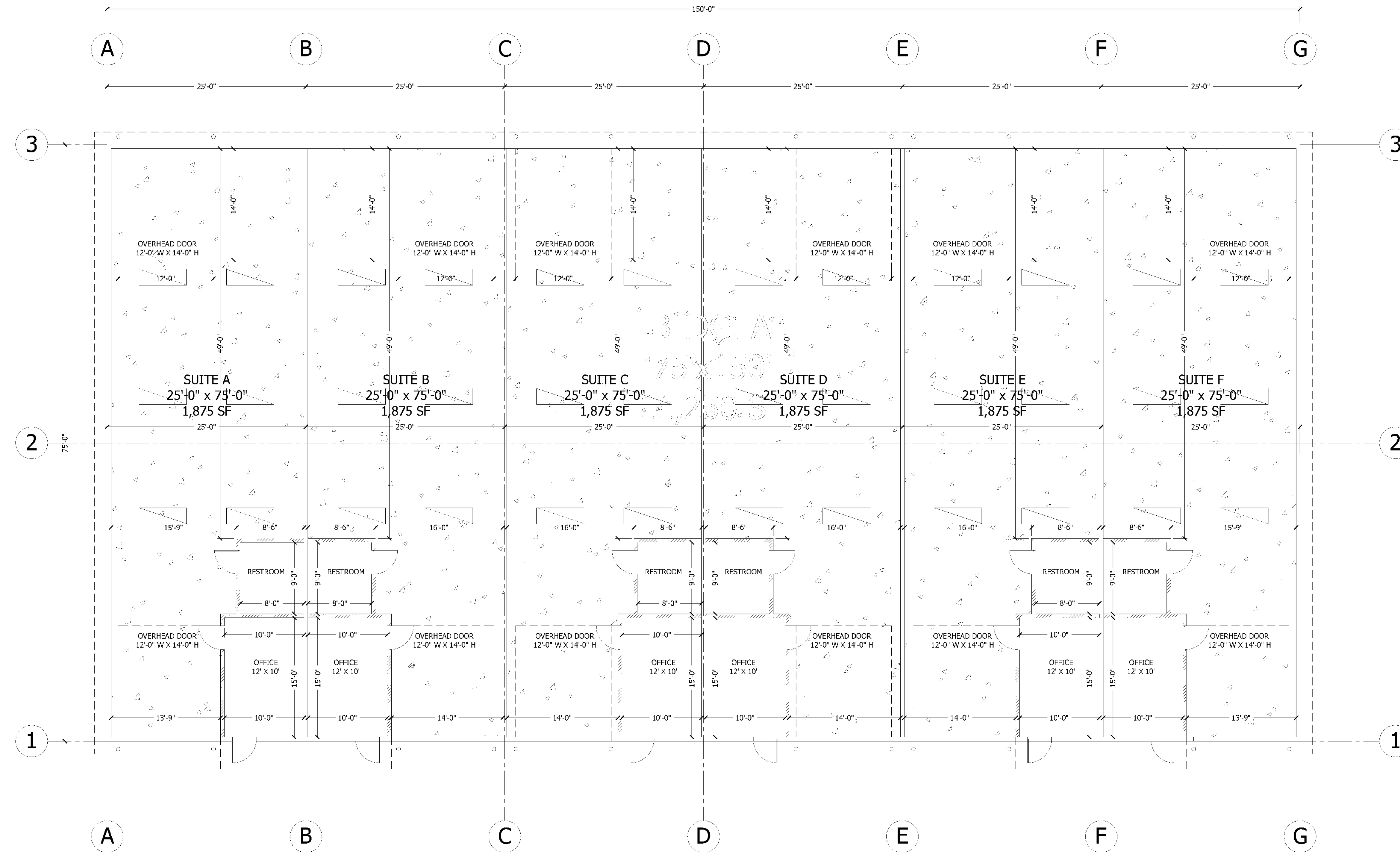
BUYER:

New Dimensions Investments II, LLC

BY: \_\_\_\_\_

To the best of my knowledge, the Settlement Statement which I have prepared is a true and accurate account of the funds which were received and have been or will be disbursed by the undersigned as part of the settlement of this transaction.

\_\_\_\_\_  
Alamo Title Company  
Settlement Agent



01 | OFFICE WAREHOUSE CONCEPT

---

SCALE:  $\frac{1}{8}" = 1'-0"$

PROJECT:  
**CR 4840 WAREHOUSE | WISE CO., TX**

CONCEPT 01 - DATE: 06.24.2022

NOTE:  
CONCEPT PLAN IS FOR OWNER REVIEW ONLY. NOT FOR CONSTRUCTION, PERMITTING, BUDGETING, CITY  
APPROVAL PURPOSES. FINAL DESIGN TO BE COMPLETED BY REGISTERED ARCHITECT / CIVIL ENGINEER.

**GC:**  
**| RELIABLE COMMERCIAL CONSTRUCTION**  
<https://reliablecommercial.com>

retail ○ commercial ○ industrial ○ self-storage