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SOAH DOCKET NO. 473-25-02531 PUC DOCKET NO. 57115

JOINT APPLICATION OF THE CITY OF	§	BEFORE THE STATE OFFICE
SAN ANTONIO, ACTING BY AND	§	
THROUGH THE CITY PUBLIC	§	
SERVICE BOARD (CPS ENERGY), AND	§	
SOUTH TEXAS ELECTRIC	§	
COOPERATIVE, INC. (STEC) TO	§	OF
AMEND THEIR CERTIFICATES OF	§	
CONVENIENCE AND NECESSITY FOR	§	
THE PROPOSED HOWARD ROAD-TO-	§	
SAN MIGUEL 345 KV TRANSMISSION	§	
LINE IN BEXAR AND ATASCOSA	§	
COUNTIES	§	ADMINISTRATIVE HEARINGS

REBUTTAL TESTIMONY

OF

DANIEL T. OTTO

ON BEHALF OF APPLICANTS

CPS ENERGY AND SOUTH TEXAS ELECTRIC COOPERATIVE, INC.

November 27, 2024

SOAH DOCKET NO. 473-25-02531 PUC DOCKET NO. 57115

REBUTTAL TESTIMONY OF DANIEL OTTO

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REBUTTAL TESTIMONY OF DANIEL OTTO

1		I. <u>INTRODUCTION</u>
2	Q.	PLEASE STATE YOUR NAME AND OCCUPATION.
3	A.	My name is Daniel T. Otto. I am employed by CPS Energy as the Manager of the
4		Substation and Transmission Regulatory Support group.
5	Q.	ARE YOU THE SAME DANIEL T. OTTO THAT PROVIDED DIRECT
6		TESTIMONY IN THIS DOCKET?
7	A.	Yes, I am.
8	Q.	WAS YOUR REBUTTAL TESTIMONY PREPARED BY YOU OR BY
9		KNOWLEDGEABLE PERSONS UPON WHOSE EXPERTISE, JUDGMENT,
10		AND OPINIONS YOU RELY IN PERFORMING YOUR DUTIES?
11	Α.	Yes, it was.
12	Q.	IS THE INFORMATION CONTAINED IN YOUR REBUTTAL TESTIMONY
13		TRUE AND CORRECT TO THE BEST OF YOUR KNOWLEDGE?
14	Α.	Yes, it is.
15	Q.	HAVE YOU HAD AN OPPORTUNITY TO REVIEW THE TESTIMONY FILED
16		BY THE INTERVENORS IN THIS DOCKET?
17	A.	Yes, I have read the direct and cross-rebuttal testimonies filed by all the intervenors. I
18		understand the concerns expressed by many of the intervenors. I understand that many of
19		the intervenors do not want a new transmission line on their property nor do they want
20		one that is visible from their property. While few intervenors desire this new line to be
21		located on or near their property, ultimately, it must be placed somewhere.

- Q. HAVE YOU REVIEWED THE TESTIMONY FILED BY STAFF IN THIS
 DOCKET, AND IF SO, DO YOU HAVE ANY GENERAL REMARKS IN
 RESPONSE TO ALL OF THE NON-APPLICANT TESTIMONY?
- 4 Α. Yes, I have also reviewed Staff's testimony. After having reviewed the testimony filed by 5 Staff and intervenors, I believe that all 34 routes and 109 segments filed by CPS Energy 6 and STEC in the Joint Application are viable and acceptable routes and segments. In 7 addition, as addressed in the rebuttal testimony filed by the Joint Applicants in this 8 proceeding, Segment 62MOD2 and routes U ALT 2 and N-AB are also viable and 9 acceptable routes and segments. All of the 36 routes can be constructed, operated, and 10 maintained by the Joint Applicants, and any one of 36 routes would meet the need for the 11 Project.

II. PROPERTY ACCESS

- Q. SEVERAL INTERVENORS EXPRESSED CONCERNS ABOUT GRANTING
 ACCESS TO THEIR PROPERTIES TO THIRD PARTIES. HOW DO YOU
 RESPOND?
- 16 A. Many intervenors expressed concerns about third parties having access to their property. I
 17 understand their apprehension, especially those who do not have infrastructure facilities
 18 located on their property and do not have previous experience to draw on. The Joint
 19 Applicants operate thousands of miles of transmission lines, almost all of which is
 20 located across the property of others. Both utilities have been and will continue to be
 21 respectful when accessing their facilities located on private property.

III. PROPERTY DEVALUATION

- Q. SEVERAL INTERVENORS EXPRESS CONCERN REGARDING THE
 POTENTIAL IMPACT ON PROPERTY VALUES IF THE PROJECT IS
 LOCATED ON OR NEAR THEIR PROPERTY. WHAT IS THE JOINT
 APPLICANTS' POSITION REGARDING THIS CONCERN?
- A. I appreciate that the intervenors value their property. However, the Commission's CCN process is based on the routing criteria specifically identified in the applicable statutes and rules. A landowner's concern about impacts to their property values is not a factor

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identified in those statutes or rules and, it is not directly considered by the Commission when making a certification decision. Property value issues are fully addressed during easement acquisition proceedings involving those landowners whose property is crossed by the approved route.

IV. FUTURE DEVELOPMENT

6 Q. SEVERAL INTERVENORS RAISED CONCERNS ABOUT IMPACTS TO 7 FUTURE DEVELOPMENT. WHAT IS THE JOINT APPLICANTS' POSITION?

As is the case for property values, future development is not a criterion identified in the applicable statutes and rules. Further, a recent statement from Chairman Gleeson provided that "Commission precedent is clear that when making routing decisions, the Commission may not prioritize a landowner's concerns about future development of his undeveloped property over existing constraints."1 Finally, Consistent with the Final Order, CPS Energy and STEC will work with directly affected landowners to make feasible minor route modifications to minimize impacts of the approved route on future development plans.

V. PROPERTY OWNERSHIP

17 Q. PLEASE ADDRESS THE PROPERTY OWNERSHIP MATTER THAT WAS
18 ADDRESSED IN THE DIRECT TESTIMONY OF REAGAN MITCHELL
19 MARBLE.

A. Mr. Marble stated that B0430 (Property ID 184647) was identified in Application Attachment No. 7 as "B0762." Mr. Marble's testimony provides that B0430 (Property ID 184647) is owned by Bret and Venetia Mitchell, who also own B0430 (Property ID

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Α.

Application of the City 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 SAT15 138-kV Transmission Line Project in Bexar County, Docket No. 55728, Commission Memorandum (Oct. 2, 2024) (citing Application of LCRA Transmission Services Corporation to Amend Its Certificate of Convenience and Necessity for the Proposed Cushman to Highway 123 138-kV Transmission Line in Guadalupe County, Docket No. 39479, Order at Finding of Fact No. 125 (June 20, 2012); Application of LCRA Transmission Services Corporation to Amend A Certificate of Convenience and Necessity for the Round Rock Leander 138-kV Transmission Line Williamson County, Docket No. 45866, Order on Rehearing at Conclusion of Law 11A (Jul. 28, 2017); and Application of LCRA Transmission Services Corporation to Amend a Certificate of Convenience and Necessity for the Cooks Point 138-kV Transmission Line in Burleson County, Docket No. 48358, Commissioner Memorandum (Jun. 11, 2019)).
Direct Testimony of Reagan Mitchell Marble at 23, Interchange Filing No. 142 (Nov. 12, 2024).

1 184634). Property records indicate that their mailing address is "1619 New Bond St., San
2 Antonio Texas 78231-2417," which is the same address that the notice for this
3 proceeding was sent by the Joint Applicants.⁴ Both Bret Mitchell and Venetia Mitchell
4 have been granted intervention in this docket.⁵

VI. <u>CONCLUSION</u>

- 6 Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?
- 7 A. Yes, it does.

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³ Joint Application at 651, Attachment No. 7 at 32.

⁴ Joint Application at 677, Attachment No. 7 at 58.

⁵ SOAH Order No. 2 ("Memorializing Prehearing Conference, Ruling on Motions to Intervene, Adopting Procedural Schedule, and Scheduling Hearing" at 2) (Oct. 25, 2024). See also Motion to Intervene of 5M Cattle Co., Ltd.; et al (aka the "Mitchell Family Alliance") Oct. 8, 2024, interchange item no. 15; Motion to Intervene of Julie Gail Mitchell Marble as Trustee of the Julie Gail Mitchell Marble GST Trust; Janet Corn Ivy, Individually and as Trustee of the Janet Ivy Corn GST Trust; and Venetia Mitchell Oct. 11, 2024. Interchange Item No. 19.