

Exhibit No.:  
Issue: Impact on Land Values,  
Public Interest  
Witness: Boyd L. Harris  
Type of Exhibit: Rebuttal Testimony  
Party: Neighbors United Against  
Ameren's Power Line  
Case No.: EA-2015-0146  
Date Testimony  
Prepared: October 21, 2015

**MISSOURI PUBLIC SERVICE COMMISSION**

**CASE NO. EA-2015-0146**

**REBUTTAL TESTIMONY**

**OF**

**BOYD L. HARRIS**

**ON BEHALF OF**

**NEIGHBORS UNITED AGAINST AMEREN'S POWER LINE**

**October 21, 2015**

**DIRECT TESTIMONY**

**OF**

**BOYD L. HARRIS**

**CASE NO. EA-2015-0146**

1     **Q:    What is your name?**

2     A:    Boyd L. Harris.

3     **Q:    What is your occupation?**

4     A:    I am a Real Estate Appraiser employed at AgriLand Appraisal Group. AgriLand  
5     is a contract appraiser for Farmers National Company. My office is located at 1397 East  
6     Highway 22, Centralia, Missouri, 65240.

7     **Q:    What Licenses and Certifications do you hold?**

8     A:    I am a Missouri State Certified General Real Estate Appraiser.

9     **Q:    What is the focus of your practice?**

10    A:    My practice has been focused on agricultural production and agri-business  
11    properties since 1991.

12    **Q.    What is the purpose of your testimony?**

13    A.    The purpose of my testimony is to provide an analysis regarding property valuation  
14    for properties located along a transmission line route.

15    **Q:    What is your knowledge concerning the properties subject to the proposed  
16    transmission line route?**

17    A:    As I understand the issue, the proposed easement will bisect many farms and  
18    residential properties.

19    **Q.    What will be the effect of this transmission line on the value of these**

1 **properties?**

2 A: It is my opinion that a power line easement of the magnitude necessary for ATXI's  
3 proposed project on agricultural properties will significantly impact the values of  
4 productivity from the cropland. There are a number of ways this will happen, ranging  
5 from the placement of towers impacting the functionality of the farm land, compaction  
6 from construction limiting grain production, and lack of demand on the market due to the  
7 foregoing impacts. Second, residential properties will have the unsightly appearance of  
8 the power line, health concerns resulting from stray voltage, etc.

9 **Q: What is your support for this opinion?**

10 A: The immediate support we would have on this position is a property in Randolph  
11 County, Missouri, and the most approximate example of the economic damage that a  
12 project such as this can impart on a tract of agricultural land. The property was a well  
13 located rural tract with good access, good appearance, and nice amenities such as several  
14 small ponds. This tract was platted and  
15 marketed for a rural residential subdivision during a time frame when there was a strong  
16 demand for these tracts. The property was well exposed to the market by a local broker.  
17 One lot was sold at one end of the property. Then the sales stopped. The lot that was  
18 sold was the only one that was not near a large power line that bisected the tract. The  
19 other lots were near the power line. Though there were potential buyers, none ever  
20 purchased lots. The consistent reason for declining to buy was the power line.

21 **Q: What eventually happened to the property?**

22 A: Eventually, the owner was able to sell the parent (larger) tract. But only after he  
23 agreed to vacate the plat and subdivision and return the land to a tract of agricultural

1 pasture or crop land.

2 **Q. How would you quantify the damages for the Mark Twain Transmission**  
3 **Project?**

4 A. The approach to quantifying this damage will be multi-pronged. First, a pairing  
5 of sales of easement impacted verses non-easement land. Second, a consideration of lost  
6 income to the property, capitalized to a value conclusion with appropriate methodology.

7 **Q: Would the harmful effect of this proposed transmission line on property**  
8 **values be applicable to properties along the entire proposed route?**

9 A: It would be reasonable to assume that any property along the corridor would  
10 suffer some of the same impacts. These could vary depending on type of land, proximity  
11 of the line to building improvements, particularly a residence, or if a tract of land could  
12 be irrigated and the towers would impede that improvement to the land; that would  
13 create a significant economic impact of lost income from lost production as a result of n  
14 not being able to irrigate cropland.

15 **Q. What value is typically offered when land is taken through eminent domain?**

16 A. Land taken through eminent domain is typically, initially, considered at the market  
17 value of the encumbered land. However, the precedent does seem to indicate that  
18 are nearly always damage considerations over and above the market value of the land.  
19 While the Federal Standards for Land Acquisitions do not allow for the enhancement of  
20 value to be considered as a result of a taking, there is certainly provision for damages as  
20 compensation for the taking, over and above market value.

21 **Q. What is the typical multiplier for land taken through eminent domain?**

22 A. I don't know that there is such a thing as a "typical multiplier" for land taken in  
23 condemnation. Each property is different, each case is negotiated differently.

1 Each property would have to be considered in light of its own unique damages with those  
2 then factored out based on the sales and market data. To say there is a "typical" factor  
3 would be inherently difficult as there is no "typical" property.

4 **Q: Are you aware of the article "Condemnation for Energy Corridors: Selected  
5 Legal Issues in Acquisitions for Pipeline, Transmission Line and Other Energy  
6 Corridors" by Eleasalo Ale?**<sup>1</sup>

7 A. Yes.

8 **Q: Do you agree with the article's statement "The majority view among courts is  
9 that evidence of fear in the marketplace is admissible with respect to the value of the  
10 property taken without proof of the reasonableness of the fear"?**<sup>2</sup>

11 A. Yes.

12 **Q: Do you agree with the article's following statement "This appears to be the  
13 best approach because it appropriately places the focus on the impact of the alleged  
14 fear on property value, and shields the court from having to engage in analysis of  
15 competing scientific views on issues where no scientific consensus exists, such as the  
16 link between EMF and cancer and other health issues"?**<sup>3</sup>

17 Yes.

18 **Q. Are you aware of any other applicable articles to the affected properties in this  
19 case?**

20 A. Yes, "Couple: Northern Pass kills land value" by Paula Tracy.<sup>4</sup>

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1 Eleasalo (Salo) V. Ale, *Condemnation for Energy Corridors: Selected Legal Issues in Acquisitions for Pipeline, Transmission Line and Other Energy Corridors*, Faegre & Benson LLP, February 2009, available at [www.faegrebd.com/webfiles/Energy%20Corridors%20White%20Paper.pdf](http://www.faegrebd.com/webfiles/Energy%20Corridors%20White%20Paper.pdf).

2 *Id.* at 11-12.

3 *Id.* at 12.

4 Paula Tracy, *Couple: Northern Pass kills land value*, April 25, 2011, New Hampshire Union Leader, available at [retasite.files.wordpress.com/2009/01/reta-union-leader-apr-25-2011.pdf](http://retasite.files.wordpress.com/2009/01/reta-union-leader-apr-25-2011.pdf).

1    **Q:**    Are the decreases in value listed in the following statement good examples of  
2    the effect of transmission lines on property values? "In the case of the 135-acre  
3    parcel, the property decreased in value by 63 percent from today's value. In the  
4    smaller, 32-acre parcel of mostly fields, it concluded the decrease in value from high  
5    voltage lines would be 84 percent, and for the 12.5-acre house lot, the decrease in  
6    value would be 91 percent, taking it from an as-is value of \$68,000 to \$6,000."<sup>5</sup>

7    A.    Yes.

8    **Q.**    Is this the conclusion of your testimony?

9    A.    Yes. Thank you.

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5    *Id.* at 2.