

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Application of Grain Belt Express)
Clean Line LLC for a Certificate of Convenience and)
Necessity Authorizing it to Construct, Own, Operate,)
Control, Manage, and Maintain a High Voltage, Direct) Case No. EA-2014-0207
Current Transmission Line and an Associated Converter)
Station Providing an interconnection on the Maywood -)
Montgomery 345 kV Transmission Line)

**MATTHEW AND CHRISTINA REICHERT'S
AND
RANDALL AND ROSEANNE MEYER'S
POST-HEARING REPLY BRIEF**

Matthew and Christina Reichert (Reicherts) and Randall and Roseanne Meyer (Meyers) file this Post-Hearing Reply Brief regarding Grain Belt Express Clean Line LLC's (GBE's) position on the easement agreement and property values.

Easement Agreement

GBE stated in its Initial Post-Hearing Brief that it "does not object to a condition in its CCN that would require appropriate and relevant language **from its Agricultural Impact Mitigation Policy** to be incorporated into its easements"¹ This statement demonstrates GBE's continued efforts to minimize its legal obligations to the landowners.

First, GBE is restricting the additions to the easement agreement to the terms from its Agricultural Impact Mitigation Policy (AIMP). GBE does not offer to consider terms outside of its AIMP. In fact, GBE tries to avoid a comprehensive easement agreement by dismissing it as an inappropriate "one size fits all" agreement.² If a comprehensive agreement is inappropriate, then why is it required by the State of Illinois? GBE and its witnesses are, in essence, claiming

¹ Initial Post-Hearing Brief of Applicant Grain Belt Express Clean Line LLC, Doc. 470 at 52 (emphasis added).

² *Id.* at 39.

that they are more knowledgeable than the Illinois Legislature or Department of Agriculture concerning the protections needed by landowners and their property. They conveniently ignore that comprehensive terms such as those included in Illinois' Agricultural Impact Mitigation Agreement serve a baseline of protection for all landowners.³ Those comprehensive terms can be changed during negotiations by the landowners.⁴ The landowners will have better knowledge about the available terms, will be protected from the superior bargaining power of GBE, and still have the ability to tweak the easement agreement for their specific needs.

Second, GBE does not propose working with landowner groups to determine terms that are "appropriate and relevant".⁵ In fact, GBE does not propose any mechanism for determining the needed additions and changes to the easement agreement. If GBE was serious about working with the landowners, it would have proposed a mechanism to negotiate a model easement agreement.

Therefore, GBE's proposal to incorporate some of the language from its AIMP is inadequate. The Commission should impose the conditions regarding easement agreements that are proposed in the Reicherts' and Meyers' Post-Hearing Brief.⁶

Property Values

GBE's claim that property values will not be impacted ignores the testimony of their witness Dr. Priestley and the limitations of the articles that he cited concerning rural land.⁷ For example, Dr. Priestley cited the article "High-Voltage Transmission Lines and Rural, Western

³ Matthew and Christina Reichert's and Randall and Roseanne Meyer's Post-Hearing Brief, Doc. 475 at 9 (Laura A. Harmon stating that "the AIMA has served as a baseline for addressing damage to farmland caused by such construction projects.").

⁴ Ex. 555 - Agricultural Impact Mitigation Agreement, Doc. 444 at 7 ("The policies included in this Agreement are subject to modification through negotiation with specific Landowners." and "However, in the event of a conflict between this Agreement and an easement agreement, the easement agreement will control.").

⁵ Doc. 470 at 52.

⁶ Doc. 475 at 10-11.

⁷ Transcript - Volume 14, Doc 327 at 18-47 (Tr. 787:24-816:12).

Real Estate Values".⁸ The article states, "Further, the statistical analysis does not help identify those circumstances where transmission lines may have an impact."⁹

In a second example, Dr. Priestley stated that the negative impact tapers off within 200 feet.¹⁰ However, the study that he used, "Do High-Voltage Transmission Lines Affect Property Value?", was based on an urban environment and not a rural environment.¹¹ He admitted that urban clutter would hide the power lines.¹² He admitted that sight lines and distance have an impact.¹³ The longer and more obvious sight lines in a rural environment mean that the negative impact will extend beyond 200 feet. Mr. Kielisch stated that the negative effect does not dissipate until 800 to 1,300 feet from the power lines.¹⁴

In a third example, Dr. Priestley cited the article "High-Voltage Transmission Lines and Rural, Western Real Estate Values"¹⁵ that states:

It is quite clear that no simple formula is available or can be readily developed to determine fair or adequate compensation. There is too much variation between cases and the nature of the impact of expropriations and the various structures installed for a simple formula to be adequate in all cases. This means, for example, that a simple formula based on the multiple assessed value of land, a payment per structure, or per line, or some multiple of market value does not provide an adequate basis for determining compensation. It seems equally clear that there's a need to identify the main components of losses caused by expropriations so that the level of compensation can be determined.¹⁶

⁸ *Id.* at 22 (Tr. 791:13-24).

⁹ *Id.* at 25-26 (Tr. 794:11-795:24).

¹⁰ Doc. 470 at 39.

¹¹ Doc. 327 at 33-34 (Tr. 802:21-803:22).

¹² *Id.* at 34-35 (Tr. 803:23-804:8).

¹³ *Id.* at 35-37 (Tr. 804:9-806:7).

¹⁴ Transcript - Volume 15, Doc. 329 at 276-77 (Tr. 1397:16-1398:11).

¹⁵ *Id.* at 22 (Tr. 791:13-24).

¹⁶ *Id.* at 30-31 (Tr. 799:15-800:15).

This statement directly contradicts GBE's emphasis on the fairness of its compensation structure for the easements.¹⁷

Therefore, the Commission should treat Dr. Priestley's testimony as unreliable and unpersuasive since it is either not supported by the articles that he cites or he relies on articles that are only applicable to an urban environment. The Commission should also consider GBE's compensation structure as inadequate based on the "High-Voltage Transmission Lines and Rural, Western Real Estate Values" article cited by GBE's expert.

Post-Hearing Reply Brief of the Missouri Landowners Alliance

The Reicherts and Meyers adopt the Post-Hearing Reply Brief of the Missouri Landowners Alliance (MLA) in its entirety and join MLA's opposition to GBE's request for a Certificate of Convenience and Necessity (CCN).

Conclusion

Therefore, the Reicherts and Meyers respectfully ask the Commission to deny GBE's application for a CCN.

Respectfully submitted,
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/s/ Gary Drag

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¹⁷ Doc. 470 at 40.

CERTIFICATE OF SERVICE

I certify that true and accurate copies of this document were sent by e-mail on December 22, 2014, to all parties on the official service list for this case.

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