

Exhibit No.: \_\_\_\_\_  
Issues: Eminent Domain  
Witness: Blake Hurst  
Sponsoring Party: Missouri Farm Bureau  
Type of Exhibit: Rebuttal Testimony  
Case No.: EA-2014-0207  
Date Testimony Prepared: September 15, 2014

**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 )

**REBUTTAL TESTIMONY OF  
BLAKE HURST  
ON BEHALF OF THE  
MISSOURI FARM BUREAU  
SEPTEMBER 15, 2014**

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1 **I. INTRODUCTION AND PURPOSE OF TESTIMONY**

2 **Q 1: Please state your name, position and business address.**

3 A: My name is Blake Hurst, and I am president of Missouri Farm Bureau. My business  
4 address is 701 South Country Club Drive, Jefferson City, MO 65109.

5 **Q 2: Please describe your experience and qualifications.**

6 A: I am a sixth generation farmer raising corn and soybeans and running a greenhouse  
7 nursery with my family in northwest Missouri. I was first elected president of Missouri  
8 Farm Bureau at our annual meeting in December 2010. As vice president for seven  
9 years, I chaired our State resolutions Committee, which coordinates the development of  
10 policy recommendations for consideration by members serving as voting delegates at our  
11 annual meeting.

12 **Q 3: On whose behalf are you appearing in this proceeding?**

13 A: I am appearing on behalf of the Missouri Farm Bureau.

14 **Q 4: Please describe the scope and purpose of your testimony.**

15 A: I will address the direct testimony of Grain Belt witness Mark Lawlor on Grain Belt's  
16 intention to exercise eminent domain authority when "it has exhausted reasonable efforts  
17 to acquire transmission line easements through voluntarily negotiated agreements."<sup>1</sup>  
18 Specifically, I will discuss Missouri Farm Bureau's opposition to Grain Belt's  
19 Application for a Certificate of Convenience and Necessity in the context of our

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<sup>1</sup> Lawlor Direct, page 21, lines 13-15.

1 commitment as an organization to the protection of property rights relative to eminent  
2 domain.

3 **II. MISSOURI FARM BUREAU'S INTEREST IN EMINENT DOMAIN**

4 **Q 5: Why is the Missouri Farm Bureau interested in eminent domain?**

5 A: Protection of property rights is among the most fundamental beliefs expressed in our  
6 policy positions. Missouri Farm Bureau has a longstanding policy pertaining to various  
7 aspects of property rights, including the use of eminent domain. I will highlight the  
8 following excerpts (underlined) from our current policy, and the entire policy pertaining  
9 to eminent domain is included in my written testimony:

10 *The government acquisition of land and buildings should be severely restricted in cases*  
11 *where reasonable alternatives are available. We oppose the acquisition of land and*  
12 *buildings from an unwilling seller simply to keep development within a particular*  
13 *political boundary.*

14 *We support Missouri's eminent domain reform law, which strengthens the protection of*  
15 *landowners from condemnation with assurance that needed rural infrastructure such as*  
16 *roads, power lines and water and sewer lines can be built in a timely and economical*  
17 *manner with equitable compensation granted to all affected landowners.* *We believe*  
18 *entities with condemnation authority should be required to consider alternate routes and*  
19 *to directly notify and publicly disclose routes for proposed right-of-way expansion to*  
20 *affected landowners.*

21 *We oppose the use of eminent domain for the acquisition of land to be resold to private*  
22 *owners or for the transfer of property from one private entity to another for the purpose*  
23 *of economic development.* *We believe that easements acquired by an entity with*

1           *condemnation authority should return to the landowner if unused after ten years. We*  
2           *oppose granting eminent domain authority to cable companies or any other entities that*  
3           *do not already have eminent domain authority.*

4           *We believe eminent domain authority should not be used for purposes of private*  
5           *development or recreational facilities, and the term “public use” in eminent domain*  
6           *statutes and the state constitution excludes these purposes.*

7           *We support further restrictions on the use of eminent domain to acquire blighted property*  
8           *in both urban and rural areas.*

9           *We believe landowners in eminent domain cases should have five years from the time of*  
10          *the original settlement in which to negotiate claims for damage from construction and*  
11          *maintenance that may not have been confirmed at the time of the initial settlement.*

12          *We believe that when it becomes necessary for any city to condemn private property*  
13          *outside the city limits, for any authorized purpose, the governing body of the city must*  
14          *first be required to obtain the approval of the county commission of the county containing*  
15          *such property.*

16          *We support changes to the Missouri Constitution which promote our established policy*  
17          *on property rights. Furthermore, if deemed to be a valuable tool to that end, we support*  
18          *the use of a Missouri Farm Bureau initiated initiative petition process to effect those*  
19          *changes.*

20          *Missouri Supreme Court rulings this year upheld key provisions of Missouri’s eminent*  
21          *domain reform law enacted in 2006. If legal challenges weaken the law, we support*  
22          *necessary modifications to protect property rights.*

1 **Q 6: Why did Missouri Farm Bureau Adopt this Policy?**

2 A: Significant portions of this policy were adopted by Missouri Farm Bureau members  
3 following the 2005 U.S. Supreme Court ruling in *Kelo v. City of New London*. This  
4 ruling prompted an overwhelming public outcry nationwide against allowing the transfer  
5 of private property from one owner to another through the condemnation for economic  
6 development purposes. Missouri Farm Bureau also served on the Eminent Domain Task  
7 Force appointed in 2005 by then Governor Matt Blunt to review state statutes in the wake  
8 of the *Kelo* ruling. Subsequently, we worked successfully with legislators—including  
9 Missouri Attorney General Chris Koster, who as a state senator sponsored the Senate  
10 version of the legislation—to enact eminent domain legislation based on the task force’s  
11 recommendations. The state law enacted in 2006 and subsequent court rulings have  
12 affirmed Missourians’ deeply held belief that eminent domain power should be tightly  
13 controlled and used only when absolutely necessary for public purposes and not for  
14 economic development purposes.

15 **Q 7: Why does Missouri Farm Bureau so strongly oppose the use of eminent domain in**  
16 **this case?**

17 A: Grain Belt Express Clean Line LLC is a consortium of private investors who propose to  
18 transmit electricity generated by wind farms in Kansas to a terminal in Indiana at which  
19 point it will be delivered to buyers. It is a business venture that does not merit  
20 certification by the Missouri Public Service Commission. Neither its purpose nor  
21 potential benefits to Missouri citizens enumerated by Grain Belt Express justify the  
22 authorization to exercise eminent domain power. Moreover, the potential benefits are  
23 outweighed by the concerns expressed by many of our members along with hundreds of

1 others who participated in the commission's local public hearings and submitted  
2 comments in opposition to the project.

3 An article by Andrew Morriss, an author and Senior Fellow at the Property &  
4 Environment Research Center in Bozeman, Montana, is a great example of why the  
5 Missouri Farm Bureau is against Eminent Domain in this case. The article is attached as  
6 Schedule BH-1.

7 **III. CONCLUSION**

8 **Q 8: Does this conclude your testimony?**

9 A: Yes, it does.

