Exhibit No.:

Issues: Adverse Effects of Route

Witness: Doug McDaniel

Exhibit Type: Rebuttal Testimony Sponsoring Party: Intervenor CCOFFH

Case No. EO-2002-351 Date: August 8, 2002

# Service Commission MISSOURI PUBLIC SERVICE COMMISSION

**CASE NO. EO-2002-351** 

REBUTTAL TESTIMONY OF **DOUG McDANIEL** 

ON BEHALF OF

INTERVENOR CONCERNED CITIZENS OF FAMILY **FARMS AND HERITAGE** 

**JEFFERSON CITY, MISSOURI** 

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

In the Matter of the Application of Union	)	
Electric Company for Permission and	)	
Authority to Construct, Operate, Own, and	)	Case No. EO-2002-351
Maintain a 345 Kilovolt Transmission Line	)	
in Maries, Osage, and Pulaski Counties,	)	
Missouri ("Callaway-Franks Line").	)	

#### AFFIDAVIT OF DOUG McDANIEL

Doug McDaniel, being first duly sworn, deposes and says that he is the witness who sponsors the accompanying testimony entitled "Rebuttal Testimony of Doug McDaniel"; that said testimony was prepared by him and/or under his direction and supervision; that if inquiries were made as to the facts and conclusions in said testimony, he would respond as therein set forth; and that the aforesaid testimony is true and correct to the best of his knowledge.

State of Missouri

County of Columnia

SUBSCRIBED and sworn to

before me this 2 day of August, 2002.

Notary Public

My Commission Expires: 4-24-04

DENISE A FREY
NOTARY PUBLIC STATE OF MISSOURI
COLE COUNTY
NOTARY PUBLIC STATE OF MISSOURI
COLE COUNTY
APP. 24,2004



## REBUTTAL TESTIMONY OF DOUG McDANIEL

1	Q.	Please state your name and residence address.
2	A.	Doug McDaniel, Route 2, Box 89, Linn, Missouri 65051.
3	Q.	Are you a property owner in one of the three counties through which Union Electric
4		Company is applying for permission and authority to construct, operate, own and maintain
5		a 345 kilovolt transmission line?
6	A.	Yes, I am the owner of property which I am advised will be crossed by this new 345,000 vol
7		transmission in Osage County.
8	Q.	What is the purpose of your testimony?
9	A.	I am providing this testimony in opposition to the application to construct this transmission
10		line on the route requested by Ameren UE. The law requires that construction of this power
11		line must be shown by Ameren UE to be necessary and convenient for the public service
12		Regardless of any necessity for a transmission line somewhere else, it is neither necessary
13		nor convenient to the public to build the transmission line as proposed. The line can be
14		constructed in other areas and its construction in the place and manner proposed will be
15		destructive of family farms, family farm values, and does irreparable harm to the history and
16		heritage of the local area and its communities.
17	Q.	Are you a member of the Intervenor group known as Concerned Citizens for Family Farms
18		and Heritage?
19	A.	Yes, I am a member of and spokesperson for that group and offer my testimony in suppor

of its statement of purpose, which is attached to this testimony and incorporated.

- Q. Have you as a property owner in the path of the proposed transmission line been contacted by Ameren UE for purpose of discussing where the line would go through your property and what alternatives, if any, might be available?
- A. Yes. I did receive a letter from them about the workshop. I have never been called or contacted in person. I think I know where they want to run the line. Since they will not speak to me, we have not spoken of alternatives.
- 7 Q. How long have you owned the property in question?
- 8 A. This farm has been in my family since the late 1700's.
- 9 Q. Could you describe the nature of the property and its past and current use?
- 10 A. This is my family farm. I raise cattle and horses. I do harvest timber as well.
- 11 Q. Is the current use of the property income producing to you?
- 12 A. Yes. Income I count on every year.

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- Q. Is the proposed transmission line to run near or over any residence, structures, or improvements to your property?
- 15 A. Yes. Less than 50 yards from my house and eight feet from my barn. This will limit any future expansion.
  - Q. Do you already have any power lines over your property?
- 18 A. Yes. I already have two other major transmission lines on my property.
- 19 Q. Will the proposed power line, if built, affect the value of your land?
- 20 A. Yes. A power line of this size on my property will without question decrease the overall
  21 value of the remaining property. The power line itself, the large easement taken on a strip
  22 through that part of the property will impair present and future use of the entire parcel of

property I own. The option of selling the property to get rid of the problems caused by the power line is unavailable. The power line will make the property virtually unsaleable, requiring that I simply live with Ameren UE's solution to a problem that I do not feel I even share with them. While I am unsure of the health affects of such a large power line so close to my own daily activities, it is ingrained in the popular mentality that such power lines constitute a health hazard, rendering unlikely any sale of my property at all. No one will buy this property with this 345,000 volt electric line through it. This will limit my income from my farm and make it very difficult to sell as well. Unless Ameren UE can provide a study that will show the benefits of living under a power line, I am opposed to this line.

Q. What other adverse impacts do you feel this line will create for yourself and others?

- A. The attached statement of purpose for Concerned Citizens for Family Farms and Heritage sums up the overall bad impact. I and my neighbors live where we do by choice. We forego the luxuries of more urban living in exchange for the peace, quiet and more rustic lifestyle of the family farm and the small local community. Every reason and purpose that my neighbors and I own property here for is drastically impaired or practically destroyed by the presence of this high voltage power line, and the constant commercial activity anticipated in building and maintaining it in the future.
- Q. Do you know of any alternatives to the Ameren UE proposal which might change your opinion about this project?
- A. The alternatives are all within the power of Ameren UE to implement, and I do believe an alternative exists. I believe Ameren should restudy the route and balance the interests of the community against their need to relieve overloading problems. There are other corridors

equally available to Ameren to build this line which would be better able to bear the burden of the line's presence without destroying property values, life styles and family farms. My neighbors and I have no alternatives, and construction of the line as proposed will change our lives and circumstances forever. We will not be able to sell even though we may not wish to stay. Given our lack of options and alternatives, and the numerous alternatives available to Ameren UE to put this line almost anywhere it wants, it is my hope that the Public Service Commission will require Ameren UE to balance their mere commercial need against our vital need to preserve the family farm and our way of life.

- Q. Have you had past experiences with power companies and their maintenance of their easement and right-of-way, and do you have concerns about this aspect of the new power line?
- A. None good. I always check my gates after they (the power companies) have gone through.I will plan on chasing my cows up and down the highway.
- Q. Do you have any further testimony or observations to make for the Public Service Commission about your own property and this proposal?
- A. Yes. I will lose my family tree (see picture). This tree has been there for well over 100 years. It has watched my great grandfather grow up, become a man, and pass away. It has been there for my grandfather as he grew up, became a man, raised a family and passed away on the farm. It has been there as my father grew up and became a man. It has been there as I grew up. It saw me catch my first fish. It saw me shoot my first squirrel, deer and quail. It watched me and my three-legged beagle (Scotty) build a fort when I was a child. My grandfather stood underneath this tree as a child and watched a mule train go by. (The

United States Government bought mules from the locals here for World War I. He said there were over 300 mules sold.) For most people this is just a tree. It is so old it does not produce acorns anymore. I am the only person who cares for this tree. Now, the only people who can save this tree is the PSC, because if this power line is allowed to go through this tree will have to go. I am not ready for this tree to die yet!

#### RESPONSE TO APPLICANT'S DIRECT TESTIMONY

- Q. Have you reviewed the Pre-filed Direct Testimony of witnesses on behalf of Ameren UE?
- A. Yes I have. I have reviewed the Direct Testimony of Charles E. Mitchell, David D. Deweese, Thomas Beerman and Geoffrey Douglass filed July 11, 2002 in support of the Ameren UE Application.
- Q. Have you also executed the Confidentiality Agreement provided to you under the Protective Order entered in this case?
- A. Yes I have. It is attached hereto as Exhibit DM-1.

- Q. With regard to concerns over the route chosen for the new Callaway-Franks 345 kV transmission line, could you summarize briefly your view of that testimony?
  - A. The testimony appears to have been prepared purely from a technical standpoint for purposes of justifying the need for a new transmission line, with little or no inquiry or analysis of the issue of where to put the transmission line. All witnesses appear to approach the issue strictly from the standpoint of what will work for Ameren UE. The testimony appears to be given by people who have never lived in, and perhaps never visited the communities and properties in the affected area. Overall, I find no indication in any of the testimony or exhibits of a careful examination of the human and social costs of placing this new high

- voltage electric line on the route proposed by Ameren UE. Therefore, the application is deficient and should be denied by the Commission.
- Q. Directing your attention further to the testimony of Ameren UE witness Charles E. Mitchell, do you have any response to or observations about his testimony?

- A. Yes. Mr. Mitchell is obviously an engineer and interested only in the easiest way to engineer construction of the line. On non-engineering aspects, he generalizes issues of importance to Intervenors to the point of being misleading. For instance, in his testimony at page 2, lines 21 through 25, he states that the purpose of his testimony is to "show that the proposed Callaway-Franks 345 kilovolt (kV) transmission line is necessary to provide reliable service to the public in Missouri, including the retail electric customers of Ameren UE." However, the only information I see provided concerns reliable service to the entire electric grid system. While we have asked Ameren UE to tell us who these Missouri customers of Ameren are and who in the "public" will be served by putting this line in its proposed route, we have been told that such information cannot be provided with any greater specificity than simply "the public." Attached hereto is Ameren UE's response to Intervenor's DR Nos. 7, 8, 9 and 10, demonstrating the lack of any evidence that the public in Missouri, including the retail electric customers of Ameren UE, find it necessary to have this line in order to provide reliable service. We believe this line does not benefit Missouri's people or customers.
- Q. Do you find any consideration of alternatives concerning the route of the line in Mr. Mitchell's testimony?
- A. Mr. Mitchell refers to a joint study report of Ameren UE and Associated Electric Cooperative, Inc. (AECI), which he implies answers all such questions because it is the only

analysis performed by the applicant. About all that document does is state that alternatives were considered, without any evidence of what the criteria for consideration and analysis was. I believe a review of the report, and statements made by Mr. Mitchell and others at meetings, shows that the choice of the route consisted solely of looking at a map and drawing the shortest line between the Callaway Nuclear plant and the Franks substation. No evidence of an analysis of the impact on property owners, communities and family farms along the chosen route is reflected in the joint report or in Mr. Mitchell's testimony. It is all together too obvious that the public convenience and necessity being considered by Ameren UE is a most hypothetical convenience and necessity, and specifically excludes actual impact on actual people. It considers only Ameren's needs and the needs of "the power grid."

- Q. Does Mr. Mitchell's testimony, regardless of its conclusions, indicate to you that there are any alternatives as to the route?
  - Yes. While it is simply dismissed as "not a good enough alternative" in the joint report and in Mr. Mitchell's testimony, at page 3, lines 5 through 9, the alternative of a parallel line to the existing Bland-Franks line is available. Mr. Mitchell notes that the intent of the current proposal is to "roughly parallel" Ameren's own existing Bland-Franks line, and that it is this line and not any other that is the cause of the overloading problem. In light of the fact that UE already owns right-of-way and transmission lines between Bland and Franks, and because of the nearly universal opposition to taking land away from land owners in the Callaway-Franks route, I find it amazing that the company has not explained in detail its reasons for not using a route which precisely parallels the existing overloaded 345 kV transmission line between Bland and Franks. This seems clearly the preferable alternative.

Q. Have you yourself evaluated the Bland-Franks line as an alternative?

A. Yes. I have visited and viewed substantially all of the Bland-Franks corridor personally to try to see what makes it unavailable as an option. What I found illustrates why the line is best placed there, as well as why it should <u>not</u> be in the proposed new Callaway-Franks corridor. The Bland-Franks like is 345 kV. Because the harm to human and social values of such high voltage lines has already been demonstrated in the Bland-Franks corridor, we can see what the future will be for us in the Callaway-Franks route.

A visual inspection indicates that few people, homes or structures are located near the present Bland-Franks line. This is logical. As we have shown in our testimony, these high voltage lines make the surrounding property undesirable and tend to depopulate the area. Fewer farmers, home owners and businesses would be effected by a new parallel Bland-Franks line because Ameren has already run everyone out of that corridor who cannot stand living under their annoying power line.

I believe the situation here is analogous to the requirement for "zoning" in cities. Manufacturing plants cannot be located near residences, and industry is located where it causes the least harm to people and property. Ameren has already "zoned" the Bland-Franks line for high voltage power transmission. It makes no sense at all to allow them to create new "zones" at their whim through areas currently used for productive farming, home ownership and peaceful community life.

The PSC should require Ameren to justify their proposal as one doing the <u>least</u> harm to the greatest number of societal interests, before even considering this plan to devastate our small area. The Bland-Franks line is clearly the superior route in any such "least harmful"

- analysis, and Ameren has not made any effort to show otherwise. This application to do public harm, rather than good, should be denied.
- O. Are there other related alternatives which you would like to comment on?

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- A. Yes. At page 6 of Mr. Mitchell's testimony, lines 1 through 9, he indicates that there are a variety of "lines" that could be used in transmission and distribution of Ameren's electricity. One method for transmission involves use of underground lines described by Mr. Mitchell, but which have never been analyzed by the company. Instead, statements have simply indicated that use of varied lines or underground transmission systems would be more 8 expensive than the alternative chosen by Ameren. I find this "trust me on this" approach to analysis of alternatives to be no analysis at all. Without some comparison between the public 10 convenience and necessity of underground as opposed to overhead lines, no informed 11 12 decision can be made by the Public Service Commission as to public convenience and 13 necessity. The same problem is found with the so-called plan for the use of overhead towers 14 through our communities. Other than generally stating that Ameren will take what property 15 it needs and chooses, regardless of the desires and needs of property owners, their testimony 16 provides no way to analyze the public convenience and necessity of the proposed route. 17 Apparently, as far the Public Service Commission and the public are concerned, Ameren 18 asserts that the convenience and necessity of the line to actual members of the public is 19 irrelevant and will simply not be analyzed by Ameren UE.
  - Do you find explanation in Mr. Mitchell's testimony as to what "necessity" there really is for Q. any power line at all?
  - Yes. Mr. Mitchell's discussion beginning at page 6 and running through page 10 indicates A.

that the need for the line is entirely unrelated to any cause in Missouri, and is certainly not 1 3 7 9 10 11 12 13 14 15 16 17 18 19

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caused by any need for electricity in central Missouri. Yet, Ameren proposes to impose the entire burden of the transmission line on central Missouri property owners who are not customers of Ameren and, we assume from the description of the process of interconnection, impose the costs of construction and maintenance on its Missouri rate payers. overloading seems clearly to be the result of increased load being transferred over the regional grid from the north of the United States to the south, especially during summer months when the southern part of the United States requires more power. There is no evidence that population growth in central Missouri, or the growth in the needs of AECI, or any other growth in electricity needs in Missouri are responsible for the overloading of the 345 kV Bland-Franks line now or in the past. Ameren UE does not choose to address the question of why property owners and residents in the path of a new line must bear the burden of electricity usage to the south in other areas, and in other states. It behooves Ameren UE to justify this new line, under the circumstances, not simply on the basis of the cheapest and shortest route, but to justify it on some basis that balances any incremental increase in costs to them against the extraordinary burdens placed upon property owners and citizens in solving their problems for them. Ameren's view that the only consideration as to convenience and necessity is whether it is convenient and necessary for and to them is a perversion of principles of regulation and should be rejected by the Commission.

Q. With regard to that same question of what is "necessary," and related to the justification for the new line, do you have any comments on Mr. Mitchell's discussion of the requirements of federal and state law?

A. Yes I do. While Mr. Mitchell, like myself, is not a lawyer, I trust his description of the 1 2 regulatory framework on pages 9 and 10 of his testimony to be accurate. What that 3 testimony shows, however, is that Ameren UE controls the question of whether their transmission lines are overloaded or not. While Mr. Mitchell implies that federal regulations 5 require them to have a system that will carry whatever load is necessary to serve eligible users on an non-discriminatory, open access basis, this is clearly not what the system he 6 describes does. Instead, the system as described contains alternatives for use depending upon 7 8 load. There is no requirement that the transmission system must carry any load someone requires, but that those eligible users can be limited or even eliminated from use if the system requires it. The notion that Ameren must have this new transmission line to meet 10 11 requirements of state and federal law is, I believe, false and misleading. Once again, it is 12 more accurate to state that Ameren wants to build a transmission line to assist itself in selling 13 its own and other electricity, while pushing the burden of that profitable enterprise off on 14 unwilling land owners and communities. I believe that there is no law that requires Ameren 15 UE to build this new line, much less to build it anywhere they please. Further, while we 16 agree that the Public Service Commission and others are interested in having Ameren UE 17 operate and maintain their systems in a reliable, efficient and safe manner, none of those 18 criteria require that Ameren use the cheapest, least expensive route to them for a transmission 19 line or that it cannot be required to spend a little more time and money investigating 20 alternatives and protecting community values. At minimum, they should be required in their 21 application to show maximum effort to protect communities from adverse impacts of their 22 actions. They should be required to explore the best route and not just the cheapest or easiest route.

- Q. Do you have any comments on Mr. Mitchell's arguments about reliability and safety as necessitating this new line?
- A. Yes. I note that all observations made by, and opinions expressed by, Mr. Mitchell concerning reliability and safety are purely hypothetical. Nowhere does he state that the system has been rendered unreliable, nor does he state with any certainty that failure to build a new line will make the current system unreliable and unsafe. He also does not guarantee that the solution will fix the problem. Instead, at page 10-11 of his testimony, Mr. Mitchell "hedges" by stating only that the proposed new line "could avoid" future problems, and that if the line is not built Ameren "might" have problems. This hardly meets any standard of scientific certainty on the question of necessity for the line.
- Q. Do you have a response to Mr. Mitchell's testimony on pages 11-13 concerning the necessity of the line to provide reliable and safe service to Missouri customers on other electrical systems.
- A. Yes. While I note that Mr. Mitchell states that the proposed line is necessary to provide reliable and safe electric service to retail customers served by AECI and its distribution cooperatives, there appears to be no data supporting this presumed need of AECI. While it is implied that the joint planning effort and joint report undertaken by Ameren UE and AECI indicates a need by AECI for the new line, it does not appear that any such present or future need of AECI is described or quantified anywhere, nor does the simple fact that there is a "joint plan" alone justify the current route. To the contrary, it appears the whole purpose is not to get additional transmission capacity through this proposed new line, but to get

additional capacity to the Franks substation, which can be accomplished by other alternatives, like running parallel to the existing Bland-Franks line. None of the testimony of Mr. Mitchell concerning AECI requires that the proposed Callaway-Franks route be used to satisfy any AECI need for safe, reliable electric service. The same goes for all other interconnections to the Ameren UE system: Absolutely nothing seems to require the proposed route other than Ameren's convenience and Ameren's economic interests. The reasoning of Ameren at page 12, lines 9-16 of Mr. Mitchell's testimony is simplistic, hypothetical and vague. It threatens a "domino effect" by assuming a power failure (which has never occurred) on an existing line causing negative impacts on Missouri customers of AECI (AECI does not serve the central Missouri area where the line is to go either) as justification for building a new power line in a manner and place that could be justified if at all only under circumstances of some present dire emergency. The Commission should demand hard facts in justification, rather than these "chicken little" rationalizations before allowing the line to be built where proposed.

- Q. Do you have comments on the explanation of why the proposed line is needed to avoid safety related problems?
- A. Yes. The hypothetical effects of loading above a line's rating described by Mr. Mitchell at page 12 and 13 seem reasonably correct, but ignore the issue in this matter. Those safety related problems on the Bland-Franks line are not safety problems currently being experienced by property owners along the separate proposed Callaway-Franks line. Why the safety problems on the Bland-Franks line cannot be relieved by improving transmission facilities on the Bland-Franks line, rather than creating new and additional problems on the

proposed Callaway-Franks line, is entirely unexplained. Again, one gets the distinct impression that the issue of safety and reliability of the Bland-Franks line is purely hypothetical and useful only as an "argument" for Ameren UE. It is clear that their focus is on building an economically profitable line for the company, rather than to improve safety and reliability for customers.

Q. Do you have any comments on the data of Ameren UE concerning overloadings?

- A. Only that it confirms, at Mr. Mitchell's testimony page 13-14, that the reason for the overloading for the Bland-Franks line is increased electrical use in other areas to the south of Missouri, rather than increased needs of Missouri customers, and confirms that Ameren UE is under no legal obligation to allow access to its transmission system if Ameren chooses not to do so. The lack of hard evidence of need for the additional line appears to be demonstrated on Mr. Mitchell's Schedule 3, and the less than consistent evidence of incidents of overloading on page 17, lines 3-9. However, once again, please bear in mind we are not so much disputing the need of Ameren for an additional transmission line to grow their business, as we are disputing the more important question of where Ameren UE intends to put that line for its own benefit and whether this Commission should allow that. Nothing in the evidence of overloading on the Bland-Franks line, or its effect on Ameren's ability to move sufficient power to Oklahoma or Texas, provides any useful analysis on the issue of whether family farms and communities in Missouri must shoulder the entire burden of providing these benefits to Ameren and its customers in other states.
  - Q. Have you reviewed Mr. Mitchell's testimony on pages 18-21 concerning the joint study with AECI, and do you have any comments on that?

I have more questions than comments. A review of the report simply indicates that although Ameren UE and AECI began with a problem and initially analyzed seven options to correct the problem, they appear to have very quickly settled solely on the Callaway-Franks line solution. The report does not explain why the Callaway-Franks route is so superior, nor does it explain in any understandable fashion why the option of a second Bland-Franks 345 kV line was so immediately abandoned. Without any statement of reasoning or analysis, the conclusion is rather inescapable that the choice of the Callaway-Franks line was driven solely by the fact that AECI would assign most of the easements necessary for the line to Ameren UE free of charge. In other words, feasibility of all these options does not appear to have ever been based upon technology, but were all based upon economics. When you can obtain free land to build the line, why would the utility ever consider other options? Therefore, based upon the joint study, I must conclude that there is no reason, other than lack of effort because of lack of incentive, to justify building the Callaway-Franks line rather than one of the other alternatives.

- Q. Would you care to comment on Mr. Mitchell's discussion on alternatives examined at pages 21-26?
- A. Yes. Mr. Mitchell says none of the other alternatives they investigated were acceptable.

  Once again, however, he gives very little reasoning as to why this is so. Most importantly, his testimony is devoid of any mention, much less consideration, of the impact that the Callaway-Franks line would have on the people living in the area. To be sure, no consideration of such impacts of the other options was given either. It is only reasonable to conclude that no consideration of societal, environmental, cultural or human needs were

made by those who studied the alternatives. Again, the alternatives investigated were solely based upon economics and where the line could be built the cheapest. Indeed, were Mr. Mitchell to have substituted in his answer to the question at page 22, line 17-18 concerning why the proposed line was the best technical solution, and substitute the Bland-Franks route for the Callaway-Franks line used in the question, the answer would have been precisely the same. Only the fact that easements could be obtained for nothing makes the Callaway-Franks line any different or "better" at all. Issues of safety, reliability, overloads, and all other factors had nothing to do with the choice.

- Q. Do you agree with Mr. Mitchell's stated understanding on page 23-24 as to why AECI held easements on the properties in the proposed line?
  - No I do not agree at all. Mr. Mitchell states his "understanding" that AECI acquired these easements it is now giving away for free to Ameren in the 1980's in order to build a 345 kV transmission line. I am aware of not one fact, statement or piece of evidence that AECI planned to build any transmission line of this size. No property owner whom I have spoken to had any idea that AECI wished to build any line of this size. None of the easements I have seen on these properties reference any plan to build a 345 kV transmission line. I therefore do not believe it to be true that this is not a new-idea or project because "AEC originally intended to build, at their expense, a similar line from Chamois to Franks." This is a new, unexpected, and unanticipated burden on the landowners who granted easements under false pretense to a small rural electric cooperative, only to end up with such easements being used by a large for-profit utility for an unimaginably large high voltage line.
- Q. What about the suggestion that AECI and its customers benefit from this line?

This statement is misleading. If the line were built between Bland and Franks, AECI's benefit would be no different than what is described on page 23-24 of Mr. Mitchell's testimony. Their contribution of new equipment at the Franks substation would be no different. There is nothing about the efforts of Ameren UE and AECI that necessitate building this new transmission line through properties and communities that do not want it. In this regard, once again it is certainly a "new project" to the affected land owners, family farms and communities which do not benefit from such "cooperative effort" by Ameren UE and AECI, and who could never anticipate this high voltage line on their properties which are served by neither Ameren UE or AECI. This is the whole issue: Is the burden and harm to Missouri citizens in the path of this proposed line worth the benefits accruing solely to Ameren UE and AECI from putting it there? The answer is clear. No! Mr. Mitchell's response on page 25, lines 1 through 9, concerning the benefits makes no mention whatsoever of the communities burdened with this project and does not even attempt to argue that any benefit flows to landowners burdened by the new line.

- Q. Can you comment on Mr. Mitchell's statement that Ameren UE cannot even utilize the current Central Electric Cooperative line to take less property on page 25, lines 10-12?
- A. Mr. Mitchell simply states that the existing 161 kV line must be taken out of service for two years in order to implement even this small concession to affected landowners, and that this is unacceptable. This is also, however, counter-intuitive: Mr. Mitchell has himself used the analogy to sectional highway repair and maintenance, which belies his contention that construction in the same easement right-of-way to save additional damage to properties cannot be accomplished. Replacement in sections seems entirely appropriate, and no

explanation why it is not is made. Further explanation should be required of Ameren UE for the proposition that they have to destroy the entire existing line and rebuild it as the only way to accomplish the effort. Replacing a section at a time, as we do with highways, seems perfectly appropriate.

Q. Could you please summarize concerning Mr. Mitchell's testimony.

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The proposed Callaway-Franks 345 kV line benefits no one in the 54 mile stretch of real estate where the line is proposed to go. It benefits only Ameren UE (which has no customers in this area) and Associated Electric Cooperative, Inc. of Springfield (which also has no customers in the area). In choosing the route of the line, Ameren officials simply flew over the area and measured the distance. No consideration of any property owners' needs, concerns or desires was attempted. No adverse impact on family farms or small businesses was considered. No adverse impact on the rural small town community lifestyle in the area was considered. Obviously, because the decision was reached in haste and was inadequate in scope of analysis, insufficient consideration was necessarily given to equally available options, including the obvious one of building the line parallel to the existing Callaway-Bland-Franks line, which is precisely the line that needs the improvement. It is entirely unnecessary and unauthorized for Ameren UE to intentionally harm people in the proposed transmission line route solely to benefit Ameren and AECI, and solely to relieve a problem located not in our area but at the Bland-Franks transmission line. The Public Service Commission should either deny the application to build the proposed Callaway-Franks line or withhold any permission to construct any line until Ameren UE has studied all alternatives carefully, and explained the results of such study to the Commission completely.

- Q. Do you have anything further to add concerning Mr. Mitchell's testimony?
- A. No I do not.

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- Q. Have you reviewed the testimony of David Deweese, concerning the proposed transmission line?
  - Yes I have. The primary purpose of Mr. Deweese's testimony is to attempt to demonstrate that the proposed route and the configuration of the line is the least intrusive and most reasonable of all options available. However, as stated at page 4 of his testimony, Mr. Deweese did not perform any analysis of the "best" alternative for the route, but simply relied upon the Ameren UE/AECI joint study concerning the choice of that route, which itself contains no analysis of the issue. Tellingly, however, Mr. DeWeese does note that AECI held approximately 80% of the easements required for the new line, which makes it rather clear why this path was endorsed by DeWeese as "best." The statement that "a route was developed that will provide the least land use and impact to the public and the most economic alignment for the new transmission line" seems a vast and questionable overstatement. The route is simply a straight line between Callaway and Franks. No effort to avoid impact (such as taking away people's houses, destroying barns and outbuildings, disturbing wooded/wildlife areas or destruction of aesthetic values) was even attempted. I strongly challenge the notion that the route "takes the least land" and has the "least impact to the public." Mr. Deweese must be referring to a public that does not live in the area or own the tracts of land being seized. Additionally, the modifications and adjustments mentioned by Mr. Deweese to accommodate those most severely impacted are certainly, as he states, "minor." No significant accommodation to the desires, needs and sensibilities of

the people in the path of the transmission line have been made by Ameren UE. If any such accommodation were found to cost more or be at all difficult to implement, it has been refused.

- Q. Do you agree with Mr. Deweese's assertion that a different route would impact a different group of property owners?
- A. I have seen no analysis, or even an effort at an analysis, by Ameren UE to determine the truth or falsity of that statement by Mr. Deweese. As far as any of us know, a separate route exists which impacts fewer property owners. We certainly know there is on the Bland-Franks line already a high voltage 345 kV line, additions to which would cause less adverse impact on property owners than the proposed Callaway-Franks line. Once again, what Mr. Deweese is really saying is that they already have the right-of-way for free from AECI, and it is cheaper for Ameren to build it through this area.
- Q. Do you have any comments on Mr. Deweese's testimony concerning configuration of the proposed line?
- A. Mr. Deweese makes the same assertion that the existing Chamois-Maries 161 kV line cannot be taken out of service for the two years they plan to spend building the new 345 kV line. Again, I see no support for this assertion and Ameren has not given any reason for us to assume that the new line, if it must be built in the proposed corridor, cannot be built in stages to minimize adverse impact. However, once again I urge that until it is established that the line <u>must</u> be built in the proposed corridor at all, the configuration should not even be considered for approval.
- Q. Do you have any comments on Mr. Deweese's testimony concerning construction clearing

- practices on page 6 of his testimony?
- A. Ameren UE's representatives have stated similar clearing methods and objectives to the

  Concerned Citizens and public. They appear to be unwilling, however, to put anything in

  writing to make the representation a commitment. Again, they are simply asking the

  Commission, the Concerned Citizens and the public to "trust them." Written commitments

  or mandatory conditions for approval of their certificate must be included in any

  determination.
- Q. Do you have any comments on the testimony concerning accommodations which the company would be willing to consider on page 7?
  - A. Again, Ameren puts nothing in writing as a commitment but makes representations. The fact that alternatives to their plan must meet their standard of "prudent engineering and economic sense" eliminates any likelihood in the minds of property owners that modifications or accommodations will be made at all. We have met with Ameren UE and alternatives have been discussed. At this time neither I nor the members of the Concerned Citizens feel there is any assurance Ameren UE will grant accommodations or make modifications after approval of its certificate of convenience and necessity by the PSC.
  - Q. Do you have any further comment concerning the testimony of Mr. Deweese?
- 18 A. No.

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- 19 Q. Have you reviewed the Direct Testimony of Geoffrey Douglass regarding property rights 20 issues?
  - A. Yes I have. Mr. Douglass describes how Ameren UE was assigned AECI easements for 43 of the 54 miles of the Callaway-Franks line. He reiterates the basis of all of this being the

joint study report conducted by Ameren UE and AECI at page 3. He does not mention that these easements were apparently assigned by AECI without consideration or payment by Ameren UE, and does not add anything to the question of what, if anything, AECI is getting in return for this assignment. Clearly, the landowners got very little compensation when compared to the burden they are now told to assume. Mr. Douglass also describes the dealings of Ameren UE with the public, but I personally know that a very substantial number of property owners were never advised or notified according to the process stated by Mr. Douglass on pages 3-4 of his testimony.

- Q. Do you have any comment on the public information gathering/public notification aspects of Mr. Douglass' testimony.
  - From the standpoint of Ameren UE, I am sure they felt that they went out of their way to notify property owners and hold workshops. However, this was mostly a public relations effort to allow them to say to the Public Service Commission, as they now are, that they had "met the public" and answered everyone's questions. I have no doubt Ameren explained what they intended to do and listened to complaints, but I see little evidence that they have changed any part of their original plans in response to these public outreach efforts. They have listened politely and ignored all problems raised. For example, on page 5-6, Mr. Douglass references discussions with Ms. Claire Kramer and an unidentified property owner whose house would be taken away from them and demolished, but neither property owner has received satisfaction from the exchange or the experience. Once again, there are no written commitments to continue any level of contact or cooperation once Ameren has procured its certificate from the PSC. Concerning the unidentified land owners and areas on

which modifications are alleged to have been made (or made and then unmade (page 6-7))
neither I nor anyone in the Concerned Citizens is actually aware of these efforts by Ameren
UE. The land owners identified on page 7 are not satisfied with the decision on
accommodation made by Ameren UE. Overall, the number of and difficulty of
accommodations required to make the number of modifications and revisions to the line
detailed by Mr. Douglass on pages 6-11 lead to the ultimate (but ignored) conclusion that this
is not the best and most feasible option for such a large high voltage line and that other
alternatives as to route ought to be considered.

- Q. Do you have any further comment on the testimony of Mr. Geoffrey D. Douglass?
- 10 A. No I do not.

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- 11 Q. Have you reviewed the testimony of Mr. Thomas Beerman concerning right-of-way
  12 maintenance practices?
  - A. Yes I have. Mr. Beerman explained most of this to the Concerned Citizens group at one of our meetings. His testimony should be made a mandatory condition of any approval granted by the Public Service Commission, so that property owners can gain compliance rather than simply empty assurances. Additionally, although Mr. Beerman does not address it, land owners should be held harmless from any damage to Ameren UE property in the easement and should be indemnified against any personal injuries to anyone in and on Ameren UE's right-of-way.
  - Q. Do you have any further comment on the testimony of Mr. Thomas Beerman?
- 21 A. No.
  - Q. Would you please summarize your testimony on behalf of the Concerned Citizens of Family

Farms and Heritage.

- We believe Ameren has done the minimum it could to gain approval of the PSC of its proposed new transmission line. They had hoped to run the application through "under the radar" with knowledge it was unwanted, using minimal notification. When opposition to the line arose, Ameren increased its minimal efforts, but only to a point where it could claim to have "done what it could." The Ameren plan never called for a detailed analysis of what is best for Missouri. That is why there is no evidence of analysis. This proposed line can be put in any number of places if Ameren UE is willing to consider alternatives. They are not willing. The values of rural life and existence in the proposed corridor will be permanently and irrevocably damaged by this project, and that must be weighed and balanced against the alternatives. Because Ameren UE has made no such analysis of alternatives, their application should not be approved. Ameren should make such an analysis and it should then be subjected to very careful scrutiny by the Commission and the public so that the values of family farms and rural life are not sacrificed for commercial gain and profit to this one company.
- Q. Does this conclude your testimony?
- 17 A. Yes it does.

## CONCERNED CITIZENS OF FAMILY FARMS AND HERITAGE

#### STATEMENT OF PURPOSE

Concerned Citizens of Family Farms and Heritage ("Concerned Citizens") is an unincorporated membership association of family farm owners, small property owners, small business owners and farm community residents formed to promote the interests of family farming, small town communities and rural life. Membership is open to all who share the desire to promote the interests of family farms and small communities in the rural areas of central Missouri, and those who wish to preserve the rural environment against the continuous encroachment of large commercial development and urban sprawl. Our primary concern is with preservation and protection of the family farm and its heritage in rural Missouri. Concerned Citizens oppose through all lawful means the encroachment on and destruction of family farms, which are the fundamental economic and cultural basis for the rural lifestyle. Concerned Citizens promotes all reasonable efforts to preserve and protect family farms and rural lifestyle, and vigorously opposes impairment or destruction of property which is used or useful for perpetuation of rural existence on family farms, or diversion of property from use as family farms.

## STATE OF MISSOURI PUBLIC SERVICE COMMISSION

#### **NONDISCLOSURE AGREEMENT**

l,Doug	McDaniel , have
been presented a co	py of this Protective Order issued in Case No. <u>E0-2002-351</u> on the
_20th day of	
I have req	uested review of the confidential information produced in Case
No. <u>E0-2002-351</u> on	behalf of Applicant Ameren UE
I hereby cer	tify that I have read the above-mentioned Protective Order and agree
to abide by its terms a	and conditions.
Dated this _	$2$ day of $A_{12}$ , $2002$
	Day Mr.
	Signature and Title
	Employer
	Intervenor Concerned Citizens for Family Farms & Heritage
	Party
	Address
	Telephone

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No. 7:

Paragraph 11, page 4, of the Application refers to "large north-south transfers." Please provide a list of parties involved in these north-south transfers, including the parties' names and addresses and the amount of power transferred for use in Missouri. If Applicant believes that such a request is subject to an objection, please provide a breakdown of the amount of power transferred and the general categories (including but not limited to residential, agricultural, commercial, industrial and resellers) of parties to and from whom such transfers are being made.

#### Response:

It is not feasible to provide the requested list because the parties involved are numerous and many are undefined. The north-south transfers, referred to in the study, represent large amounts of transfers on the interconnected transmission system. Ameren experienced heavy system loading due to this type of condition throughout the year 2000. The effect of these north-south transfers was persistent over a large portion of the year. Thus, it is a fair assumption that these transfers involved a significant majority of the utilities in the eastern interconnected transmission system of United States. The transfer level used in the AECI-AMRN study reflected the loading experienced in 1999 and in 2000 on the Ameren's facilities. Even if the selling and receiving parties were known, it is doubtful that the general categories of parties could be defined other than that they may be Cooperatives, Municipals, Investor Owned Electric Utilities, and Governmental, parties.

gned By: (\_\_hart

Prepared By: Charles E. Mitchell

No. 8:

Paragraph 11, page 4, of the Application refers to "AmerenUE's customers." Please provide a list of all customers who you reasonably anticipate will use electricity on the new line, both in Missouri and in other states and the anticipated amount of said electricity each customer will purchase in the first year after completion of the requested transmission line. If Applicant believes that such a request is subject to an objection, please provide a breakdown of the amount of power anticipated to be purchased and the general categories (including but not limited to residential, agricultural, commercial, industrial and resellers) of customers who are anticipated to purchase such power.

#### Response:

Individual customers cannot be identified and so it is not feasible to provide a customer list. In general, all users of the transmission system including AmerenUE's Missouri retail customers, wholesale customers, IPPs, and power marketers will benefit from this line. The major reasons for this line are transmission reliability (which means continuity of power delivery to all customers), safety, and reduced risk of damage to equipment.

The transmission system is used to transmit large blocks of power economically from where it is generated to where it is consumed. The transmission system uses different voltages to transmit power, because large amounts of power can be carried over greater distance on higher voltage facilities more economically than on the lower voltage lines. Without this new Callaway-Franks 345 kV line, the existing 345 kV, 138 kV, and 161 kV facilities will overload for the loss of the nearby existing Bland-Franks 345 kV line thereby impacting reliability of service and also increasing risks related to safety and damage to equipment.

Prepared By: Charles F. Mits

Prepared By: Charles E. Mitchell

No. 9:

Section II, C(b), page 7-8, of Applicant's Response to Staff's Recommendation refers to planning "its electrical system to meet the needs of all of its customers." Please provide a list of all your current customers along the path of the new transmission line. If Applicant believes that such a request is subject to an objection, please provide a breakdown the general categories (including but not limited to residential, agricultural, commercial, industrial and resellers) of your current customers along the path of the new transmission line.

Response:

See response to Question No. 8.

Prepared By: Charles E. Mitchell

No. 10:

Section II, C(b), page 7-8, of Applicant's Response to Staff's Recommendation refers to planning "its electrical system to meet the needs of all of its customers." Please provide a list of all your current customers using electricity beyond the Franks substation, including those entities purchasing electricity for use or resale outside of Missouri. If Applicant believes that such a request is subject to an objection, please provide a breakdown of the amount of power anticipated to be purchased and the general categories (including but not limited to residential, agricultural, commercial, industrial and resellers) of your current customers along the path of the new transmission line.

Response:

See response to Question No. 8.

Signed By: Charles E. Mitchell