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MISSOURI PUBLIC SERVICE COMMISSION

CASE NO. EA-2014-0207

SURREBUTTAL TESTIMONY OF

**MARK O. LAWLOR
DIRECTOR OF DEVELOPMENT – GRAIN BELT EXPRESS**

ON BEHALF OF

GRAIN BELT EXPRESS CLEAN LINE LLC

October 14, 2014

Exhibit No. 102
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1 **I. INTRODUCTION AND PURPOSE OF TESTIMONY**

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

3 A. My name is Mark O. Lawlor. I am Director of Development for Clean Line Energy
4 Partners LLC (“Clean Line”), the ultimate parent company of Grain Belt Express Clean
5 Line LLC (“Grain Belt Express” or “Company”), the Applicant in this proceeding.

6 **Q. Have you previously submitted prepared testimony and exhibits in this proceeding?**

7 A. Yes, I have previously submitted direct testimony.

8 **Q. What is the subject matter of your surrebuttal testimony?**

9 A. The principal purpose of my surrebuttal testimony is to respond to the direct testimony of
10 witnesses for the Missouri Landowners Alliance (“MLA”), Natelle Dietrich, Roseanne
11 Meyer, Christina Reichert, and John Cauthorn, as well as certain comments made at the
12 Commission’s local public hearings.

13 **II. PUBLIC OUTREACH AND STAKEHOLDER INPUT**

14 **Q. On page 22 of her testimony, Christina Reichert raises concerns regarding the**
15 **outreach practices of Grain Belt Express representatives. What efforts have Grain**
16 **Belt Express representatives made to conduct outreach and distribute the facts**
17 **about the project to Missouri landowners and community members along the route**
18 **since filing an application for a Certificate of Convenience and Necessity (“CCN”)**
19 **with the Public Service Commission (“PSC”) on March 26, 2014?**

20 A. Since Grain Belt Express filed its application for a CCN, representatives of the Company
21 have held regular and open “office hours” meetings in towns across the project area of
22 the Grain Belt Express Project (“Project”). From February to July of this year, Grain Belt
23 Express representatives held 28 meetings in order to meet with and answer questions

1 from landowners and local community leaders. Notice of the meetings was published in
2 local papers and our land agent representatives called landowners to invite them to
3 meetings in their area. More than 545 Missourians attended at least one meeting. The
4 Company also operated two local offices in Polo and Keytesville in 2014 to provide
5 opportunities to share information and answer questions from landowners and other
6 stakeholders. The priority for the Project's land agents during this time has been to hold
7 in-person meetings with as many landowners as possible in an effort to provide facts
8 about the Project and gather specific information regarding individual properties for the
9 purposes of micro-siting (i.e., addressing particular land use issues) and agricultural
10 impact mitigation. Substantial progress has been made toward meeting this goal.

11 **Q. In response to the rebuttal testimony of Staff witness Natelle Dietrich on page 3,**
12 **have members of the public expressed additional support for the Project since the**
13 **CCN application was filed with the Commission?**

14 **A. Yes. Since the Application was filed in March, the Project has received approximately**
15 **200 additional letters of support, attached to this testimony in Schedule MOL-12.**

16 In addition to the written letters of support, 97 people offered verbal testimony in
17 support of the Project at the Commission's local public hearings in August and
18 September 2014. These supporters included two elected state officials whose districts are
19 in the Project area, and four county commissioners and two county assessors from
20 counties that the Project traverses.

21 **Q. What is your response to the large number of public comments on the Project that**
22 **were submitted to the PSC through the Commission's EFIS online comment system**
23 **and at the local public hearings?**

1 A. I reviewed many of the comments filed with the Commission. Our goal in developing
2 and routing this Project has been to collect as much feedback as possible to help inform
3 the routing team and to identify a proposed route with the least impact on the human and
4 natural environment. This process was designed to involve a high number of landowners
5 and stakeholders. The Company originally identified a large potential route network
6 covering 14 counties, as described in Section 4.3.1 of the Missouri Route Selection
7 Study. This route network involved more than three times the number of landowners
8 who are actually affected by the current proposed route.

9 Grain Belt Express invited more than 11,500 landowners to attend the public open
10 house meetings. More than 1,200 individuals attended the 13 open house meetings. The
11 Company collected over 3,500 routing comments. The large number of comments
12 received by the Commission is one indication of the broad outreach and extensive public
13 engagement Grain Belt Express conducted in identifying the proposed route.

14 The proposed route was finalized in March of 2014 and involves only 528
15 landowners, a much smaller number of stakeholders than when the EFIS system was first
16 set up in this case. Additionally, as Ms. Dietrich states age page 3, there are a number of
17 duplicate comments were filed in the EFIS system.

18 **Q. A common issue raised in some of the comments involves the Project's impact to**
19 **wildlife and "the beauty and landscape of Missouri," according to Ms. Dietrich's**
20 **rebuttal testimony at page 7. What measures has Grain Belt Express taken to**
21 **address these concerns?**

22 A. Avoidance of impacts to the natural environment was a driving factor in identifying the
23 proposed route in Missouri. The Missouri Route Selection Study, attached to Company

1 witness Timothy Gaul's direct testimony as Schedule TBG -2, explains the measures
2 taken to ultimately identify the route with the least amount of impacts on the natural and
3 human environment. A valuable resource in identifying this route was consultation with
4 The Nature Conservancy of Missouri ("The Conservancy"). Experts from The
5 Conservancy applied their intimate knowledge of the State's natural resources from the
6 very beginning of the route selection process to the ultimate identification of the
7 proposed route. The Conservancy describes how successful this process was in an article
8 recently published on their website that states: "*The transmission line will bring wind*
9 *energy to Missouri and other markets. The Conservancy helped Clean Line Energy*
10 *choose a route that would have limited impacts on wildlife, waterways, and natural*
11 *areas.*"¹

12 **III. GOOD-FAITH NEGOTIATIONS, THOROUGH NOTIFICATION AND FAIR**
13 **LANDOWNER COMPENSATION ARE TENETS OF GRAIN BELT EXPRESS**
14 **POLICY**

15 **Q. Ms. Dietrich's rebuttal testimony on page 7 describes comments received via the**
16 **PSC's EFIS system that raise questions about the outreach activities by Grain Belt**
17 **Express representatives. Similarly, on page 10 of her rebuttal testimony, Ms.**
18 **Reichert raises questions about treating land owners equally and equitably. Are**
19 **you aware of any instances of unfair treatment of Missouri landowners?**

20 **A. No. As Project Director, I take any claims of improper conduct by Grain Belt Express**
21 **representatives very seriously. Our Project representatives participate in extensive**
22 **training in order to ensure that they abide by the Company's strict Code of Conduct**
23 **(attached to my direct testimony as Schedule MOL-9). The Code of Conduct requires**

¹ <http://www.nature.org/ourinitiatives/regions/northamerica/unitedstates/missouri/the-nature-conservancy-and-clean-line-energy-partner-to-reduce-environmental.xml>

1 that all communications with landowners and other persons made by right-of-way agents
2 and subcontractor employees representing Grain Belt Express must be factually correct,
3 made in good faith, respectful and reflective of fair dealing, and respectful of the privacy
4 rights of property owners. Our goal – and our land agents’ directive – is to share
5 information about the Project with landowners. We present the right-of-way easement
6 agreement and compensation information to landowners far in advance of construction to
7 allow them sufficient time to understand the agreement. Our agents are available to
8 answer questions about the easement agreement and compensation package, such that if
9 landowners do choose to sign an easement agreement they do so with ample time and full
10 consideration.

11 **Q. Ms. Dietrich states at page 7 of her rebuttal testimony that there are public**
12 **comments indicating that Grain Belt Express representatives contacted elderly**
13 **landowners telling them to sign an easement agreement because all of their**
14 **neighbors had done so. Did the persons who made those public comments provide**
15 **any evidence to support these accusations?**

16 **A.** No, they did not. I have investigated these claims personally with our land agents. We
17 receive daily reports on our land agents’ activities and the members of the Grain Belt
18 Express land team speaks with one another multiple times per week. We have provided
19 specific training and guidance to our land agents to ensure they are respectful of all
20 landowners. Our land agent Code of Conduct explicitly states that land agents should not
21 mention that other landowners have signed an easement as a way to encourage someone
22 else to sign an easement. I am confident these claims are not true.

23 **Q. Christina Reichert, Roseanne Meyer, and Blake Hurst each discuss the issue of**

1 eminent domain in their rebuttal testimony. Ms. Dietrich states at page 7 of her
2 rebuttal testimony that issues of property rights related to utility status/eminent
3 domain are common concerns. What is the Company's position on the use of
4 eminent domain?

5 A. Grain Belt Express intends to acquire as much of the right-of-way as possible through
6 voluntary transactions negotiated in good faith. Grain Belt Express would only utilize
7 condemnation authority as a last resort after exhausting reasonable efforts to secure
8 easements voluntarily. In some limited circumstances condemnation may be necessary,
9 such as when a landowner cannot be located or to clear up title issues.

10 On page 4 of his rebuttal testimony, Mr. Hurst declares that "[Grain Belt Express]
11 is a business venture that does not merit certification by the Missouri Public Service
12 Commission. Neither its purpose nor potential benefits to Missouri citizens enumerated
13 by Grain Belt Express justify the authorization to exercise eminent domain power." This
14 statement leads me to believe that Mr. Hurst misunderstands public utility operations in
15 Missouri. Many of the public utilities operating in Missouri are "business ventures" that
16 received public utility status from the Commission, and have the authority to exercise the
17 power of eminent domain. Investor-owned utilities who are for-profit corporations serve
18 a majority of the load and transmission in the state.

19 Q. John Cauthorn, on behalf of the MLA, also states concerns with eminent domain
20 and describes the Grain Belt Express Project as a "land grab." Do you believe your
21 preceding answer regarding Grain Belt Express serving the public good in Missouri
22 also addresses these concerns?

23 A. Yes, I do. Grain Belt Express is not seeking to acquire any land in fee simple in Missouri

1 (aside from our existing option to purchase land for the converter station Ralls County).
2 Rather, the Company is seeking right-of-way easements limited to the purpose of
3 providing electric transmission service. Grain Belt Express is not engaged in a “land
4 grab,” and seeks to develop the Project consistent with the laws of the state and good
5 utility practices.

6 **Q. Landowner witnesses at the local public hearings (Julie Reichert, Sandra Jordan,**
7 **Kent Templeton, and several others) testified that they had not been notified about**
8 **the Grain Belt Express Project in a timely manner. Did the Company contact all**
9 **landowners along the route to notify them of the Project’s Application?**

10 **A.** Yes. While not statutorily required, Grain Belt Express provided notice by certified mail
11 at the time of filing to every owner of property located within the right-of-way described
12 in the Proposed Route of the Missouri Route Selection Study. This notice informed the
13 recipient of the filing of the Application, provided facts about the Project, and described
14 the development, routing and regulatory processes. The notice directed landowners to
15 visit our website, attend office hour meetings in the Project area, or contact a land agent
16 for further information, and the notice included a map of the proposed route. Grain Belt
17 Express made every effort to ensure that information about the Project was widely
18 distributed throughout the counties along the proposed route. Additional notification
19 efforts included publishing notice of the CCN application filing in local newspapers in
20 the counties where the proposed route is located, mailing invitations to open houses in
21 July and December of 2013 and office hours in the spring of 2014, and calling all
22 landowners for whom contact information was available to invite them to attend office
23 hours in their area.

1 Q. **Boyd Harris, Scott Nordstrom, Christina Reichert, Roseanne Meyer, and Christina**
2 **Umbriaco offer rebuttal testimony that the Grain Belt Express transmission line will**
3 **devalue private properties and result in other potential impacts, and that the**
4 **Company's landowner compensation package is insufficient. What is your**
5 **response?**

6 A. Company witness Dr. Thomas Priestley, an expert in evaluating project impacts to land
7 values, provides evidence in his surrebuttal testimony that the Grain Belt Express Project
8 will not have a significant detrimental effect on land values.

9 The assertions of Ms. Reichert (Reichert rebuttal testimony, p. 7-9) and Ms.
10 Meyer (Meyer rebuttal testimony, p. 3) that proposed payment plans do not adequately
11 compensate them for the Project's impacts are outside the scope of this case. The
12 Company meets with landowners individually to discuss routing, compensation and any
13 relevant damage payments because each landowner has concerns unique to his/her
14 property. Arguments pertaining to compensation amounts are properly the subject of
15 these landowner negotiations, and are not relevant to the issue of whether Grain Belt
16 Express meets the requirements for a CCN. Representatives of the Company have met
17 with the Reicherts and the Meyers several times over the last few months, and are
18 available to meet with them again. We are committed to compensating all landowners
19 fairly for the property rights needed for the Project. The easement compensation package
20 of the Company includes (1) a payment of 100% of the fair market fee value of the area
21 within the easement, (2) a payment for each transmission line structure located on the
22 landowner's property (with an option for the landowner to receive a lump-sum up-front
23 payment or annual payments for the life of the Project), and (3) payments for damages to

1 crops or other improvements caused by the Project.

2 **IV. AGRICULTURAL IMPACTS PREVENTION AND MITIGATION**

3 **Q. On pages 11-12 of her rebuttal testimony, Ms. Reichert expresses concern that the**
4 **Company's Agricultural Impact Mitigation Policy is not a legally binding document.**
5 **What is Grain Belt Express' approach to identifying and minimizing impacts to**
6 **agricultural activities?**

7 **A.** Grain Belt Express has an Agricultural Impact Mitigation Policy (AIMP), attached here
8 as Schedule MOL-13, which identifies the measures that the Company will employ to
9 minimize, reclaim, and mitigate impacts to agricultural lands during construction,
10 operation, and maintenance. The AIMP articulates concerns and addresses issues
11 associated with transmission line development on agricultural lands, and sets forth a
12 general approach to preserve the utility and productivity of these lands.

13 In addition, Grain Belt Express will work individually with landowners to identify
14 their specific concerns and find ways to address these issues, either in the easement
15 agreement or by adjusting the proposed route location. The Company views the AIMP as
16 a starting point for discussions with landowners and is willing to incorporate relevant
17 provisions into easement agreements. No two pieces of land are identical, so it is not
18 always practical to agree to the same provisions for each parcel. However, the easement
19 document, compensation package and right-of-way acquisition plan are designed to treat
20 landowners fairly. Our intent to treat landowners fairly and desire to minimize
21 agricultural impacts are also evident in our agreement to the conditions set forth in
22 Schedule DB-2, attached to the rebuttal testimony of Daniel Beck, and as further
23 described below in my surrebuttal testimony.

1 **Q. Ms. Reichert states in her rebuttal testimony on page 16: “Grain Belt**
2 **representatives at the Brunswick meeting, when asked by my husband, stated that**
3 **guyed wire towers would not be used. This is a blatant misrepresentation that has**
4 **an important bearing on land use.” Did Grain Belt Express representatives**
5 **misrepresent the structure types that will be used for the Project?**

6 **A. No. At page 15 of her rebuttal testimony, Ms. Reichert references Dr. Anthony Galli’s**
7 **direct testimony at pages 7-8 which states that guyed wire structures were identified by**
8 **POWER Engineers as one of several types of structures that are suitable from an**
9 **engineering perspective. However, Grain Belt Express recognized that guyed wire**
10 **structures have a higher land-use impact in agricultural areas than other structures. For**
11 **this reason, the Company intends to use only monopole, lattice, or lattice mast structures**
12 **in areas without significant engineering challenges (such as river crossings or in**
13 **extremely hilly terrain). Grain Belt Express representatives are therefore trained to**
14 **explain that monopole, lattice, or lattice mast structures will be used on all properties**
15 **unless those special conditions are present.**

16 I was present at the meeting with the Reicherts in Brunswick where Ms. Reichert
17 claims to have received inaccurate information. After examining aerial imagery of the
18 Reicherts’ property, my staff informed them that monopole, lattice, or lattice mast
19 structures would be used. Therefore, the information provided to the Reicherts was
20 correct.

21 **Q. At page 17 of his rebuttal testimony, Staff witness Daniel Beck proposed a CCN**
22 **condition that “GBX shall follow the construction, clearing, maintenance, repair,**
23 **and ROW practices set out in Schedule DB-2.” What is your response to the**

1 **suggested condition?**

2 A. Our Agricultural Impact Mitigation Policy (Schedule MOL-13) addresses many of the
3 same concerns as Mr. Beck's proposed practices set out in this condition. Grain Belt
4 Express has no objection to the practices Mr. Beck proposes in Schedule DB-2 with the
5 exception of the following four practices:

6 (1) Construction and Clearing No. 6 states, "Unless otherwise directed by the
7 landowner, stumps will be treated to prevent regrowth."

8 Prior to construction, Grain Belt Express will develop a Transmission
9 Vegetation Management Plan ("TVMP") with input from professional arborists,
10 state and federal agencies, The Nature Conservancy of Missouri, and others. In
11 addition to following industry best practices, the TVMP will include guidance
12 from these entities with the goal of maintaining the right-of-way in a manner that
13 allows for the safe operation of the Project and addresses specific environmental,
14 biological and geographic conditions.

15 Therefore, Grain Belt Express believes it would not be in the public
16 interest to agree to limit the nature of the stump-treating practice described above.
17 Specific conditions could make treating tree stumps incompatible with other
18 environmental concerns. For example, there may be a threatened or endangered
19 species in an area which could preclude the use of certain chemical treatments.

20 The TVMP will address the intended objective of No. 6 which is to
21 maintain a clear right-of-way. Therefore, Grain Belt Express requests the
22 removal of this practice as it will be addressed in the TVMP.

23 (2) Construction and Clearing No. 7 states: "Unless the landowner does not want the

1 area seeded, disturbed areas will be reseeded with a blend of K31 fescue,
2 perennial rye, and wheat grasses, fertilized and mulched with straw.”

3 To the best of the Company’s knowledge, this is not a typical industry
4 practice for transmission rights-of-way. While this practice may be utilized along
5 roads and highways, it would not be appropriate to address the variable conditions
6 of the Project’s right-of-way. Grain Belt Express will address reseeded and other
7 reclamation procedures in a post-construction Restoration Plan. In developing
8 this plan, the Company will coordinate with landowners, restoration specialists,
9 state and federal agencies, The Nature Conservancy, and others on the appropriate
10 reclamation practices that best fit the specific conditions of the right-of-way.
11 Therefore, Grain Belt Express requests the removal of this practice as it will be
12 more appropriately addressed in the Restoration Plan.

- 13 (3) Maintenance and Repair No. 3 states: “All right-of-way maintenance contractors
14 will employ foreman that are certified arborists.”

15 Grain Belt Express objects to this proposed practice as unnecessary and
16 likely impossible to comply with. While the Company will utilize certified
17 arborists in the development of the TVMP, it is not reasonable to require a
18 foreman to be a certified arborist. The spirit of this recommendation can be met
19 through the TVMP, which will address right-of-way maintenance in a
20 comprehensive manner. Therefore, the Company requests the removal of this
21 practice from the recommended condition.

- 22 (4) Maintenance and Repair No. 7 states: “Prior to commencing any vegetation
23 management on the right-of-way, Grain Belt Express will meet personally with all

1 landowners to discuss Grain Belt Express's vegetation management program and
2 plans for their property, and to determine if the landowner does or does not want
3 herbicides used on their property. If the landowner does not want herbicides
4 used, they will not be used."

5 Although Grain Belt Express does not object to the intent of this practice,
6 further clarification is necessary. First, the notice to landowners should be
7 consistent with the notice provisions in other practices recommended by Mr.
8 Beck. For example "Construction and Clearing" practice No. 1 requires "prior
9 to construction, Grain Belt Express will notify all landowners in writing"
10 This is a more reasonable requirement than Maintenance and Repair No. 7, which
11 requires that "Grain Belt Express will meet personally with all landowners."
12 However, the Company is not opposed to language that provides that the
13 Company will meet personally with landowners if they express a preference for
14 an in-person meeting.

15 Second, Grain Belt Express is willing to coordinate with all landowners to
16 address specific land uses which may be impacted by herbicides, and avoid
17 herbicide use where specific sensitivities exists. The TVMP will address specific
18 land uses and requests to avoid herbicides where certain conditions exist. For
19 example, the TVMP will provide guidance as to how to maintain the right-of-way
20 without the use of herbicides in areas near organic farms. Furthermore, the
21 construction questionnaire completed by the landowner during easement
22 acquisition will provide landowners with the opportunity to request that
23 herbicides not be used on their property.

1 Therefore, Grain Belt Express suggests that this practice be modified to
2 read as follows: "Prior to commencing construction, Grain Belt Express will
3 notify all landowners in writing of the TVMP and to specify plans for their
4 property. The Company will personally meet with each landowner who requests
5 a meeting. Landowners may request that herbicides not be used on their property,
6 and such request will be honored if consistent with local conditions and land use."

7 **Q. Mr. Kruse states concerns regarding soil compaction in his rebuttal testimony at**
8 **pages 5-8). Does Grain Belt Express have a plan to minimize soil compaction?**

9 A. Yes. Grain Belt Express will work with landowners to develop parcel-specific access
10 plans with the intent of confining construction traffic to small areas of the impacted
11 parcels. Temporary access roads will generally be approximately 10 to 20 feet wide
12 between structures, expanding to squares approximately 100 by 100 feet across for the
13 purpose of construction pads for the assembly and erection of support structures, as well
14 as for conductor-pulling pads. Based on a 150-foot wide easement, and the corridors and
15 construction pads described above, I estimate that the sum of the areas on which work
16 will be performed or of the land which will be traversed is only approximately 15% of the
17 total easement area.

18 **Q. Will Grain Belt Express and its contractors, also take appropriate steps to minimize**
19 **soil compaction during wet soil conditions?**

20 A. Yes. Grain Belt Express will take appropriate steps as needed during periods of wet soil
21 conditions, such as use of temporary construction matting, which will reduce the resulting
22 soil compaction. If work is performed in the winter months while the ground is frozen,
23 this will also further decrease the likelihood of soil compaction. Company witness Tad

1 Wesley, a professional agronomist, addresses how these measure can significantly reduce
2 the amount of compaction that will occur in his Wesley surrebuttal testimony.

3 **Q. Mr. Kruse cites concerns regarding erosion in his rebuttal age page 7. Will Grain**
4 **Belt Express address erosion concerns during the construction of the Project?**

5 A. Yes. The Company will comply with the Missouri Department of Natural Resources
6 (MDNR) Water Protection Program to address issues associated with erosion and storm
7 water pollution during project construction. In compliance with this program, Grain Belt
8 Express will implement a Storm Water Pollution Prevention Plan ("SWPPP") describing
9 practices, measures, and monitoring programs to control sedimentation, erosion, and
10 runoff from disturbed areas. The implementation of practices described in the plan will
11 greatly reduce the potential for erosion to occur in areas disturbed by construction.

12 **Q. Mr. Kruse states at page 6 of his rebuttal that soil compaction will occur as a result**
13 **of construction of the Project. What actions will Grain Belt Express take if, despite**
14 **these best efforts, soil compaction does occur from construction activities?**

15 A. In such instances, Grain Belt Express and its contractors will work with affected
16 landowners to develop a remediation plan, which will identify the appropriate measures
17 to alleviate any compaction issues. Standard decompaction techniques, such as chiseling
18 compacted soils to a depth of 18 inches are typically sufficient in cropland. The efficacy
19 of such remediation methods is described by Company witness Tad Wesley in his
20 surrebuttal testimony.

21 **Q. Mr. Kruse cites at page 8 of his rebuttal testimony a Wisconsin Public Service**
22 **Commission study finding that crop yields may be reduced for several years in**
23 **impacted areas. If, despite the efforts to avoid soil compaction previously discussed,**

1 soils are nonetheless compacted during construction, and require a number of years
2 to return to full normal productivity, will Grain Belt Express provide compensation
3 to landowners for crop damages during those years?

4 A. Yes. As detailed in the easement agreement, Grain Belt Express will provide
5 compensation for crop damage caused by the construction, maintenance and operation of
6 the Project.

7 **Q. Mr. Kruse states at page 9 of his rebuttal that the Project's support structures**
8 **would make it "an impossibility" to irrigate fields impacted by support structures.**
9 **Does Grain Belt Express propose compensation in such cases?**

10 A. Yes. However, as noted by Company witness Timothy Gaul in his surrebuttal testimony
11 at page 5, there are no instances along the entirety of the Missouri route where irrigation
12 systems will be negatively impacted. The Grain Belt Express routing process was
13 designed to avoid and minimize such impacts. Furthermore, the support structures are
14 often far enough apart that irrigation equipment can simply be spanned. Nonetheless, in
15 the event that any support structures do interfere with the movement of existing irrigation
16 equipment, Grain Belt Express will compensate landowners as appropriate, either by
17 providing payment for a new pivot arm to be located on the other side of the support
18 structure, or through other means.

19 **Q. Mr. Kruse further discusses at pages 13-14 of his rebuttal potential difficulty in**
20 **maneuvering large equipment around transmission support structures, and states**
21 **that "farmers will have to take more time and use more fuel to maneuver around**
22 **these obstacles. This means more expenses, which cuts into the amount of income a**
23 **farmer can earn." (Kruse, p. 13-14). Is Grain Belt Express proposing appropriate**

1 **compensation to address these concerns?**

2 A. Yes. While Company witness Tad Wesley addresses ways in which these navigation
3 concerns can be resolved in his surrebuttal testimony, Grain Belt Express developed an
4 innovative compensation package including structure payments specifically to address
5 such concerns.

6 **Q. Landowner Roseanne Meyer suggests at page 6 of her rebuttal testimony that Grain
7 Belt Express has avoided discussion of crop damage payments. Is this true?**

8 A. No. Crop damage payments are noted on the Company's "Missouri Landowner
9 Compensation Fact Sheet," which is publicly posted on our website under the tab of
10 Missouri landowner information.² In addition, our land agents discuss crop damage
11 compensation regularly and the issue is further outlined in the Structures and Damages
12 Calculation Sheet provided to landowners, which is attached as Schedule CR-3 to the
13 rebuttal testimony of landowner Christina Reichert.

14 **Q. To further address Ms. Meyer's concern, please describe Grain Belt Express'
15 proposed crop damages compensation.**

16 A. Grain Belt Express proposes to calculate crop damages in advance, based on an estimated
17 disturbed area of 50 feet in width times the length of the easement. In the event that a
18 landowner suffers crop damage during construction that is greater than the anticipated 50
19 feet as used in this calculation, the landowner can notify the Company of the additional
20 damage which it will pay, based on the same formula. The formula is based on the type
21 of crop planted in the easement area during the year construction commences, using the

²http://www.grainbeltexpresscleanline.com/sites/grain_belt/media/MO_Landowner_Compensation_Factsheet_3.2.2014.pdf

1 most recent Chicago Board of Trade pricing, plus an extra 10% of yields averaged from
2 the previous three years according to the National Agricultural Statistic Services
3 (“NASS”) for the landowner’s county. Furthermore, in the event that the field is more
4 productive than the three-year county average, Grain Belt Express will also consider
5 combine receipts from the impacted field or field yield history.

6 **Q. On behalf of MLA, aerial applicator Floyd McElwain states at page 3 of his rebuttal**
7 **testimony that aerial applicators would not be able to spray an area with a width of**
8 **approximately 160 ft. Roseanne Meyer also expresses concerns regarding aerial**
9 **application at page 5 of her rebuttal. How does Grain Belt Express propose to**
10 **address such concerns?**

11 **A.** As addressed in the Missouri Route Selection Study and the surrebuttal testimony of
12 Timothy Gaul at pages 5-6, siting guidelines are used to minimize potential impacts to
13 aerial spraying. If aerial applicators would not be able to treat an area with a width of
14 approximately 160 feet, then that area is highly comparable to the easement area of the
15 Project. Grain Belt Express is providing compensation of 100% of the fair market value
16 of the easement area, plus structure payments for the inconveniences associated with
17 working around the structures. Furthermore, as discussed by Company witness Tad
18 Wesley in his surrebuttal testimony, other land-based methods of application are
19 frequently available, mitigating losses from any reduced ability to apply agricultural
20 products aerially.

21 **V. RESPONSES TO CERTAIN STAFF REQUESTS AND CONDITIONS**

22 **Q. Staff witness Daniel I. Beck makes reference to the location of the converter station**
23 **in Missouri and the associated AC facilities that would connect the converter station**

1 to the local grid. Can you provide details on the location for these facilities?

2 A. Yes, the converter station will be located in Ralls County. Schedule MOL-14, attached to
3 this testimony, is the recorded option for the converter station property. The legal
4 description for the converter site is depicted on Exhibit A and A-1 of Schedule MOL-14,
5 and was provided in response to Staff Data Request 118.1. Any AC facilities needed to
6 connect to the Maywood-Montgomery 345 kV transmission line would be entirely
7 contained within the optioned property since that line crosses the parcel.

8 **Q. On page 16 of his rebuttal testimony, Mr. Beck proposes the following condition**
9 **regarding the proposed route: "That the certificate is limited to the construction of**
10 **this line in the location specified in the application, and as represented to the**
11 **landowners on the aerial photos provided by Grain Belt Express, unless a written**
12 **agreement from the landowner is obtained, or the company gets a variance from the**
13 **Commission for a particular property." What is your response to this condition?**

14 A. Grain Belt Express has no objection to the intent of this condition since the proposed
15 route is the best route given the information available to the Company at this time.
16 However, the Company requests that the language be modified to allow for micro-siting
17 adjustments as more information about landowners' properties is obtained, and
18 geotechnical and environmental field surveys are performed. The following additional
19 language is recommended at the end of the condition: "; provided, however, minor
20 deviations to the location of the line will be permitted as a result of surveying, final
21 engineering and design, and landowner consultation."

22 **Q. Does this conclude your testimony?**

23 A. Yes.

**Clean Line Energy Partners LLC
Agricultural Impact Mitigation Policy
For
Construction, Operation, and Maintenance of Electric
Transmission Facilities on Agricultural Lands**

Clean Line Energy Partners LLC and its subsidiaries (Clean Line) seek to identify measures to minimize, reclaim, and mitigate impacts to agricultural lands during the construction, operation, and maintenance phases of Clean Line's projects. This Agricultural Impact Mitigation Policy articulates concerns and addresses issues associated with electric transmission line development on agricultural lands and sets forth a general approach to preserve the utility and productivity of these lands.

This policy has been developed to address agriculture impacts that occur partially or wholly on privately owned agricultural lands. It does not address activities on public lands, public rights-of-way, urban areas, or those lands not dedicated to agriculture.

This Agricultural Impact Mitigation Policy does not take the place of an agreement or policy at the project or state level. Some states require a specific Agricultural Impact Mitigation Agreement (AIMA). This policy document offers broad guidance for addressing agricultural issues common to Clean Line's projects and provides the guidance and foundation for more detailed plans.

Communications

Clean Line is committed to preserving open communications with all landowners and tenants throughout the development of its projects. Clean Line will communicate with landowners and tenants on the status of projects and discuss potential impacts and concerns with respect to specific agriculture operations. Landowners and tenants are encouraged to contact Clean Line with any and all concerns related to agricultural impacts.

Prior to property access, Clean Line will attempt to notify landowners of upcoming construction-related activities that will occur on their property. For maintenance activities, Clean Line will make every effort to notify landowners prior to accessing their property; however, in emergency situations immediate notifications may not be practical.

Facilities

Clean Line will use commercially reasonable good faith efforts to work with landowners when determining structure placement and designing access roads. The large majority of access roads will be temporary in nature. These will be removed and land reclaimed following construction. Permanent access roads may be necessary in rare circumstances. Both temporary and permanent roads will be designed and constructed so as not to impede water flow and to minimize the potential for soil erosion.

Drainage and other Soil Conservation Practices

Clean Line will coordinate with landowners during the easement negotiation process to identify drainage and soil conservation improvements such as ditches, culverts, drainage tiles, levees, and terraces. Clean Line will seek to avoid impacts to these locations whenever possible; however, if impacts do occur, these improvements will be reclaimed or restored to their pre-construction condition. Temporary repairs during construction may be necessary and will be conducted as appropriate. Any permanent reclamation or restoration work conducted by Clean Line or its representatives will incorporate materials and methods of the same or better quality as that of the original improvements.

Irrigation

Clean Line will work to minimize impacts to surface and subsurface irrigation systems located on agricultural lands. When practical, Clean Line will avoid placement of structures in locations that will permanently affect irrigation systems. Clean Line will make an effort to minimize any permanent impacts to irrigation; however, if permanent impacts are unavoidable, Clean Line will consult with landowners and tenants to identify damages and compensate for the value of these damages. Temporary construction-related impacts to irrigation that result in crop damage, both on and off Right-of-Way, will be mitigated through compensation to the landowner or tenant (as appropriate).

Soil Restoration

Clean Line recognizes the importance of topsoil in agricultural lands and is committed to minimizing impacts to this resource. Soils impacted by construction or maintenance activities will be restored to as near as practical to pre-disturbance conditions. Soil restoration activities may include topsoil segregation, de-compaction, liming, tillage, or fertilization of impacted soils located both on and off Right-of-Way, or as otherwise agreed to with the landowner. These restoration activities are specific to areas directly affected by project construction or maintenance. Clean Line is committed to the timely implementation of restoration practices, weather and landowner permitting. Any restoration activities will be performed during suitable weather conditions, so as not to jeopardize future soil productivity.

Construction Reclamation and Clean Up

Clean Line is committed to responsible and timely reclamation of the construction Right-of-Way and access roads. Clean Line will consult with landowners to determine an appropriate disposal plan for excess aggregate or subsoil materials that are located on the Right-of-Way. Weather and landowner permitting, excess materials will be removed prior to final reclamation activities. Trash and refuse will be removed from the Right-of-Way on a daily basis; and littering by construction personnel or Clean Line representatives will not be tolerated.

Damage to Private Property

Clean Line will repair any damage to private property caused by the construction, operation, or maintenance of its projects. Repairs will take place in a timely manner, weather and landowner permitting. If landowners choose to perform their own repair of damaged property, Clean Line will offer compensation based on the commercial rate to complete the repair.

Agriculture and Conservation Programs

Clean Line will consult with landowners and tenants to identify the location of any agriculture or conservation stewardship programs and to understand the criteria for maintaining the integrity of these commitments. Clean Line is committed to working with landowners and tenants to avoid or minimize

impacts that would otherwise jeopardize the enrollment of these properties in such programs.

Specialty Crops and Organic Farms

Clean Line recognizes that some forms of agriculture, such as specialty crops or organic farming, incorporate special practices, techniques, or standards to facilitate crop production. The operation of a transmission line does not preclude specialty agriculture, nor does it reduce eligibility for organic farm certification. Clean Line will consult with landowners and agriculture specialists to identify these specialty lands, and as appropriate, incorporate construction measures to prevent impacts that could otherwise jeopardize any standards or certifications that support these types of agriculture. Construction measures associated with specialty croplands or organic farms will be discussed with landowners and tenants prior to construction.

Aerial Application

Aerial application of herbicides, fungicides, pesticides, and fertilizers is a common practice associated with certain types of crops. The presence of an above-ground electric transmission facility may affect aerial application within or near a transmission line right-of-way. Clean Line will consider potential impacts to aerial application as well as other permanent agricultural impacts when routing and negotiating easements.

AIMA or Project Specific Plans

Clean Line has developed this Agriculture Impact Mitigation Policy to outline principles for minimizing impacts to agricultural lands. This document is not meant to satisfy the requirements of a state regulated Agricultural Impact Mitigation Agreement (AIMA), nor does it identify the detailed mitigation practices that are typically suggested in state- or project-specific plans. Detailed minimization, reclamation, and mitigation practices will be further defined as specific agricultural issues and concerns associated with each project are identified.



MO-RL-037,300
MO-RL-038,300



MEMORANDUM OF OPTION

Recorder's Cover Sheet

Preparer Information: (Name, address and phone number)

Grain Belt Express Clean Line LLC
Clean Line Energy Partners LLC
Attn: Cary Kottler & Deann Lanz
1001 McKinney Street, Suite 700
Houston, Texas 77002
Phone 832-319-6320

Return Document To: (Name and complete address)

Grain Belt Express Clean Line LLC
c/o Contract Land Staff
PO Box 4144
Waterloo, Iowa 50704

Grantors:

James Michael Moomaw and Virginia Doris Moomaw

Grantee:

Grain Belt Express Clean Line LLC

Date of Agreement: February 7, 2014

Legal Description: See Page 3

MEMORANDUM OF OPTION

**THIS DOCUMENT PREPARED BY, AND
AFTER RECORDING RETURN TO:**

Grain Belt Express Clean Line LLC
c/o Clean Line Energy Partners LLC
1001 McKinney, Suite 700
Houston, Texas 77002
Attn: Cary Kottler & Deann Lanz

(This space reserved for recording information)

MEMORANDUM OF OPTION AGREEMENT

STATE OF MISSOURI

§
§
§

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF RALLS

EXECUTED as of February 7 2014 (the "Effective Date"). By that certain Option Agreement dated January 29, 2014 (the "Option Agreement"), by and among James Michael Moomaw and Virginia Doris Moomaw, husband and wife, as tenants by the entirety (collectively, "Grantor" or "Owner") and Grain Belt Express Clean Line LLC, an Indiana limited liability company ("Grantee" or "Purchaser"), Owner has granted to Purchaser an option to purchase fee simple title to that certain tract or tracts of real property consisting of approximately forty-seven (47) acres, situated in Ralls County, Missouri, as more particularly described on Exhibit A and Exhibit A-1 attached hereto and incorporated herein, together with (1) all buildings, structures, fixtures and other improvements located, if any, on the Land; and (2) all other appurtenances pertaining to the Land, including, without limitation, all development rights, entitlements, water rights, claims, strips and gores, easements benefiting the Land, and rights in and to adjoining roadways. The option period is for five (5) years from the Effective Date.

The purpose of this memorandum is to give notice of the existence of Purchaser's option rights granted in the Option Agreement, to which Option Agreement reference is made for a full description of the terms and conditions thereof. In the event any of the terms and provisions of this memorandum conflict with the terms and provisions of the Option Agreement, the terms and provisions of the Option Agreement shall control.

This Memorandum of Option Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

OWNER:

James Michael Moomaw
James Michael Moomaw

Virginia Doris Moomaw
Virginia Doris Moomaw

THE STATE OF Missouri §
COUNTY OF Marion §

This instrument was acknowledged before me on the 30th day of January, 2014, by James Michael Moomaw and Virginia Doris Moomaw.

LESLI J. LANE
Notary Public - Notary Seal
STATE OF MISSOURI
County of Marion
Commission #13407592
My Commission Expires March 16, 2017

Lesli J Lane
Notary Public in and for the State of Missouri

PURCHASER:

Grain Belt Express Clean Line LLC,
an Indiana limited liability company

By: Jayshree Desai JR
Name: Jayshree Desai
Title: Executive Vice President

THE STATE OF TEXAS §
COUNTY OF Harris §

This instrument was acknowledged before me on the 17th day of FEBRUARY, 2014, by JAYSHREE DESAI, the EVP of Grain Belt Express Clean Line LLC, an Indiana limited liability company, on behalf of said Grain Belt Express Clean Line LLC.



Judy Blankenship
Notary Public in and for the State of TEXAS

EXHIBIT A
TO MEMORANDUM OF OPTION AGREEMENT

DESCRIPTION OF LAND

Approximately 47 acres of land located in Ralls County, Missouri, consisting of the following two parcels:

Parcel 1:

Approximately 17 acres of land described as that part of the Southeast Quarter (SE1/4) of Section Thirty-Four (34) lying South and East of the right-of-way of State Highway No. 19, Township Fifty-Five (55) North, Range Six (6) West, as depicted on the drawing attached hereto as Exhibit A-1.

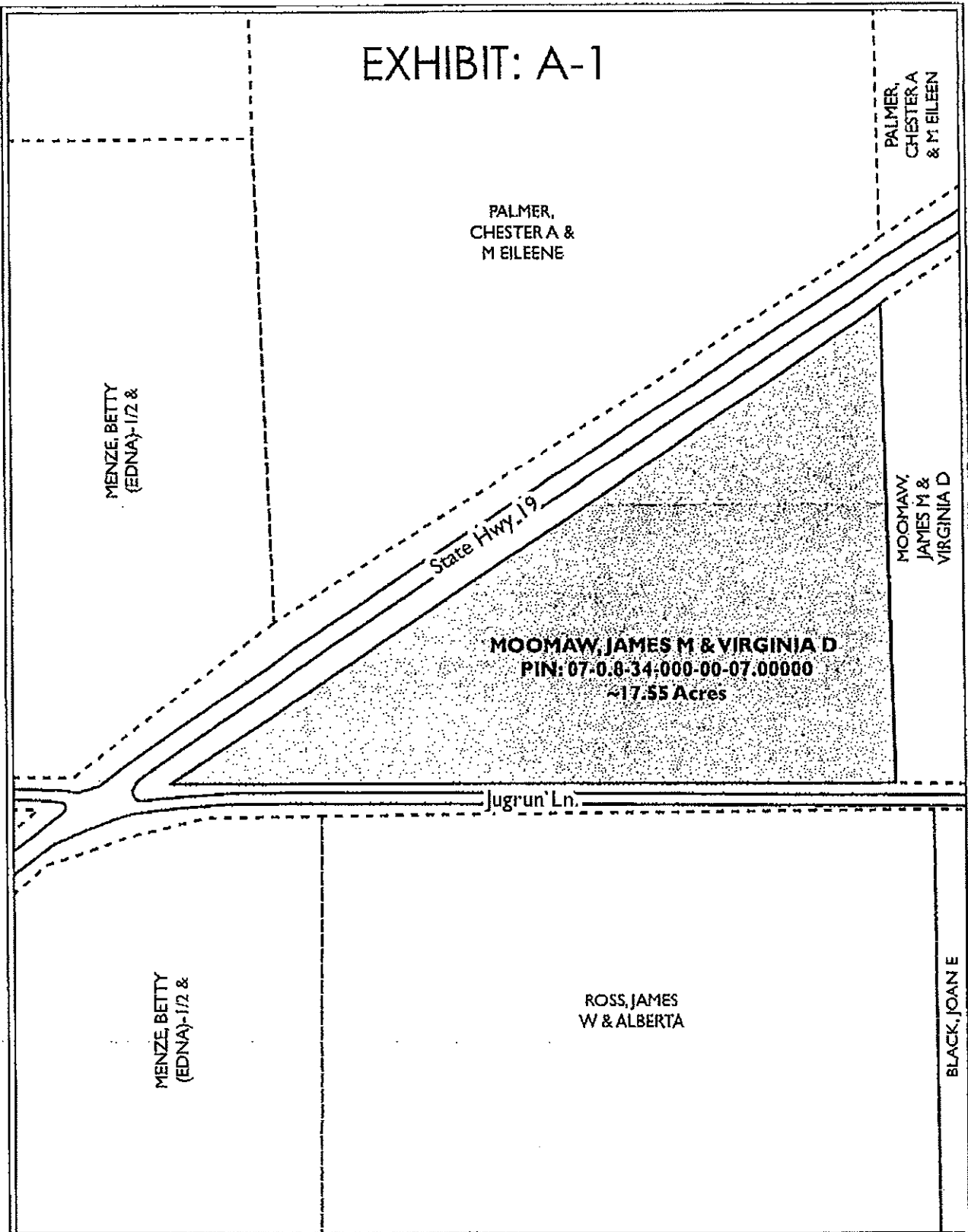
Parcel 2:

Approximately 30 acres of land out of that certain approximate 47 acre parcel of land described as the West Half (W1/2) of the Southwest Quarter of Section Thirty-Five (35) lying South and East of the right-of-way of State Highway No. 19, Township Fifty-Five (55) North, Range Six (6) West, as depicted on the drawing attached hereto as Exhibit A-1.




EXHIBIT A-1
TO MEMORANDUM OF OPTION AGREEMENT
DEPICTION OF THE PROPERTY

See attached.

EXHIBIT: A-1



Legend

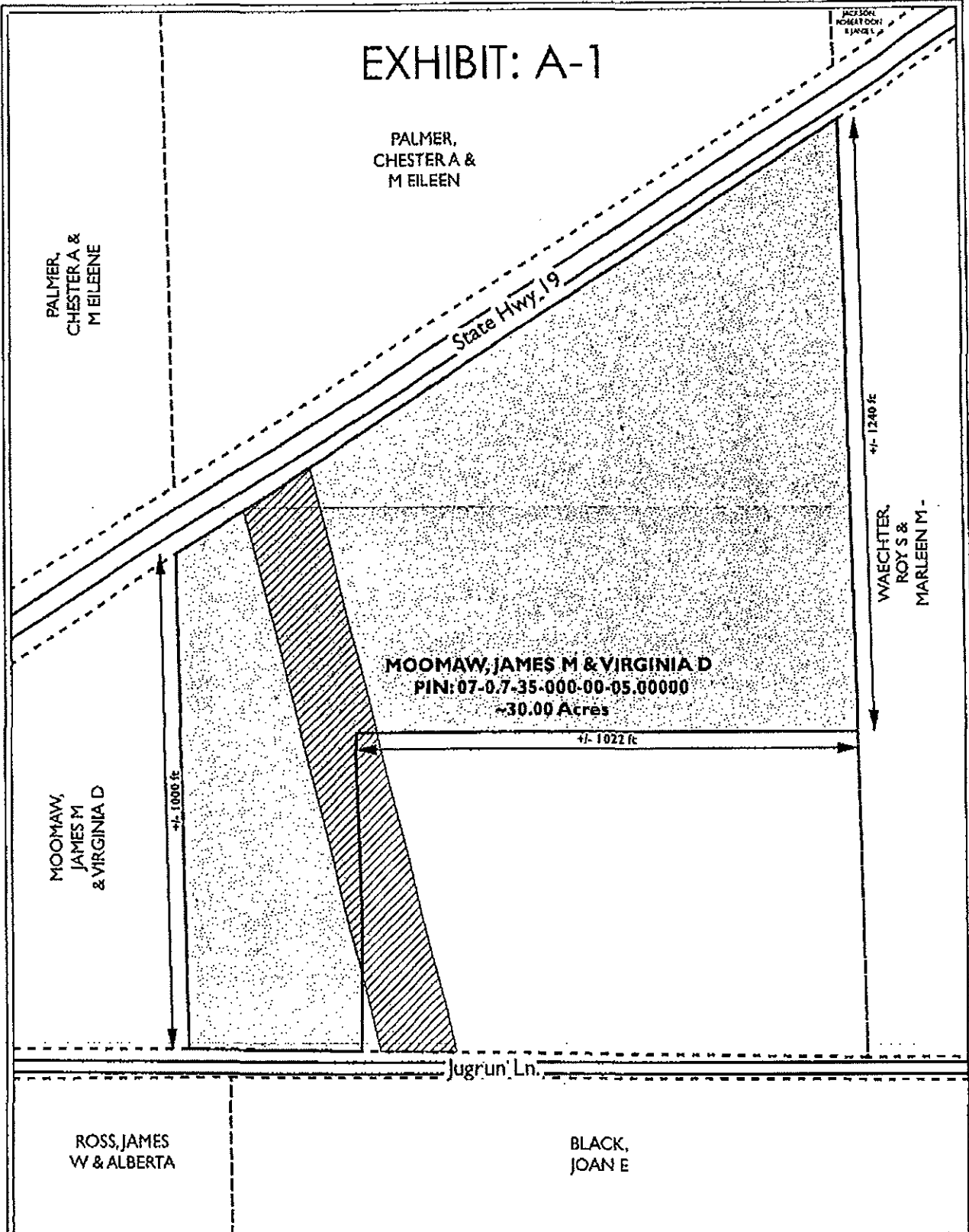
-  Option Area
-  Adjacent Parcels
-  Street Curbs

Ralls County, MO
S34 - T55N - R60W

1.28.2014



EXHIBIT: A-1



Legend

- Option Area
- Adjacent Parcels
- Utility Easement
- Street Curbs

Ralls County, MO
S35 - T55N - R60W

1:28.2014

