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MISSOURI PUBLIC SERVICE COMMISSION

CASE NO. EA-2016-0358

REBUTTAL TESTIMONY OF

CHRISTINA REICHERT

ON BEHALF OF

MATTHEW AND CHRISTINA REICHERT

January 24, 2017

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1 **I. INTRODUCTION**

2 **Q: What is your name?**

3 A: Christina M. Reichert.

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

5 A: Bed & Breakfast Proprietress.

6 **Q: What is your home address?**

7 A: 25589 Fort Orleans Avenue, Brunswick, MO 65236.

8 **Q: What is your spouse's name?**

9 A: Matthew D. Reichert.

10 **Q: How long have you lived at this address?**

11 A: Matt has lived here for his entire life. I have lived here since we married in 1986.

12 **Q: Did you or Matt's family own this property prior to your occupancy?**

13 A: Matt's great-grandfather purchased the original acreage in 1871. Matt is a fourth
14 generation farmer and has lived on the home place, except for the years he was in college and the
15 few years following.

16 **Q: What is the significance of the agricultural industry in northern Missouri?**

17 A: According to MissouriEconomy.org¹, not only does Missouri boast the second largest
18 number of farms in the Nation, but in 2014, the most farm-dependent counties are still along the
19 Missouri-Iowa border with nearly 30% agribusiness employment in some areas. Chariton
20 remains a farm dependent county with 22 percent of its workers engaged in farming. Missouri
21 boasts a rich agricultural history that we, like so many other Missouri farm families, want to pass
22 on to our children. This Project threatens that dream.

¹ "Missouri Economic Research Brief Economic Contribution of Agribusiness," MissouriEconomy.org, April 2016 accessed November 2016, www.missouri-economy.org/pdfs/agribusiness_economic_contribution.pdf (page 1, 6-7).

1 **Q: Are you for or opposed to the application for a Certificate of Convenience and**
2 **Necessity (CCN) by Grain Belt Express (GBE)?**

3 A: Matt and I are very much opposed to the GBE Project. Originally, we objected because of
4 the visual effect it would have on our farm. However, we believe this to be a fundamental
5 Constitutional issue and, at the most basic level, this project threatens all Missouri landowners'
6 private property rights. Therefore, we respectfully ask the Public Service Commission to deny
7 GBE's request for a CCN.

8 **Q: Did you intervene in GBE's 2014 application for a CCN?**

9 A: Yes, because of a very generous offer of pro bono representation, we were able to defend
10 ourselves against this encroachment upon private property rights. We felt compelled to bring the
11 "face" of landowners and their private property rights before the Public Service Commission in
12 2014.

13 **Q: Why have you intervened in this case?**

14 A: Land agent, Paula Priest, contacted us in early May to set up a meeting in June with her
15 and Mark Lawlor. We were told at that meeting that, because we were mentioned in the
16 Commission's order, they were moving the line off of our property. Later, friends told us the line
17 had been rerouted, once again, and was back on our property. Although it is no longer located out
18 our "front door" as in the first case, it still crosses our property and causes many of the same
19 problems which we addressed in the 2014 application. We have intervened in this case because
20 the marketing of this project has been all about renewable energy, promised economic
21 development, increased tax revenues, and creating jobs in a politically charged climate by well
22 connected individuals with vast financial resources. We want to continue to be a voice for private
23 property rights and the implications this has on all landowners.

1 **Q: Why do you think property rights are the fundamental issue of this request?**

2 A: The CATO Handbook for Policy Makers sums it up stating, “America’s Founders
3 understood clearly that private property is the foundation not only of prosperity but of freedom
4 itself. Thus, through the common law, state law, and the Constitution they protected property rights
5 - the rights of people to freely acquire, use, and dispose of property. With the growth of modern
6 government, however, those rights have been seriously compromised.”²

7 **Q: Why do you bring this matter before the Commission?**

8 A: We respectfully request the Commission remember the fundamental principles of private
9 property rights when weighing promoting public interests, promised economic development, job
10 creation, and increased tax base against the burden this Project places on landowners. “Property
11 is the foundation of every right we have, including the right to be free. Every legal claim, after
12 all, is a claim to something - either a defensive claim to keep what one is holding or an offensive
13 claim to something someone else is holding.”³

14 **Q: What is your claim?**

15 A: Our defensive claim is that we, and all property owners, have a right to that which we
16 legally hold. GBE’s offensive claim is seeking permission to use that which we rightfully own
17 for the promise of promoting public interest. It is our intent to bring before the Commission how
18 GBE’s offensive claim compromises and denies private property rights. In addition, we will
19 demonstrate how this project places added and unreasonable burdens on land owners.

20 **Q: On what grounds do you oppose the GBE Transmission Line project?**

21 A: We feel that the approval of the GBE’s transmission line will:

² "CATO Handbook for Policy Makers," CATO.org, 2009, accessed November 2016,
<https://object.cato.org/sites/cato.org/files/serials/files/cato-handbook-policymakers/2009/9/hb111-34.pdf>(page 345).

³ *Id.* at 346.

- 1 • compromise constitutionally protected private property rights,
- 2 • compromise a Landowners' "bundle of legal rights,"
- 3 • compromise a landowner's right to safety,
- 4 • diminish land and home values,
- 5 • ignore Heritage Value,
- 6 • exploit the original intent of just compensation, and
- 7 • compromise the Livelihood of our B&B

8 **II: COMPROMISES PRIVATE PROPERTY RIGHTS**

9 **Q: What is the main reason for opposing the transmission line?**

10 A: At the most basic level, the issue is the protection of private property rights. We recognize
11 the Founders gave some of our individual powers to the government to secure our rights with the
12 understanding they would be exercised on our behalf. However, isn't that power only legitimate
13 when it secures one's rights while respecting the rights of all others? In addition, it is a limited
14 "power to secure rights, through restraint or sanctions, not some general power to provide public
15 goods."⁴ It is on this basis that we object to this request by GBE for the CCN. This is not a
16 matter of GBE needing the power of eminent domain so landowners will not hold the Project
17 hostage and seek to exploit the situation. Or, that this Project is necessary to meet the State's
18 renewable energy requirements. On the contrary, we believe GBE is seeking to exploit the
19 "renewable energy" movement and "promoting public good" for corporate gain by wealthy
20 investors.

21 **Q: Why do you believe GBE is exploiting the renewable energy movement and the**
22 **promotion of public good?**

⁴ *Id.* at 348-349.

1 A: Steve Fairchild said it well in his County Corner piece in Today’s Farmer: “I bring up *Kelo*
2 [*Kelo v. City of New London*] to highlight what happens when we stretch the meaning of the
3 Fifth Amendment. What happened in New London, Connecticut, wasn’t so much property
4 takings for the public good, it was property taking for a politically connected few sold as
5 property takings to fulfill a public purpose. In this case, private property was condemned on
6 public relations and a promise. Turns out both of those things failed.”⁵ This is a very real
7 concern and danger. From our research, this Project is a speculative business venture. We totally
8 object to a private equity company being given the freedom to speculate with our property rights,
9 with our children’s future, and the future of our neighbors, friends, and fellow Missourians on
10 very effective “public relations and a promise.”

11 **III: COMPROMISES LANDOWNERS’ “BUNDLE OF LEGAL RIGHTS”**

12 **Q: Are you familiar with the term “bundle of legal rights”?**

13 A: It is my understanding that “owning real estate carries with it a traditional bundle of legal
14 rights transferred with the property from seller to buyer.”⁶ The recognized rights of the holder of
15 title to the property include: the right of possession, the right of control, the right of exclusion,
16 the right of enjoyment, and the right of disposition. What is made to look like a simple easement
17 agreement, in reality, is the tenant telling the landowner what they can and cannot do. As a result,
18 the landowner is forced to give up many of their “bundle of legal rights” and will no longer be at
19 liberty to freely choose how the land will be managed and/or used. The proposed easement
20 agreement and contracts offer substantially inadequate compensation for the loss of many of
21 these rights.

⁵ Steve Fairchild, *POWER LINE, PIPE LINE, PUBLIC USE, PRIVATE TAKINGS*, Today's Farmer, March 21, 2014, accessed November 2016 <http://todaysfarmermagazine.com/mag/country-corner/846-power-line-pipe-line-public-use-private-takings>.

⁶ James Kimmons, "Estate Owner," TheBalance.com, May 5, 2016, accessed November 2016, <https://www.thebalance.com/what-is-the-bundle-of-legal-rights-of-a-real-estate-owner-2866918>.

1 **Q: What rights will landowners be forced to give up if GBE is granted a CCN?**

2 A: Property comes down to three basic ideas - acquisition, exclusive use, and disposal:

- 3 • The first right, and most important, is the ability to set the price for their land;
- 4 • The second, the freedom to choose with whom one enters into a business relationship;
- 5 • Loss of enjoyment and future land use options;
- 6 • Restricted planting, since farmers may not grow anything taller than 10 feet;
- 7 • Loss of efficiency, as landowners will be forced to maneuver around structures;
- 8 • Fragmentation of parcels of land by the easement;
- 9 • The right to a safe place to live and work;
- 10 • Loss of timber & wildlife;
- 11 • The risk of not being able to take advantage of future technology and equipment; and
- 12 • Potential restrictions on adjacent land to the easement.

13 **Q: Do you have specific concerns regarding a business relationship?**

14 A: In Mr. Lanz's testimony he states, "We recognize we are entering into a long-term
15 business relationship with landowners."⁷ If the Project is approved, Missouri landowners will be
16 forced to enter into a business relationship that the majority of landowners have either sought nor
17 want. In addition, GBE will have controlling interest and the final say about what can and cannot
18 be done on the easement.

19 **Q: What are your concerns regarding the Easement Agreement (Schedule DKL-4)?**

20 A: The Easement Agreement is written to favor and protect GBE. That being expected, we
21 are deeply concerned the rights of landowners are not equally protected. These are a few of our
22 concerns:

⁷ Case No. EA-2016-0358, Direct Testimony of Deann K. Lanz on Behalf of Grain Belt Express Clean Line LLC Page 6, lines 7-8 (Missouri Public Service Commission August 30, 2016).

- 1 • “Grain Belt will pay Landowner for *certain damages* as set forth in and in accordance
2 with the terms of the Structure and Damages Calculation Sheet executed by
3 Landowner concurrently with this Agreement.”⁸ There are two concerns. First,
4 landowners that have never negotiated an easement before do not know what to “set
5 forth” so they can be compensated for it. Second, it is impossible to think of every
6 contingency prior to construction.
- 7 • “The Easement includes rights to construct, reconstruct, repair, expand within the
8 Easement, improve, alter, replace, operate, use, inspect, maintain, and remove an
9 overhead transmission line . . . as Grain Belt may deem necessary.”⁹ It is our
10 understanding from the literature, that this Project is to be a **single** HVDC
11 transmission line. If that is the case, why does GBE require landowners to agree to let
12 them “expand within the Easement?” Expand, alter, improve what? And how? Does
13 this leave GBE the option for the future addition of another line?
- 14 • “Notwithstanding the foregoing, Grain Belt shall, *without being liable for damages*,
15 have the right from time to time, including after the initial construction of the
16 Facilities . . . [to] clear the Easement . . . control, cut down, trim and remove trees . . .
17 .”¹⁰ Really! What about damages to the property incurred in the process of said work,
18 such as compaction of soil, rutting, crop damage, etc.?
- 19 • The statement continues, “And cut down and trim any tree located outside the
20 Easement that in the *opinion* of Grain Belt may interfere with the safety, proper
21 operation and/or maintenance of the Facilities.”¹¹ If Grain Belt needs a wider

⁸ Schedule DKL-4, at page 1, 2a (emphasis added).

⁹ Schedule DKL-4, at page 1, 2b.

¹⁰ Schedule DKL-4 at page 2, 3 (emphasis added).

¹¹ Schedule DKL-4 at page 2, 3. (emphasis added)

1 easement to prevent “interference,” they need to negotiate for the additional land up
2 front.

- 3 • We are concerned that the restrictions on page 2, 4 may result in unforeseen losses to
4 the landowner especially in the situation where the easement fragments a tract of
5 land. In addition, will all landowners receive *additional* compensation during initial
6 construction if they do not have access to and/or use of the Easement?
- 7 • Page 3, 8¹² - There appears to be no stipulation that Grain Belt must inform the
8 landowner in the event they sell, assign, mortgage or lease the Easement.
- 9 • Grain Belt will “Indemnify and hold harmless Landowners from any and all liability .
10 . . . except . . . from Landowner’s negligence”¹³ As a landowner, we do not want
11 to be forced to assume the liability associated with working around these huge
12 structures and the power lines associated with them. If there was an accident, hence
13 “Landowner’s negligence,” I doubt that a \$10 million farm umbrella policy would
14 adequately protect us. In addition, a landowner should not have to incur the estimated
15 annual cost of \$2200 for said farm umbrella policy to protect their farming interests.
- 16 • Page 4, 12¹⁴ sounds just plain ominous and invasive. I don’t have a clue what we are
17 being asked to agree to. Should I really have to incur the expense of legal advice to
18 protect my interests since I am not pursuing this “long term business relationship”?
- 19 • The Missouri Agricultural Impact Mitigation Protocol (MO Ag Protocol), which Mr.
20 Lanz refers to frequently in his direct testimony¹⁵, should have been included in the
21 Easement Agreement so it legally binds GBE and protects the landowners’ interests.

¹² Schedule DKL-4 at page 3, 8.

¹³ Schedule DKL-4 at page 4, 11.

¹⁴ Schedule DKL-4 at page 4, 12.

1 • Finally, the most offensive stipulation in this Agreement is 13, “Landowner hereby
2 expressly releases and waives all privileges, advantages, rights, and benefits under
3 any and all applicable homestead exemption laws.”¹⁶ This is an egregious loss of
4 rights beyond those we are “asked” to give up in the Agreement. This forces
5 landowners to give up a right our State has legislated to protect us. In my opinion, this
6 alone should disqualify GBE from doing business with Missouri landowners since it
7 is painfully obvious they do not respect the landowners property rights.

8 **Q: What are your concerns regarding the Structure and Damages Calculation Sheet?**

9 A: In Mr. Nordstrom’s testimony, he cites Dr. Galli’s response to the inquiry regarding the
10 number of each of the three types of support structures to be used in the Missouri portion. “The
11 number and types of structures that will be used in any given segment of the Grain Belt Express
12 Project is not currently available.”¹⁷ Is it reasonable to expect a landowner to sign an Agreement
13 that will have a dramatic, lifetime effect on their land without knowing the particulars of how
14 many, what kind and where the structures will be located on said land? This puts the landowners
15 at a distinct disadvantage to negotiate a fair and equitable Agreement. Commissioners, as you
16 face the challenging task of determining whether to grant GBE a CCN, it is our hope you will put
17 a special emphasis on the fact that the GBE legally binding contracts, as written, will leave
18 Missouri landowners at a distinct disadvantage, vulnerable, and unprotected.

19 **IV: COMPROMISES LANDOWNERS’ RIGHTS TO SAFETY**

20 **Q: Do you have safety concerns?**

¹⁵ Case No. EA-2016-0358, Direct Testimony of Deann K. Lanz on Behalf of Grain Belt Express Clean Line LLC page 4, 10-13 (Missouri Public Service Commission August 30, 2016).

¹⁶ **Schedule DKL-4** at page 4, 13.

¹⁷ Case No. EA-2016-0358, Rebuttal Testimony of Scott Nordstrom on Behalf of Matthew and Christina Reichert Page 4, lines 9-10 (Missouri Public Service Commission January 24, 2017).

1 A: Farming, by its very nature, is hazardous. According to the International Labour
2 Organization, agriculture is one of the most hazardous sectors and occupations in the world.
3 Modern Farmer states, “Farms have always been hard, physically demanding workplaces, but
4 safety concerns evolved in the early 20th century, when tractors began replacing horses as the
5 go-to farmer’s aid. These gas-powered beauties forever reshaped the face of agriculture; they
6 also ushered in an era of mechanized danger and death. Tractors now claim some 125 lives a
7 year in the U.S., according to the National Institute for Occupational Safety and Health
8 (NIOSH), representing the biggest danger on a farm.”¹⁸ By virtue of placing structures in the
9 midst of farmland, the Project increases farmers’ risk of injury or death.

10 **Q: What are your other safety concerns?**

11 A: This 600 kV transmission line, which could drape within 34’ of the ground, greatly
12 increases farmers’ risk of an accident by adding potentially life threatening obstacles to their
13 work environment. Will 34’ be a guaranteed safe working distance in all weather-conditions, for
14 all current and future types and sizes of equipment, and agricultural applications? There are
15 simply too many unanswered variables which leave the landowner at a distinct risk and
16 disadvantage.

17 **Q: In addition to the increased safety issues, are there other concerns?**

18 A: We are deeply concerned about increased liability exposure. In the event of an accident
19 where a tractor hits one of the structures, who will incur the cost for damages? Will the
20 landowner be responsible for “loss of use,” if there is an outage because of an accident? I doubt
21 the previously stated farm umbrella policy would adequately protect the landowner if there is a
22 “farmers’ negligence” event. According to Mark Steil, *Dangerous dance: Farm equipment,*

¹⁸ "Death on the Farm," Modern Farmer, June 16, 2016, accessed January 17, 2017, <http://modernfarmer.com/2014/06/farm-deaths/>.

1 *power line accidents up in rural MN*, “As farm machinery gets bigger, electric co-ops say they're
2 seeing more incidents of farm equipment striking poles or snagging overhead lines — collisions
3 that can be dangerous and costly . . . Sioux Valley Energy is seeing a couple of collisions a
4 month, said Terry Ebright, safety coordinator for the co-op, which serves seven counties in
5 southwest Minnesota and eastern South Dakota . . . They can also fry farm machinery that costs
6 hundreds of thousands of dollars. Ebright recalled one incident where the long booms of an
7 herbicide sprayer caught an overhead line. Electricity surged through the equipment . . . So far,
8 the accidents haven't caused any personal injuries. But Ebright said he worries it's just a matter of
9 time before someone gets seriously hurt. Electrocutation is a significant factor in on-farm deaths.
10 About 60 American farmers die each year in electrical accidents, including power line
11 incidents.”¹⁹ These imposed exposures, by this Project, could have devastating financial and life
12 threatening consequences to the landowner.

13 **Q: Why are you concerned about these burdens placed on landowners?**

14 A: As private property owners, farmers exercise their property rights to choose the level of
15 risk they will assume and then do their best to mitigate those risks by implementing safety
16 practices, education, awareness, and the latest technologies. This is a genuine right of an
17 individual that holds exclusive dominion over what they own. On the other hand, GBE is
18 seeking to exercise a specious right that will create obstacles, impose restrictions, and additional
19 risks on that which the landowner holds title. The intent of GBE seeking to build a transmission
20 line across the state of Missouri while imposing more risk on the agricultural sector through this
21 Project for the questionable benefit of supposedly lower utility rates to *some* Missouri residents

¹⁹ Mark Steil, "Dangerous dance: Farm equipment, power line accidents up in rural MN," MPRNews.org, October 21, 2014, accessed November 2016, <https://www.mprnews.org/story/2014/10/21/farm-equipment-power-line-accidents>.

1 and meeting the Clean Power Plan guidelines would be an unreasonable burden placed on
2 northern Missouri farmers.

3 **Q: What is your summation of this attempt to misuse eminent domain?**

4 A: If the CCN is granted to GBE, liability exposure, additional land use limitations, and
5 potentially hazardous working conditions will be imposed upon Missouri farmers without
6 additional compensation.

7 **V: DIMINISH LAND AND HOME VALUES**

8 **Q: What is another important reason for opposing the transmission line?**

9 A: It has always been our dream that one or several of our children would return to the farm,
10 build a home and raise their children. Our daughter, Kaitlynn, lives with us and owns and
11 operates a successful business in Brunswick. Since she was a little girl, she has dreamed of
12 building a home tucked in amongst the trees in the pasture south of our home. The present GBE
13 reroute would mar the view of that location. Our son, Gabriel, loves the farm and wants to make
14 this his home and continue the farming heritage as a fifth generation Reichert farmer. The
15 transmission line traversing our property robs us and our children of realizing those dreams.

16 **Q: How will the transmission line affect the value of your property?**

17 A: That is a huge concern. We did a complete remodel of the original home-place in 1987
18 and another major remodel in 2012. We have a lovely home with six bedrooms and five
19 bathrooms situated in the rolling hills of northern Missouri. It is a very pastoral setting: cattle
20 grazing in lush pastures, wide-open spaces, star-studded skies, unmarred view in every direction,
21 and the tranquility of country life. We never would have invested in the remodels with the
22 prospect of a 600 kV HVDC transmission line traversing our property. The Project is sure to
23 have a negative effect on some land and home values.

1 **Q: What will be the dollar amount of the reduction?**

2 A: We are not sure how it will devalue the property since there are so few projects of this
3 scope in the United States. However, there is great concern amongst landowners about the
4 negative effect this Project will have on land and home values as shared at the public hearings.

5 **Q: Do you have any examples of the negative impact of the HVDC line on values?**

6 A: I read this article about the purchase of 100 homes by BC Hydro which “put an end to
7 the long-running dispute with some homeowners about a high-voltage transmission line it put up
8 near the homes.”²⁰ The article goes on to say, “The homes went on the market last September at
9 *discounts of about \$70,000 or more.*”²¹

10 A more recent example took place in Chino Hills, CA. Katy Grimes reports in her 2013
11 article, “Chino Hills wins battle against So Cal Edison,” “[Hope for the Hills President, Bob
12 Goodwin,] told me Chino Hills was a city people wanted to live in. ‘Homes were still in demand,
13 even under the current economic downturn. Prices in Chino Hills remained fairly stable. But now
14 we have the monster poles adjacent to our schools, churches and in parks.’ Goodwin said that
15 the number of homes for sale in Chino Hills jumped 400 percent once the towers began to sprout
16 up.”²²

17 If GBE is approved, time will tell if the land values are affected, but it is not equitable to
18 expect the landowner to assume the risk and potential financial loss. With the present easement
19 agreements and compensation plan, landowners will be left very vulnerable, if not helpless, in
20 negotiating easement agreements that will adequately compensate them for this potential loss.

21 **VI: IGNORES HERITAGE VALUE**

20 *Tsawwassen homes selling fast: BC Hydro*, CBC News, July 21, 2010, accessed November 2016

<http://www.cbc.ca/news/canada/british-columbia/tsawwassen-homes-selling-fast-bc-hydro-1.961436>(emphasis added).

21 *Id* (Emphasis added).

22 Katy Grimes, "Chino Hill wins battle against So Cal Edison," <http://calwatchdog.com>, July 12, 2013, accessed November 2016, <http://calwatchdog.com/2013/07/12/chino-hills-wins-battle-against-sc-edison/> .

1 **Q: Are you familiar with the term "Heritage Value"?**

2 A: I understand that, in Missouri, a Heritage Value is assigned to real property that has been
3 owned within the same family for 50 years or more.

4 **Q: Is a Heritage Value given any particular significance when determining fair value in
5 condemnation proceedings?**

6 A: I understand that if property does qualify for a Heritage Value, the owner would be
7 entitled to something above the normal market value for that property according to Missouri's
8 Heritage Value Statute. I believe it is 50% additional compensation.

9 **Q: Does your property qualify for the Heritage Value, as you understand that term?**

10 A: Yes, it does. Matt's great-grandfather purchased the original acreage in 1871.

11 **Q: When you were discussing an easement for your property with Grain Belt, did they
12 ever mention the possibility that you might be entitled to compensation above the normal
13 market value?**

14 A: GBE never brought this to our attention. I have read a great deal of their literature and
15 testimonies and have not found Heritage Value mentioned anywhere in my reading.

16 **Q: How does this put the average landowner at a disadvantage?**

17 A: Since many landowners are not aware of Heritage Value and the additional compensation
18 they are entitled to under Missouri law, they would be at a disadvantage when negotiating their
19 Easement.

20 **Q: Do you have an example?**

21 A: Yes, several. Again, we have never had a GBE representative share this information or
22 have seen it in any of their printed materials. In addition, Jack Garvin states in his testimony that
23 the land agents he visited with at the June informational meeting never mentioned the possibility

1 of additional compensation. He was not familiar with Heritage Value until I mentioned it to him
2 when discussing his testimony. The same is true regarding Matt's cousin, Kenny Reichert. He
3 said he has never had anyone mention a Heritage Value. Because of the historical significance of
4 agriculture in northern Missouri, there are many farms that would qualify for the Heritage Value
5 but will not receive it in the normal negotiation of an easement.

6 **Q: Does GBE give the impression they will deal fairly with landowners in their**
7 **easement negotiations?**

8 A: In Mr. Lanz's direct testimony, he states "Grain Belt Express is committed to conducting
9 easement negotiations in a fair manner that is respectful of property rights . . . Grain Belt Express
10 strives to implement the following key elements as part of its approach to easement negotiations .
11 . . Demonstrating respect for private property rights and existing land uses . . ." ²³ This sounds
12 very equitable for landowners on paper. However, the reality is, they have not practiced their
13 "key elements" in the area of " . . offering a fair and comprehensive compensation package for
14 transmission line easements . . ." ²⁴

15 **Q: How has GBE failed to respect landowners in offering them fair and comprehensive**
16 **compensation?**

17 A: One would think that a company requesting to exercise the power of eminent domain
18 would have their land acquisition experts research any and all state laws regarding Missouri's
19 condemnation laws. I can only surmise that these experts either failed to thoroughly research said
20 laws, or they chose to keep that information from the landowners so they would not have to pay
21 the additional compensation. Failure to make landowners aware they may be entitled to the

²³ Case No. EA-2016-0358, Direct Testimony of Deann K. Lanz on Behalf of Grain Belt Express Clean Line LLC, Page 5, lines 5-17 (Missouri Public Service Commission August 30, 2016)(emphasis added).

²⁴ *Id.* at 5, lines 18-19.

1 Heritage Value would hardly be “[dealing] in a fair manner that is respectful of property rights.”
2 It is our hope that the PSC will take this into consideration.

3 **VII: EXPLOITS THE ORIGINAL INTENT OF “JUST COMPENSATION”**

4 **Q: What are your concerns regarding “just compensation”?**

5 A: The Fifth Amendment to the United States Constitution asserts “nor shall private property
6 be taken for public use without just compensation.” Recognizing the Public Service Commission
7 is not involved in determining just compensation for the landowners, their decision in this matter
8 will determine whether landowners interests will be assessed fairly and treated equally.

9 **Q: What is your understanding of “just compensation”?**

10 A: Fair market value or just compensation is determined by two parties negotiating at arms
11 length with equal bargaining power. According to GBE’s response to **MLA-G54** regarding
12 valuations/acre, GBE states, “The per acre offer for landowners with property on the right-of-
13 way . . . *are as follows*. . . .”(emphasis added). GBE will tell landowners what they will pay for
14 an easement based on area valuations. We would argue this is not a negotiation.

15 If I choose to negotiate an easement agreement with an interested party, I am free to
16 determine with whom I enter into a business relationship and the price for the easement. The
17 interested party is at liberty to accept the price proposed. Hence, a fair market value or “just
18 compensation” has been reached.

19 However, in the case of the transmission line’s approval, landowners will legally be
20 required to enter into an easement agreement, coerced to comply, and GBE’s ability to exercise
21 the power of eminent domain will set the price. That is not a negotiation that results in just
22 compensation.

1 If GBE had to negotiate in a free market and under a most-favored-nations-clause, the
2 compensation would equalize to a truly just level above GBE’s proposed token amounts.

3 **Q: How are landowners denied the ability to negotiate with equal bargaining power?**

4 A: The problem lies with the present system. GBE has vast financial resources that far
5 exceed the resources of the average Missouri landowner. Unfortunately, vulnerable landowners
6 do not have the political power, financial means, or the “know how” to defend their rights in this
7 kind of battle.

8 Consider the \$4.6 million dollars spent by Chino Hills, CA²⁵ in their battle to fight
9 Southern California Edison’s HVDC transmission line. Had the city of Chino Hills not joined its
10 citizens in the battle, all would have been lost. We are like the citizens of Chino Hills, we do not
11 have the financial resources to stand against GBE’s request for a CCN. If it were not for the
12 generous work of our attorney in this case, it is unlikely any motions-to-intervene would have
13 been filed by individual landowners against this encroachment upon landowners’ property rights.

14 **Q: Are there other factors that make GBE’s proposed compensation inadequate?**

15 A: For landowners, such as ourselves, who already have four pipeline easements, an average
16 land value is anything but “just compensation”. Mr. Puckett states,

17 “Major pipelines were also considered an opportunity feature, especially in areas
18 where existing transmission lines were not available and in forested areas where
19 the pipeline has an established and cleared ROW. Like transmission lines, pipeline
20 ROWs are cleared linear corridors of existing disturbance, where construction of
21 buildings and other non-pipeline facilities are prohibited.”²⁶

²⁵ Katy Grimes, "Chino Hill wins battle against So Cal Edison," [Http://calwatchdog.com](http://calwatchdog.com), July 12, 2013, accessed November 2016, <http://calwatchdog.com/2013/07/12/chino-hills-wins-battle-against-sc-edison/>.

²⁶ Schedule JGP-1 at page 31.

1 This “opportunity feature” gobbles up a tract of land one easement at a time, increasing
2 restrictions, and robbing landowners of future land use freedoms.

3 Our land is being deforested and the soil forever changed by compaction and mixing of
4 the soil layers. The vision for our farm’s highest and best use is continually being compromised
5 by the easements forced upon us. As a result, even the average land valuation further exploits the
6 landowners right to just compensation with each additional easement agreement.

7 **Q: Do you see landowners being put at risk without compensation?**

8 A: Indeed! Many potentially harmful conditions will be imposed upon the landowner and
9 they will not be adequately compensated for the added risk or inconvenience:

- 10 • 600 kV HVDC power lines draped across the landscape 34’ above ground.
- 11 • Transmission towers in the middle of pastures & cropland.
- 12 • Financial devastation and liability issues in the event of an accident.

13 **Q: If the PSC should grant GBE a CCN, how would you define just compensation?**

14 A: Just compensation should mean the landowners will be compensated for ALL the losses
15 that arise from the forced easement agreement, plus an added measure to acknowledge the fact
16 that the losses arise from a deliberate decision by the public to force the owner to give up their
17 basic rights. Average market value does not begin to compensate a landowner for these losses
18 and is not fair market value.

19 **Q: Do you feel the landowner is at a disadvantage in the negotiations?**

20 A: As stated earlier, GBE will determine their per acre offer by area land valuations. In
21 essence, negotiating is reduced to taking what the land agent offers. Many landowners are not
22 knowledgeable about the process, some are led to believe they do not have a choice but to take

1 what they are offered, and many do not have the financial resources to consult an attorney to
2 protect their interests. It is a true David and Goliath battle.

3 If, in-fact, this were a much needed Project that would benefit the vast majority of
4 Missourians and is a legitimate exercise of eminent domain as defined in our Constitution, then
5 we would not be opposing GBE's request for a CCN. However, this Project will not benefit the
6 majority of Missourians and there is not a regulated need that must be satisfied. It is our opinion,
7 if the general public is so interested in supporting renewable energy, then our elected officials
8 need to place future costs of the renewable energy mandate in the State's budget, instead of
9 imposing them on landowners, as it does now. CATO points out, the critics of such a system say,
10 "[I]f we did go on budget [place future costs of renewable energy regulations in the State's
11 budget], we couldn't afford all the regulations we want. What they are really saying, of course, is
12 that taxpayers would be unwilling to pay for all the regulations . . . Indeed, the great fear of those
13 who oppose taking a principled approach to regulatory takings is that once the public has to pay
14 for the benefits it now receives "free," it will demand fewer of them. It should hardly surprise
15 that when people have to pay for something they demand less of it."²⁷ If the public is not willing
16 to pay for renewable energy, please do not open this door to place the burden on landowners.

17 **VIII: COMPROMISES LIVELIHOOD OF B&B**

18 **Q: Are there any other reasons why you oppose the transmission line?**

19 A: Not only will the Project, if approved, have a dramatic effect on our farming operation,
20 our personal lives and the lives of all adjoining landowners, but it will negatively affect our Bed
21 & Breakfast business.

22 **Q: When did you open your Bed & Breakfast (B&B)?**

²⁷ "CATO Handbook for Policy Makers," CATO.org, 2009, accessed November 2016,
<https://object.cato.org/sites/cato.org/files/serials/files/cato-handbook-policymakers/2009/9/hb111-34.pdf> (page 353).

1 A: 1994.

2 **Q: How many rooms are in your B&B?**

3 A: We have a fully furnished walk-out basement apartment with two bedrooms with private
4 baths. We also have an additional room on the main floor of our home.

5 **Q: Where do your guests come from?**

6 A: Many of our guests are from Missouri and come for a weekend get-away or farm-stay.
7 Others come from all over the United States for weddings, family reunions, etc. However, we
8 have had B&B guests from all over the world over the past 20+ years. As a result of our
9 international guests interest in the farm, we would like to expand into the international market.
10 We are very much interested in developing an extended stay opportunity for those interested in
11 experiencing the American culture, improving their English, and learning about agriculture.

12 **Q: Have you pursued this venture?**

13 A: No! We are hesitant to invest in expanding our business in the event the Project would be
14 granted a CCN.

15 **Q: Are there other expansions you have in mind?**

16 A: We want to convert our grain bin into a unique guest quarters. In addition, we have
17 always wanted to build a primitive cabin at the pond west of our home. Both projects are on hold
18 because their view would be severely compromised by the proposed Project. Simply put, this
19 Project has prevented us from being able to exercise the best use of our land, hindering plans for
20 our retirement years, and our children's future. Not only that, we have spent the past several
21 years and precious resources trying to protect our land and the private property of our friends,
22 neighbors and citizens of Missouri.

23 **Q: How will the GBE HVDC line negatively impact your B&B business?**

1 A: Up to this present day, our guests' first impression of Sycamore Valley Farm is a
2 gorgeous rolling landscape with cows grazing in lush green pastures, corn growing in the bottom
3 ground, tall stately trees, and occasional wildlife. Because this Project will forever mar that
4 landscape, we expect a significant drop in occupancy.

5 **Q: Why did you contact architect, Scott Nordstrom?**

6 A: We felt, and still do, that it is critical for the Commissioners to understand and see for
7 themselves these imposing structures and the impact they will have on the landscape of northern
8 Missouri. Since I am not aware of any transmission lines in the Midwest of the magnitude being
9 proposed here, we decided a picture is worth a thousand words. Mr. Nordstrom's graphics
10 effectively illustrate the size of the structures that will be used. **Schedule SN-2**²⁸ and the
11 easement on our property with an inset showing the number of acres tied up in easements
12 **Schedule SN-1**²⁹.

13 However, seeing is believing! **Schedule SN-3**³⁰ is the closest we can come to being able
14 to demonstrate to the Commission the dramatic affect this line will have on the landscape.
15 Whereas the watercolor is not intended as an actual depiction of the line location, it is accurate in
16 its depiction of the size of the structures in relationship to the home and barn and the view that
17 will mar the landscape for all.

18 On the other hand, I feel the photo illustrations provided by GBE do not accurately reflect
19 the dramatic affect this line will have on the agricultural landscape in northern Missouri. For
20 example, a relatively benign picture is used in Mr. Puckett's testimony to demonstrate the
21 "Characteristic View of the Project Area Landscape." He says, "These industrial elements can be

²⁸ Case No. EA-2016-0358, Rebuttal Testimony of Scott Nordstrom on Behalf of Matthew and Christina Reichert **Schedule SN-2**(Missouri Public Service Commission January 24, 2017).

²⁹ **Schedule SN1.**

³⁰ **Schedule SN3.**

1 found throughout the Study Area but do not tend to *dominate the landscape*.”³¹ The problem
2 with this statement is Mr. Puckett is not comparing apples to apples. What appear to be wooden
3 poles in the picture are not near the height, nor have the footprint, nor made of the same material
4 of those to be used in the Project.

5 In addition, the illustrations Mr. Puckett provided,³² show monopoles in an agricultural setting.
6 The lattice structure towers are far more invasive and have a much more dramatic impact on the ROW
7 landscape for landowners, as well as those properties adjacent to the Project. One such lattice structure
8 tower will be prominent within our view-shed.

9 Finally, I am not aware of one photo simulation that illustrates the “front door view” of the
10 transmission line that will be the reality for countless people sited along the route.

11 **Q: Will the proposed line affect your guests’ B&B experience?**

12 A: I am sure the effect will be dramatic, but it is really difficult to assess the scope of the
13 impact since we don’t even know what kind of structures will be used or where the structures
14 will be located. The proposed industrial elements to be introduced into the landscape will begin
15 even before guests arrive at our farm. Not only will they be able to see these towering giants
16 ruling over the landscape long before they arrive at our farm, they will pass under the line and
17 next to a massive 150’ lattice structure tower positioned along the side of the road as they
18 approach our home.

19 Driving up our lane, guests will round the corner and take in the dreadful view of a 110’
20 monopole towering above the gorgeous bottom ground and the second intimidating 150’ giant
21 standing in the West. When our guests join us for breakfast, our kitchen overlooks the bottom

³¹ Case No. EA-2016-0358, Direct Testimony of James G. Puckett on Behalf of Grain Belt Express Clean Line LLC **Schedule JGP-1**, page 122 (Missouri Public Service Commission August 30, 2016) (emphasis added).

³² EA-2016-0358.GBX response to MLA-32.Puckett.Attachment 01, page 1-2 of 2

1 area where the towers will be located. When we enjoy a cool evening on the patio with our
2 guests, we will be looking at a massive industrial power line snaking its way across the
3 landscape. This is not the pastoral setting our guests have enjoyed the past 22 years, nor the view
4 we have enjoyed for generations.

5 Our guests are free to take walks down to the creek, head over to the pond to do some
6 fishing or to try out the rope swing. We offer hayrides to show them the farm and explain our
7 cattle operation. If the transmission line is built, all of these activities will take place in the
8 shadow of these menacing structures. Not only will we lose the beautiful view, but we are
9 concerned about the possibility of corona noise destroying the peace and quiet we have enjoyed
10 for decades.

11 In conclusion, not only do we expect to see a significant drop in occupancy as a result of
12 this Project but it will affect every area of our daily lives: financial, recreation, future land use,
13 work environment, and retirement. This will be true for all affected landowners, in addition to
14 those adjacent to the Project.

15 **IX: INTERACTIONS WITH GBE AGENTS: PRIEST & LAWLOR**

16 **Q: Are you familiar with the Commission's final Order which was issued on July 1,**
17 **2015, in the previous Grain Belt case?**

18 A: Yes, I am. In a 3-2 decision, the Commission rejected Grain Belt's application for a CCN.

19 **Q: Did the majority decision make any reference to your testimony in that case?**

20 A: Yes, it did. Referring to my rebuttal testimony, the Commission stated at page 17 that,
21 "For one landowner, the proposed transmission line would be 400 feet from the front door of her
22 bed and breakfast business and would mar the view of the farm landscape for guests."

1 **Q: After that Order was issued, were you and your husband, Matt, personally**
2 **contacted about the proposed location of the line on your property?**

3 A: We were, but not until early May, of the following year – which as it turns out was the month
4 before Grain Belt first filed a new Application with the Commission on June 30, 2016.

5 **Q: Who from Grain Belt initially contacted you? What was the stated purpose of the**
6 **contact?**

7 A: We received a number of phone calls in early May, 2016, from Ms. Paula Priest, who we
8 understood to be a land agent working for Grain Belt. At the time, we were not interested in
9 speaking with anyone from Grain Belt, and so we did not return her calls. She eventually called
10 Matt on his cell phone, and told him she wanted to meet in order to discuss some possible ways
11 that Grain Belt might be able to address our concerns about the line on our property.

12 **Q: What was your response to that call?**

13 A: Matt told her, correctly, that we were just too busy with planting and haying at the time,
14 and would not be able to meet any time soon.

15 **Q: Was that the end of it?**

16 A: No, Ms. Priest was quite persistent. She continued to call, and we were feeling quite
17 pressed to meet right away with her. I told her again that we were extremely busy, and that any
18 meeting would have to wait until the end of the month. So she again called my husband. In the
19 middle of May, we also began exchanging emails about a possible meeting. Eventually, we
20 agreed to meet with her at our home on June 9, which turned out to be about 3 weeks before
21 Grain Belt filed its new Application with the Commission.

22 **Q: You said that Ms. Priest was quite persistent in attempting to set up a meeting. Was**
23 **she at all rude during those conversations?**

1 A: No, in all fairness, she was courteous and professional.

2 **Q: Did you finally meet with her on June 9?**

3 A: We did set up a meeting with Ms. Priest, although, the day before my husband called her
4 to reschedule because of some pressing issues on the farm. She agreed to do so, but shortly after
5 we received a call from Mark Lawlor. He said it was important that we meet on the 9th, with both
6 he and Ms. Priest. He also said he would bring some information about the routing process which
7 should appeal to us. So we did agree to go ahead and meet at our home with Mr. Lawlor and Ms.
8 Priest on the 9th of June.

9 **Q: What transpired at that meeting?**

10 A: Ms. Priest began by saying they had some “good news” for us. Since our B&B had been
11 mentioned in the Commission’s Order, they were going to show “good faith” by rerouting the
12 line so that it would not cross our property. As they pointed to a map with the reroute, they
13 showed us that it would be moved so as to cross our neighbor’s property instead. Mr. Lawlor
14 asked how we felt about this move. We told him we would be thrilled not to have the line
15 crossing our property, but that we did not want it moved to our neighbor’s property either. We
16 couldn’t bring ourselves to benefit at the expense of our neighbors.

17 **Q: What was Mr. Lawlor’s response?**

18 A: He said that the proposal to move the line seemed like a viable option, but that they
19 expected something in return from us. My husband asked what he meant. Mr. Lawlor never did
20 tell us exactly what they were expecting in return for moving the line off our property, but said it
21 would be nice to have something from us. We eventually told Mr. Lawlor that we could not
22 agree to a move that would be detrimental to our neighbors, and that we would continue to

1 oppose the Grain Belt Project. They thanked us for our time and left. That was the last we heard
2 from Grain Belt about rerouting the line.

3 Although the line has now been rerouted so it is no longer outside our “front door” as was
4 proposed in the earlier case, it still crosses our property, and causes most of the same problems
5 which I addressed in the last case.

6 **X: SUMMARY**

7 **Q: Why are you asking the Commissioners to carefully weigh “promoting the public
8 interest” in making their decision?**

9 A: Since the Commissioners holds the power to guard the public interests of Missourians,
10 they are a “watchman on the wall,” so to speak. If Missouri needs any new sources of energy to
11 satisfy the State’s renewable energy requirements, GBE cannot guarantee that 100% of the
12 energy transmitted across the proposed line will be wind generated. Therefore, is the “need for
13 the service” criteria truly satisfied?

14 In addition, it is a great concern that granting a CCN for this Project will set a dangerous
15 precedent for misuse and abuse of eminent domain power and further politicize the taking of
16 private land to “promote public interest.” After all, every private business venture will produce
17 benefits for the public through increased jobs, business, taxes, what have you – even the
18 proverbial bridge to nowhere.

19 If this Project is approved as proposed, it:

- 20 • will leave the landowners at a distinct disadvantage, vulnerable, and unprotected,
- 21 • will increase liability exposure,
- 22 • increase land use limitations above what a pipeline easement involves,
- 23 • introduce potentially hazardous working conditions without additional compensation,

- 1 • may negatively affect land and home values of landowners, in addition to the value of
- 2 those properties adjacent to the proposed ROW,
- 3 • may deny landowners from being compensated for Heritage Value,
- 4 • does not offer adequate compensation for the loss of bundle of legal rights,
- 5 • will have a negative impact on our B&B,
- 6 • add a significant industrial component marring landscape, and
- 7 • affect every area of our daily lives

8 **Q: What would you like the commission to consider if they should approve the CCN?**

9 **A:** We respectfully ask the commission to require GBE to do the following:

- 10 • Rewrite the Easement Agreement to protect landowner's interests addressing the
- 11 concerns mentioned above.
- 12 • Add a provision to the Agreement for all eligible landowners to receive Heritage
- 13 Value to avoid the inconvenience and expense of the condemnation process if it is
- 14 required to receive the additional compensation.
- 15 • Add a most-favored-nations clause to the Agreement so every landowner will be
- 16 guaranteed equal treatment.
- 17 • Adequately compensate landowners for all their bundle of legal rights.
- 18 • Compensate landowners for any loss of business as a result of the Project.
- 19 • Require GBE to provide a sufficient umbrella policy, at their cost, to protect
- 20 landowners in the event of an accident and to cover any liability issues that may arise
- 21 from the transmission line being located on their property.
- 22 • Make the MO Ag Protocol a part of the Easement Agreement.
- 23 • Compensate adjacent landowners impacted by the Project.

- 1 • Incorporate applicable items from the Texas Pipeline Easement Negotiation
2 Checklist³³ that have not been addressed above.

3 **Q: What are your final comments?**

4 A: We beseech the Public Service Commission to, again, step in and protect the freedoms of
5 Missouri citizens by denying GBE a CCN. This Project, as proposed, will impose the costs on a
6 few private landowners for the supposed “need” of renewable energy. This is a proposal that will
7 not be enjoyed broadly by Missourians but, may only benefit some narrow part of the state’s
8 residents?

9 The CATO Institute says it well, “Economic development, jobs, green energy, etc. are all
10 secondary.” Please firmly close the door to the misuse of “promoting public interest” as a means
11 to gain the power to exercise eminent domain.

12 **Q: Do you have any additional comments to add to your Testimony?**

13 A: No.

³³ Tiffany Dowell, "Texas Pipeline Easement Negotiation Checklist," AgriLifeExtension.tamu.edu, June 2014, accessed January 16, 2017, <http://agriflifecd.n.tamu.edu/texasaglaw/files/2016/08/Texas-Pipeline-Easement-Negotiation-Checklist.pdf>.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of Grain Belt Express)
Clean Line LLC for a Certificate of Convenience and)
Necessity Authorizing it to Construct, Own, Operate,)
Control, Manage, and Maintain a High Voltage, Direct) Case No. EA-2016-0358
Current Transmission Line and an Associated Converter)
Station Providing an interconnection on the Maywood-)
Montgomery 345 kV Transmission Line)

Affidavit of Christina Reichert

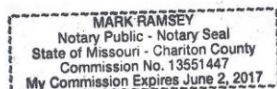
STATE OF MISSOURI)
) SS
COUNTY OF CHARITON)

Christina Reichert, being first duly sworn on oath states:

1. My name is Christina Reichert.
2. Attached hereto and made a part hereof for all purposes is my testimony submitted to the Missouri Public Service Commission.
3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein asked are true and accurate to the best of my knowledge, information and belief.

Christina Reichert
Christina Reichert

Subscribed and sworn before me this 12th day of January, 2017.



Mark Ramsey
Notary Public