

Exhibit No.: 500

Issues: Eminent Domain

Witness: Blake Hurst

Sponsoring Party: Missouri Farm Bureau

Type of Exhibit: Rebuttal Testimony

Case No.: EA-2016-0358

Date Testimony Prepared: January 24, 2017

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)
)

REBUTTAL TESTIMONY OF

BLAKE HURST

ON BEHALF OF

THE MISSOURI FARM BUREAU

JANUARY 24, 2017

Farm
Bureau Exhibit No. 500
Date 3-20-17 Reporter KB
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1 **I. INTRODUCTION AND PURPOSE OF TESTIMONY**

2 **Q1. Please state your name, position, and business address.**

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

5 **Q2. Please describe your experience and qualifications.**

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

12 **Q3. On whose behalf are you appearing in this proceeding?**

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

14 **Q4. Please describe the scope and purpose of your testimony.**

15 A. I will address the direct testimony of Grain Belt witnesses regarding their assertions
16 that Grain Belt's proposed project is necessary or convenient for the public, and that
17 Grain Belt's proposed use of eminent domain would serve the public interest.
18 Specifically, I will discuss Missouri Farm Bureau's opposition to Grain Belt's
19 Application for a Certificate of Convenience and Necessity in the context of our
20 commitment as an organization to the protection of property rights relative to eminent
21 domain.

22

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

2 **Q5. Why is the Missouri Farm Bureau interested in eminent domain?**

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

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

12 *We support Missouri's eminent domain reform law, which strengthens the protection*
13 *of landowners from condemnation with assurance that needed rural infrastructure*
14 *such as roads, power lines and water and sewer lines can be built in a timely and*
15 *economical manner with equitable compensation granted to all affected landowners.*

16 *We believe entities with condemnation authority should be required to consider*
17 *alternate routes and to directly notify and publicly disclose routes for proposed right-*
18 *of-way expansion to affected landowners.*

19 *We oppose the use of eminent domain for the acquisition of land to be resold to*
20 *private owners or for the transfer of property from one private entity to another for*
21 *the purpose of economic development. We believe that easement acquired by an entity*
22 *with condemnation authority should return to the landowner if unused after ten*

1 *years. We oppose granting eminent domain authority to cable companies or any other*
2 *entities that do not already have eminent domain authority.*

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

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

8 *We believe landowners in eminent domain cases should have five years from the time*
9 *of the original settlement in which to negotiate claims for damage from construction*
10 *and maintenance that may not have been confirmed at the time of the initial*
11 *settlement. We believe that when it becomes necessary for any city to condemn*
12 *private property outside the city limits, for any authorized purpose, the governing*
13 *body of the city must first be required to obtain the approval of the county*
14 *commission of the county containing such property.*

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

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

1 **Q6. Why did Missouri Farm Bureau adopt this Policy?**

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

14 **Q7. Why does Missouri Farm Bureau so strongly oppose the use of eminent domain**
15 **in this case?**

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

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

3 **Q8. Does Grain Belt Express Clean Line LLC's alleged commitment to give free or**
4 **discounted power to Missouri municipalities change Missouri Farm Bureau's**
5 **position as to whether eminent domain power is appropriate for the Grain Belt**
6 **Express project?**

7 A. No. Grain Belt Express Clean Line LLC's supposed promises to sell power to
8 Missouri municipalities should be recognized for what they are: a political stunt to
9 create pressure for approval of this project by giving small benefits to local
10 governments at the massive expense of landowners' rights. Those municipalities in
11 support will bear none of the burden from Grain Belt's proposed project. It is instead
12 Missouri's rural landowners that will experience significant disruptions in their
13 operations if Grain Belt Express Clean Line LLC is given the power to force land
14 sales through eminent domain takings. This development does not change the
15 underlying nature of the Grain Belt Express proposal. The project remains an attempt
16 to engage in the abuse of eminent domain for private gain.

17 **III. CONCLUSION**

18 **Q9. Does this conclude your testimony?**

19 A. Yes, it does.

