

Issue(s): CCN for Brickyard Hills  
Wind Project – Opposition  
Witness: Lori Jones  
Type of Exhibit: Direct Testimony  
Sponsoring Party: Atchison County, Missouri  
File No.: EA-2019-0021  
Date Testimony Prepared: December 20, 2018

**MISSOURI PUBLIC SERVICE COMMISSION**

**FILE NO. EA-2019-0021**

**DIRECT TESTIMONY  
OF  
LORI JONES, ASSESSOR  
ATCHISON COUNTY, MISSOURI  
ON BEHALF OF  
ATCHISON COUNTY, MISSOURI  
INTERVENOR IN CASE**

## **TABLE OF CONTENTS**

|             |                                      |          |
|-------------|--------------------------------------|----------|
| <b>I.</b>   | <b>INTRODUCTION.....</b>             | <b>3</b> |
| <b>II.</b>  | <b>TAX CALCULATION PROCESS .....</b> | <b>4</b> |
| <b>III.</b> | <b>SUMMARY AND CONCLUSIONS .....</b> | <b>6</b> |
| <b>IV.</b>  | <b>RELIEF REQUESTED .....</b>        | <b>7</b> |

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**OF**  
**LORI JONES, ASSESSOR**  
**ATCHISON COUNTY, MISSOURI**  
**FILE NO. EA-2019-0021**

**I.     INTRODUCTION**

**Q.     Please state your name and business address.**

A.     My name is Lori Jones and my business address is 400 South Washington Street,  
Rock Port, Missouri.

**Q.     What is your position with Atchison County, Missouri.**

A.     I am the elected county assessor for Atchison County, Missouri.

**Q.     Please describe your duties and responsibilities as the elected assessor for  
Atchison County, Missouri.**

A.     As the assessor for the county, I am the primary elected official whose duties  
include the valuation of real and personal property located within the political boundaries of  
Atchison County, Missouri. After determining the value of the real and personal property  
located within the political boundaries of Atchison County, I am responsible for the proper  
classification of the total property values against which the real and personal properties taxes are  
to be determined. Real property is assessed at the rate of, 32% commercial, 19% residential and  
12% agricultural, of the valuation that I place on the real property, this is referred to as the  
assessed value which is then multiplied by the tax rate, per \$100 of assessed value, provided to  
the county for each taxing district in the county that assesses a property tax. Personal property is  
assessed at 33 1/3% of trade in value for all vehicles, business equipment is assessed at 33 1/3%

1 based on cost, less depreciation using IRS MACRS table, farm machinery and livestock are  
2 assessed at 12% of the market value as of January 1 of each year and grain is assessed at a rate of  
3 ½ of 1% of the market as of January 1 of each tax year. The assessed values are then multiplied  
4 by the tax rate provided to the county for each taxing district in the county, per \$100 of assessed  
5 value. I also determine whether certain properties are eligible to be exempt from taxation by the  
6 county.

7 I also serve as a member of the Atchison County body that hears challenges to the values  
8 that I determine are proper for a particular taxpayer. In any appeal beyond the county  
9 concerning the value to be applied, I am one of the defendants/respondents in such a matter.

10 **Q. What is the purpose of your testimony in this proceeding?**

11 A. The purpose of my testimony is to oppose Ameren's application for a certificate  
12 of Convenience and Necessity (CCN) for a wind generation project that is located in Atchison  
13 County, Missouri, and in support of preserving the taxes assessed and collected from the  
14 company who currently owns the wind tower project that is the subject of this proceeding. I am  
15 also opposing the merger of the non-Public Service Commission regulated wind project owner  
16 with Ameren which is a regulated entity under the jurisdiction of the Public Service  
17 Commission.

18 **II. TAX CALCULATION PROCESS**

19 My direct testimony addresses the real and personal property tax assessments to be made  
20 by me in carrying out my statutory duties to properly assess properties in Atchison County,  
21 Missouri.

22 Each wind tower that is assessed in Atchison County by me is valued using the  
23 constructed cost. That cost is then adjusted by 60% obsolescence (40% good) for the first two

1 years, 63% obsolescence (37% good) for the next two years and then 65% obsolescence (35%  
2 good) to arrive at the value to be multiplied to the commercial assessment percentage of 32% to  
3 determine the assessed value of which tax rates of the various taxing districts in which the wind  
4 tower is located is applied per \$100 of assessed value arriving at a particular tax amount for each  
5 tower. In addition, typically a one acre site, valued at \$5,000.00, encompasses the footprint of  
6 the wind tower on which the wind tower is located. The value is then multiplied by the  
7 commercial assessment rate of 32% to determine the assessed value of which the tax rates of the  
8 various taxing districts in which the wind tower is located is applied at \$100 of assessed value  
9 arriving at a particular tax amount for each tower.

10 In Atchison County, we have calculated that the wind power project developer will pay  
11 an estimated \$958,846.00 per year in the aggregate and paid out to each taxing district according  
12 to the district's tax rate. The formula applied to each tower is subject to a level of obsolescence  
13 for the first four (4) years of operation and then the taxable value is no longer subject to  
14 obsolescence. I have calculated the tax amounts and the reported tax rates for the wind tower  
15 project as constructed with allowable obsolescence. I prepared the document provided as ATC  
16 Ex. 1 showing the tax calculations for the wind tower project. The only assumption for purpose  
17 of the exhibit that was made is that the tax rate for each taxing entity will remain constant over  
18 the period of years shown on the exhibit (20 years). As calculated, the current project owner will  
19 pay approximately \$958,846.00 per year in taxes to be collected in Atchison County and  
20 distributed to the local taxing entities.

21 If the Public Service Commission allows Ameren to prevail in its application, the taxing  
22 districts in Atchison County will lose all of the local tax revenues that support all of the  
23 governmental services provided in the county, including road and bridge construction and

1 maintenance, educational programs of the school districts, the providing of emergency services  
2 such as those provided by ambulance and fire districts, and health care services to citizens of  
3 Atchison County.

4 If Ameren prevails in its application there will no appreciable local taxes collected and  
5 used in Atchison County, and the taxes applicable to Ameren assessed through the State Tax  
6 Commission will be distributed throughout all of the other counties in Missouri.

### 7 **III. SUMMARY AND CONCLUSIONS**

8 From the information that I have from the information provided to this Commission by  
9 Ameren and the data that I have as the Atchison County assessor, the only advantage of the  
10 approval of the application is to reduce Ameren's yearly tax amount. The great disadvantage of  
11 the approval of the application is to deprive the citizens and taxing entities of Atchison County of  
12 the tax revenues that will be paid by the developer of the wind power project that will be avoided  
13 if Ameren's application is granted and the wind power project is transferred to Ameren.

14 There will be no more electric power generated if the application is granted than if it is  
15 denied. There will be no more wind towers built. From this testimony and the record provided  
16 by Ameren, it can be concluded that great harm will be inflicted on the citizens of Atchison  
17 County if the application is granted. No harm will be placed on Ameren and certainly there is  
18 no necessity to gain the desired electric power of Ameren because Ameren can just as easily  
19 purchase the power generated by the wind towers owned by the non-regulated owner as it can  
20 generate the power as if it owned the towers. The difference is in taxation, not availability of  
21 power to help Ameren meet its energy needs in compliance with the law and to meet its  
22 customers' energy needs.

**IV. RELIEF REQUESTED**

The Public Service Commission should deny Ameren's application for Certificate of Necessity and Need because the Ameren has not proven that there is a need for Ameren to own the wind power project in order to obtain the electric power that it asserts it needs to serve its customers. When balancing the public good produced by local taxation by local taxing districts against the lack of benefit to the public by Ameren's application and the losses to the citizens of Atchison County, it is clear that the application must be denied.

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

In the Matter of the Application of Union       )  
Electric Company d/b/a Ameren Missouri for       )  
Permission and Approval and a Certificate of       )  
Public Convenience and Necessity Authorizing       )  
It to Construct a Wind Generation Facility.       )

File No. EA-2019-0021

**AFFIDAVIT OF LORI JONES**


STATE OF MISSOURI                                )  
  ) ss  
COUNTY OF ATCHISON                         )

Lori Jones, being first duly sworn on his oath, states:

1. My name is Lori Jones. I work in the County of Atchison, Missouri and I am employed by Atchison County as the duly elected County Assessor.
2. Attached hereto and made a part hereof for all purposes is my Direct Testimony on behalf of Atchison County, Missouri consisting of seven (7) pages and one (1) exhibit, all of which have been prepared in written form for introduction into evidence in the above-referenced docket.
3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct.

  
\_\_\_\_\_  
Lori Jones

Subscribed and sworn to before me this 20<sup>th</sup> day of December, 2018.

  
\_\_\_\_\_  
Notary Public

My commission expires:

