

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI
REBUTTAL TESTIMONY OF MIKE FISHER
ON BEHALF OF AQUILA, INC.
D/B/A AQUILA NETWORKS-MPS
CASE NO.

FILED

MAY 11 2006

Missouri Public
Service Commission

DRAFT

- 1 Q. Please state your name and business address?
- 2 A. My name is Mike Fisher and my business address is _____.
- 3 Q. By whom are you employed and in what capacity?
- 4 A. I am employed by the city of Peculiar ("Peculiar") as City Manager.
- 5 Q. What are your responsibilities as City Manager of Peculiar?
- 6 A. [DESCRIBE responsibilities with as much emphasis on planning, land use, zoning, etc.]
- 7 Q. What is your educational background?
- 8 A. [AGAIN, DESCRIBE formal education and any other classes/programs attended that
- 9 relate to city planning, land use, etc.]
- 10 Q. What is the purpose of your testimony?
- 11 A. On page 7, lines 22-23 of Aquila witness Chris R. Rogers' Direct Testimony, the
- 12 statement is made that "The city of Peculiar was considering annexation and favorable
- 13 zoning in addition to tax exempt financing for the project." It is my testimony that the
- 14 city of Peculiar was more than just "considering" annexation and favorable zoning and
- 15 had, in fact, taken several steps to work with Aquila to locate the peaking generation
- 16 facility in the Peculiar area.
- 17 Q. Who initiated contact with Aquila about the possibility of locating the peaking
- 18 generation facility in the Peculiar area?
- 19 A. I did. On July 6, 2004, I contacted Mark Dawson, the Economic Development Manager
- 20 for Aquila, to see if there was any interest in considering relocating the proposed site for
- 21 the generation facility from the Harrisonville area to the Peculiar area. I had read

1 articles about the difficulty that Aquila was having gaining acceptance by the city of
2 Harrisonville and local residents for the proposed site. Peculiar is growing rapidly and
3 the additional generation and transmission upgrades would increase the availability and
4 reliability of electricity for our city and Cass County. We also felt that Chapter 100
5 financing would provide economic benefit to the Ray-Pec School District and other
6 local taxing jurisdictions.

7 Q. What was Aquila's reaction to your initial contact?

8 A. Aquila was pleased that a community would be attempting to recruit the plant but also
9 expressed a desire to complete the process with the county for the Harrisonville
10 location. Aquila indicated that if the plant was moved to a different site, it did not want
11 to encounter local resistance again. Therefore, Aquila wanted Peculiar to assume
12 responsibility for land-use issues by working with residents in the community, annexing
13 the property, and changing the zoning, if required.

14 Q. What happened next?

15 A. When the Cass County Planning Board on July 13, 2004 voted 6-0 to deny Aquila's
16 request for a special use permit at the Harrisonville location, a series of meetings began.
17 I worked with Aquila to identify potential sites and on August 10, 2004, Aquila's
18 consultant, SEGA, had identified a location just south of our city limits. The location
19 was next to a natural gas compressor station and I made contact with the landowner to
20 see if he had an interest in selling. He did. I felt that this was an excellent location for
21 the plant since there was already an industrial use on part of the parcel and the owner
22 was a willing seller.

23 Q. Did you take any steps to talk to local residents about the possibility of locating a plant
24 on this site?

25 A. Yes. I personally met with [DESCRIBE contacts made]. An open meeting was held

1 with the Peculiar Chamber of Commerce on September 14, 2004 and an open house
2 scheduled at Aquila's Greenwood generation facility on September 15, 2004. A second
3 tour of Greenwood was held on October 1, 2004 for the surrounding home owners.
4 Then on October 11, 2004, a public information meeting was held in Peculiar with a
5 third tour of Greenwood on October 12, 2004.

6 Q. What steps did Peculiar take to annex the property?

7 A. On August 20, 2004, I sent a letter to Gary Mallory, Presiding Commissioner of Cass
8 County stating our intent to annex certain properties in the near future and that
9 annexation of a section of Harper Road would assist the city in that action.(Can you add
10 any other information about conversations you had with him about the purpose of the
11 annexations....attract the Aquila peaking plant?) The section of Harper Road that we
12 intended to annex is shown on Exhibit A.

13 On September 7, 2004, the Peculiar Board of Aldermen passed a resolution to support
14 the project and approve the \$150 MM economic development package. (Exhibit B).

15 On September 16, 2004, the Cass County Commission passed Resolution No. 04-06
16 requesting that the city of Peculiar annex that specified portion of Harper Road (Exhibit
17 C).

18 Q. What happened next?

19 A. Public notice was provided on September 28, 2004, of Peculiar's intent to annex that
20 specified portion of Harper Road (Exhibit D) and the Board of Aldermen voted
21 unanimously to approve the 1st reading. Peculiar also provided public notice of its
22 intent to annex the land site for the peaking plant on [Date] and on October 19, 2004,
23 voted 6-0 to approve the first reading. Unfortunately, several county residents, who
24 attended this meeting, voiced concern about the plant and road annexation, threatening
25 legal action to challenge the annexations. The second readings were tabled. On

1 October 23, 2004, the Peculiar Board of Aldermen met again and decided not to pursue
2 annexation but agreed to continue with the Chapter 100 financing.

3 Q. Why did the Peculiar Board of Aldermen make the decision against annexation?

4 A. Exhibit E is a copy of the letter I sent Aquila explaining the city of Peculiar's position.
5 We had also sought advice from legal counsel who concluded that Aquila, with its
6 certificate of convenience and necessity, had the legal authority to build the plant at the
7 location.

8 Q. Did you have any communication with Cass County about the decision?

9 A. Yes. On November 5, 2004, Aquila representatives and I met with Commissioner
10 Mallory and Cass County Counsel to review the decisions made and the basic legal
11 position. Mr. Mallory [CAN YOU SUMMARIZE your recollection of his comments
12 during the meeting?]

13 Q. Do you have any concluding comments?

14 A. Yes. I felt it was important to file this rebuttal testimony to clarify the record about
15 Peculiar's role in recruiting Aquila's peaking generation plant. Our role was more than
16 a passive "considering," as stated by Mr. Rogers, and was in fact, an aggressive effort to
17 locate a peaking generation facility on a parcel of land that had the supporting
18 infrastructure and was adjacent to an existing industrial land-use.