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Tax Assessment of Grain Belt Facilities;
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MISSOURI PUBLIC SERVICE COMMISSION

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Service Commission

REBUTTAL TESTIMONY OF
LOUIS DONALD LOWENSTEIN
ON BEHALF OF
MISSOURI LANDOWNERS ALLIANCE

September 15, 2014

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1 **Q. Please state your name.**

2 A. Louis Donald Lowenstein.

3 **Q. On whose behalf are you testifying?**

4 A. I am testifying on behalf of the Missouri Landowners Alliance (Alliance).

5 **Q. Do you have any affiliation with the Alliance?**

6 A. Yes, I am its president, and one the four members of its board of directors.

7 **Q. What subjects are you addressing in this testimony?**

8 A. I will cover three general topics: background information on the Alliance; the
9 method by which the Grain Belt project would be assessed in Missouri for tax purposes;
10 and at the request of our attorney, I will offer several documents into evidence.

11 **I. BACKGROUND ON MISSOURI LANDOWNERS ALLIANCE**

12 **Q. Please briefly describe the Missouri Landowners Alliance.**

13 A. The Alliance is a Missouri non-profit corporation, organized in March of this
14 year for the primary purpose of opposing the transmission line being proposed by Grain
15 Belt Express.

16 **Q. How did the Alliance begin?**

17 A. The Alliance grew out of a grass-roots movement which had been working
18 against the line for several months before we incorporated.

19 **Q. What are the main objectives of the Alliance?**

20 A. The Alliance has two main objectives. The first objective was to recruit
21 members who oppose, for varying reasons, the Grain Belt Express transmission line
22 project (the Project). The second objective was to raise money for the purpose of funding
23 a legal defense.

1 **Q. Does the Alliance have any paid positions?**

2 A. No. All work done by the Alliance board of directors and its members has
3 been on a voluntary, non-paid basis.

4 **Q. What are the requirements for joining the Alliance?**

5 A. Submit a membership agreement using a paper form or online at our website.
6 (www.missourilandownersalliance.org)

7 **Q. In addition to your website, what other methods were successful in**
8 **recruiting members?**

9 A. The Alliance has also received a tremendous amount of support in the way of
10 newspaper and television coverage, which usually resulted in new memberships.

11 **Q. Did any organizations help you recruit new members?**

12 A. Yes. We received support from the Missouri Farm Bureau, the Illinois Farm
13 Bureau and the Missouri Cattlemen's Association.

14 **Q. When did the first member join the Alliance?**

15 A. The first membership was recorded on February 28, 2014.

16 **Q. Are you still getting new members to join?**

17 A. Yes. The most recent new member joined on September 3, 2014.

18 **Q. How many Alliance members do you currently have?**

19 A. Currently there are 827 members

20 **Q. Are all Alliance members individuals?**

21 A. No. Of the 827 members, 817 are individuals and 10 are businesses.

22 **Q. Do you have the support from any particular state-wide organizations?**

1 A. Yes, we do. On March 31, 2014 the Illinois Farm Bureau provided a letter of
2 support for us in opposing the Grain Belt transmission line. On April 21, 2014 Missouri
3 Farm Bureau voted to support us in opposing the Grain Belt transmission line. On June
4 19, 2014 the Board of the Missouri Cattlemen's Association voted to support us in
5 opposing the Grain Belt transmission line.

6 **Q. Let's shift the questioning from the Alliance membership to the Alliance**
7 **fund-raising. Were members required to donate to join?**

8 A. No. Donations were optional.

9 **Q. Why did the Alliance need donations?**

10 A. All donations were procured in anticipation of large legal fees the Alliance
11 expected to incur. The board of directors decided to set our goal high and build the most
12 compelling case we could on behalf of our members.

13 **Q. Who were the donors?**

14 A. The Alliance is willing to represent all Missouri landowners, including those
15 on the line from St. Joseph Missouri to Hannibal Missouri and Missouri landowners not
16 on the line. Donations came from a cross section of these members.

17 **Q. How many donation transactions were received by the Alliance?**

18 A. We recorded 277 donation transactions.

19 **Q. What was the largest donation?**

20 A. Our largest donation was \$5,000.

21 **Q. How many donations were \$1,000 or more?**

22 A. We received 32 donations that were \$1,000 or more.

23 **Q. What was the smallest donation?**

1 A. Our smallest donation was \$1.

2 **Q. Are donations still coming in?**

3 A. Absolutely. The most recent donation was made on September 2, 2014.

4 **Q. What was the most "typical" donation amount?**

5 A. Most donations were between \$100 and \$250.

6 **Q. Are there adequate audit trails of each and every donation?**

7 A. Yes. We have very strong internal and access controls in place to ensure the
8 safekeeping of Alliance funds.

9 **Q. What will happen to any funds which remain with the Alliance after this
10 case and any related proceedings are concluded?**

11 A. Under our Articles of Incorporation, we are required to donate any such funds
12 to the American Red Cross.

13 **Q. Does that complete your testimony on the Alliance and its fund raising
14 activity?**

15 A. Yes, it does.

16 **II. TAX ASSESSMENT OF GRAIN BELT PROJECT**

17 **Q. Please briefly describe your educational background as it relates to this
18 next topic.**

19 A. I received a Bachelor's degree in Accounting from the University of
20 Massachusetts in 1982. I've been a licensed CPA since 1983.

21 **Q. What has been your work experience since graduating from college?**

22 A. My professional career began in 1982 at Arthur Young and Company,
23 Chicago IL. I worked as a computer auditor assisting in performing audits of very large

1 corporations. Much of my responsibility was programming large computer systems. I
2 then worked for one year at the Signature Group in Schamburg IL. In 1986 I moved to
3 Missouri and founded Lowenstein and Associates, PC. I still own and operate this
4 business.

5 **Q. What is the primary business of Lowenstein and Associates, PC?**

6 A. Lowenstein and Associates, PC is a licensed CPA firm. We develop and
7 deploy accounting software solutions for banks and credit unions all across the United
8 States.

9 **Q. How many clients does your firm have?**

10 A. Currently we service over 400 clients.

11 **Q. When did you receive your CPA license?**

12 A. Originally I was certified in Illinois on September 15, 1983, certificate
13 #35887. I was certified in Missouri on April 23, 1990, certificate #14296.

14 **Q. Do you have any significant experience related to how the Grain Belt
15 project would be assessed for tax purposes?**

16 A. No, I am not claiming to be an expert in that field, and will not be rendering
17 any opinion here as a tax expert. My purpose is to present factual information to the
18 Commission on this subject, based on the research I have done on the issue.

19 **Q. Do you have any related experience in any area that will assist you in
20 understanding your research?**

21 A. Yes. Besides being a CPA and generally understanding tax principles and
22 concepts, our company, Lowenstein and Associates, PC has designed, built and
23 maintained a piece of software called "Construction Loan Manager" or CLM for short.

1 **Q. How is this relevant to this hearing?**

2 A. CLM is a job-cost-accounting program specifically designed to account for
3 construction loans work in process costs.

4 **Q. Who uses CLM?**

5 A. CLM has been utilized by banks and credit unions for over 25 years.

6 **Q. Where are these clients located?**

7 A. These clients are located all across the US.

8 **Q. Again, please, explain the relevance.**

9 A. A major component of calculating property taxes in Missouri during the
10 construction period involves the calculation of Construction Work in Progress, or CWIP
11 for short. This concept is closely related to construction loan accounting for work in
12 progress, which is at the heart of my firm's CLM software program.

13 **Q. What is CWIP?**

14 A. "Construction work in progress" means the total of the balances of work
15 orders for plant, road and equipment including expenditures on research, development
16 and demonstration projects for construction of facilities.

17 **Q. Are you saying you do have significant experience in calculating CWIP?**

18 A. Yes.

19 **Q. How important is CWIP in calculating utility assessed values?**

20 A. During the construction period of the line and the first year in service, CWIP
21 will be the biggest component of the property's fair market value.

22 **Q. Do you have any other related experience in any area that will assist you**
23 **in understanding your research?**

1 A. Yes. Our firm has also designed, built and maintained a piece of software
2 called "Loan Grader."

3 **Q. How is this relevant to this hearing?**

4 A. Loan Grader is a tool to measure and account for impairment of assets.

5 **Q. Who uses Loan Grader?**

6 A. Loan Grader has been utilized by banks and credit unions for over 23 years.

7 **Q. Where are these clients located?**

8 A. These clients are located all across the US.

9 **Q. Again, please, explain the relevance.**

10 A. After the line is placed in service it will be valued by MSTC using a variety of
11 fair market value assessment methods. In determining the fair market value, MSTC has
12 to consider whether the value of the Project is impaired by any external or internal
13 factors, both real and probable. If any impairment exists, the value of the asset is reduced
14 to reflect that impairment level.

15 **Q. What is Impairment?**

16 A. According to Merriam-webster.com, Impair is defined as "to damage or
17 make worse by or as if by diminishing in some **material** respect." In accounting terms
18 impairment is a noun that is a measurement of an assets' diminished value.

19 **Q. What does "material" mean in this context?**

20 A. In accounting terms, usually, a discrepancy of more than 5% is considered to
21 be a material amount. Material discrepancies are thoroughly investigated by accountants
22 before they sign off on a financial statement. Their opinion will always say something to

1 the effect of "I certify that these financial statements are **materially** accurate."

2 Discrepancies of less than 5% are usually considered to be immaterial.

3 **Q. Are you saying you do have significant experience in calculating**
4 **impairment?**

5 A. Yes.

6 **Q. How important is impairment analysis in calculating an asset's assessed**
7 **values?**

8 A. If impairment is present, the value of the asset must be adjusted lower to
9 reflect the impairment.

10 **Q. What affect would impairment have on the Project's tax liability?**

11 A. The tax liability would be reduced.

12 **Q. What could possibly impair the value of the Project?**

13 A. Many things. Most are unforeseeable at the present time. Possible
14 impairment scenarios could be elimination of federal tax credits, and changes in laws
15 which restrict windmill operation or power line operations.

16 **Q. What was the source of your research on the tax assessment issue?**

17 A. I have primarily relied upon four sources: 1. Personnel in the office of the
18 Missouri State Tax Commissioner's office (MSTC). 2. Missouri Secretary of State
19 website - Division 30 rules for the Missouri State Tax Commission.
20 (<http://www.sos.mo.gov/adrules/csr/current/12csr/12csr.asp#12-30>). 3. MSTC website
21 (<http://stc.mo.gov>) and 4. Clinton County Missouri courthouse offices of the assessor and
22 collector.

23 **Q. What did the Missouri State Tax Commission's office provide for you?**

1 A. They were very helpful. I spoke with Rosella Schad and Randy Wright on
2 several occasions. They explained the complete assessment process that is performed by
3 the state. They also assisted me in verification of my facts and understanding of the
4 Missouri property tax assessment process.

5 **Q. What did the Missouri Secretary of State website provide for you?**

6 A. Factual references to the law and regulations. Rosella and Randy were helpful
7 in "pointing me in the right direction."

8 **Q. What did the Clinton county assessor and collector provide for you?**

9 A. An understanding of both the assessment and collection processes at the local
10 county level. My primary resources were Jerry Howard, Assessor and Shelly King in the
11 collector's office.

12 **Q. In general, how are property taxes calculated in Missouri?**

13 A. Property is classified according to its type. All real and tangible personal
14 property is subject to tax.

15 **Q. What difference does the type make?**

16 A. Missouri rules and regulations vary depending upon a property's type. For
17 example, personal automobiles are taxed differently than utility company power lines.

18 **Q. What are the factors affecting the actual tax calculation?**

19 A. The property's fair market value, property purpose, owner type, assessment
20 level factor, property location, taxing jurisdiction and tax levy.

21 **Q. What is fair market value?**

22 A. Basically, the value for which a property could be sold.

23 **Q. Who determines the fair market value?**

1 A. Either the MSTC or the local county tax assessor.

2 **Q. What determines which assessor performs the assessment?**

3 A. The type of property and type of entity owning the property.

4 **Q. What types of property are there for tax purposes?**

5 A. Real and personal property.

6 **Q. What is real property?**

7 A. It includes land, improvements to the land and all rights inherent in
8 ownership.

9 **Q. What is personal property?**

10 A. Any property that is not real property; that is, not permanently affixed to or
11 part of real estate. Examples of personal property include cars, boats, aircraft and farm
12 equipment.

13 **Q. How does the type of owner make a difference?**

14 A. CSR Division 30 chapter 2 has very specific rules governing assessment
15 depending upon the type of owner. Different assessment rules apply for individuals,
16 utilities, railroads, and such.

17 **Q. What type of owner will MSTC classify the Grain Belt project?**

18 A. The Project will be classified for property tax purposes as an electric
19 company.

20 **Q. Who assesses electric companies?**

21 A. Both the MSTC or the local county tax assessor.

22 **Q. What property does the local assessor value for electric utilities?**

1 A. Several things, including motor vehicles, CWIP, materials and supplies, and
2 office furniture, to name a few. A complete list is at 12 CSR 30-2.015(5)(A), at page 3 of
3 6 of Schedule LDL-1.

4 **Q. What property does the MSTC value for electric utilities?**

5 A. Boiler plant equipment, turbo-generator units and generators; Station
6 equipment; Towers, fixtures, poles, conductors, conduit transformers, services and
7 meters; and substation equipment and fences to name a few. A complete list is at 12 CSR
8 30-2.015(5)(B), at page 3 of 6 of Schedule LDL-1.

9 **Q. How does the assessor calculate the fair market value for electric
10 company's real and personal property?**

11 A. In some cases it is very straightforward. Motor vehicles, office furniture, and
12 the sort are easier to appraise and calculate the fair market value because there are
13 numerous examples of these types of property available to compare to and calculate a
14 comparable fair market value. The fair market value calculation of the transmission line
15 is much more complicated.

16 **Q. What property valuation methods are used to determine fair market
17 value by MSTC?**

18 A. There are three. The Cost Approach, Income Approach, and Stock and Debt
19 Market Approach.

20 **Q. Which method(s) will be used to assess the fair market value of Grain
21 Belt's transmission line?**

22 A. For electric utilities it depends on whether the line is in service or not. The
23 valuation process is very different before and after the project is placed into service.

1 **Q. What valuation method will be used during construction to calculate fair**
2 **market value?**

3 A. During the construction period the fair market value of the line is based upon
4 CWIP in place on January 1st, and then ultimately assessed at the local level using the
5 "cost approach".

6 **Q. How will the fair market value of the project be determined during the**
7 **CWIP phase?**

8 A. The fair market value during CWIP is calculated based upon a combination of
9 inputs from Grain Belt, MSTC and each county assessor.

10 **Q. What input does Grain Belt provide?**

11 A. They will provide an accounting of all CWIP, including all hard and soft
12 costs.

13 **Q. What are hard costs?**

14 A. Hard costs are actual construction materials and building expenses, incurred in
15 the planning, design and construction of the line.

16 **Q. What are soft costs?**

17 A. These are costs incurred that are not directly related to the actual building of
18 the project.

19 **Q. Can you provide examples of soft costs?**

20 A. Insurance, engineering, interest, promotion and other costs of this nature that
21 are related to the project and not actual building or operating expenses.

22 **Q. What input does the MSTC provide?**

1 A. The MSTC will review the Grain Belt cost figures and will determine their
2 number for the actual fair market value of all CWIP of the Project, as of January 1st each
3 year during the construction period. The MSTC may adjust Grain Belt's figures if they
4 feel, based upon their expertise, an adjustment is warranted.

5 **Q. What input does each county assessor provide?**

6 A. Each county is free to apply a valuation factor to the MSTC's CWIP value.
7 That factor can typically range from 50% to 100%, depending on each county.

8 **Q. What determines the actual factor?**

9 A. The county factor is solely up to the discretion of each county assessor.

10 **Q. At this point, do the counties know the value of the factors they will apply
11 to the Grain Belt project?**

12 A. I asked the Clinton County Assessor, Jerry Howard, what factor he will use.
13 He said he did not know at the current time.

14 **Q. Do you think Grain Belt can reasonably estimate the property tax
15 revenue each county will receive during the construction period?**

16 A. No.

17 **Q. Why is it not possible to reasonably estimate the property taxes due from
18 the project during the construction period?**

19 A. At this point the costs are only estimates with many unknown CWIP variables.
20 Also, there are unknown local adjustment factors at this point.

21 **Q. What is so difficult about reasonably estimating CWIP for the Project?**

22 A. There are so many unknown CWIP variables during a construction project.
23 Delays could decrease the overall CWIP resulting in a lower Project fair market value.

1 Unforeseeable hard and soft cost expenses would increase the Project's fair market value.
2 Also, the soft costs are very hard to pinpoint. MSTC informed me that this is usually a
3 major negotiation point because of the vagueness of some soft costs.

4 **Q. What vagueness?**

5 A. Not all expenses of Grain Belt will become CWIP. Some will be operating
6 expenses. Proper classification of these expenses between operating expenses and CWIP
7 is not always clear cut, but is critical to the CWIP calculation.

8 **Q. What is the effect of classify more or less expenses as CWIP?**

9 A. The more money that is applied to CWIP, the higher Grain Belt's fair market
10 value.

11 **Q. Will lower CWIP result in lower fair market value?**

12 A. Yes.

13 **Q. Are there any more unknowns?**

14 A. Yes. I believe one of the biggest unknowns in estimating the property tax bill
15 during construction is the fact that the final assessments are done at a local level, not at
16 the state level during the CWIP phase. The discretion of the local assessor comes into
17 play.

18 **Q. Why is this an unknown?**

19 A. Grain Belt can't possibly know at this point what the county adjustment
20 factors are.

21 **Q. Why not?**

22 A. These are determined locally in each individual county, at the discretion of the
23 local assessors during CWIP.

1 **Q. What assessment method will be used once the line is placed into service?**

2 A. After the line is placed into service and Grain Belt can produce financial
3 statements based upon operation, the MSTC will calculate the fair market value of the
4 line using a combination of all three approaches: the cost approach, the income
5 approach, and the stock and debt market approach.

6 **Q. Why the change in approach?**

7 A. It is an MSTC requirement for calculating an electric company's fair market
8 value.

9 **Q. What, exactly, do these approaches encompass?**

10 A. The Project's fair market value will consider elements of Grain Belt's ongoing
11 financial statements.

12 **Q. Can you explain the process?**

13 A. It is very complex. A definition of the assessment approaches is provided at
14 Schedule LDL-2. Essentially, these are methods to calculate fair market value of utilities,
15 based upon complex calculations derived from the company's operating income, debt
16 structure and stock price.

17 **Q. Are these techniques unique to Missouri?**

18 A. No. I was told by MSTC that these techniques are used by all states.

19 **Q. Are you an expert in calculating fair market value using these various
20 approaches?**

21 A. No. The MSTC office explained it briefly. The mechanics are very technical,
22 detailed and complex.

23 **Q. Why does MSTC calculate fair market value under all three approaches?**

1 A. They are experts in assessing fair market values to utilities. Each calculation
2 result will be analyzed in detail, and used as a basis for a final value of the Project's fair
3 market value.

4 Q. Will results from more than one calculation sometimes play into the final
5 calculation?

6 A. Yes.

7 **Q. Can you describe in laymen's terms how these approaches work?**

8 A. In the most simplistic terms, the MSTC calculation of fair market value of a
9 financially strong company will be much greater than the fair market value of a
10 financially weak company, even if they have essentially the same type of property
11 covering the same number of miles.

12 **Q. Are you suggesting that over time, if Grain Belt is a very successful**
13 **company financially, MSTC will place a higher fair market value on the line?**

14 A. Yes.

15 **Q. What if Grain Belt struggles financially? Will MSTC place a lower fair**
16 **market value on the line?**

17 A. Yes.

18 **Q. What is the end result of a lower fair market value on the line due to poor**
19 **financial performance?**

20 A. Lower fair market value results in a lower assessed value which results in
21 lower property taxes paid by the property owner.

22 **Q. What else will affect the fair market value of the line after it is placed in**
23 **service?**

1 A. Depreciation is one factor that will lower MSTC's fair market value
2 calculation. There are also other types of events that will affect the fair market value.

3 **Q. Provide an example.**

4 A. Changes in laws regarding the various tax credits for this type of Project and
5 for the wind farms in Kansas are examples. If these go away the Clean Line financial
6 statements could potentially be worse.

7 **Q. How will the line be assessed once in service?**

8 A. Initially CWIP is all the MSTC will have to base the fair market value
9 calculation upon. This is commonly referred to as "the cost approach" for calculating
10 assessed values and will probably be the valuation approach used in the first year the
11 Project is in service.

12 **Q. Will the CWIP approach be used every year for the project?**

13 A. No. Once the line has been in operation for a year MSTC will use a
14 combination of the three assessment methods.

15 **Q. Will Missouri receive property tax based upon the fair market value of
16 the entire line?**

17 A. No. Missouri's fair market value share of the line will be apportioned
18 according to the overall fair market value of the Project, prorated based upon the miles
19 covered in Missouri.

20 **Q. How will the line apportionment work?**

21 A. The total proposed line is 750 miles and Missouri's proposed portion covers
22 205 miles. Most likely 27% (205/750) of the direct line's cost will be apportioned to
23 Missouri.

1 **Q. Will the Project's entire costs be prorated based upon miles?**

2 A. No. If special property is located in Missouri, that property value will remain
3 in Missouri's calculation.

4 **Q. Please provide an example.**

5 A. Grain Belt has proposed a DC to AC converter station in Missouri. If it is
6 built, the value of that converter station will be totally apportioned to Missouri.
7 Similarly, none of the value of the other two converters will be apportioned to Missouri.

8 **Q. Once the fair market value is determined, whether by the MSTC or
9 county assessor, how is the assessed value determined?**

10 A. The next step depends on the type of property. The market value is reduced
11 by an Assessment Level Factor.

12 **Q. What is that?**

13 A. A factor applied to the final fair market value that determines the final
14 assessment of a particular property.

15 **Q. What will be the assessment level factor for the transmission line?**

16 A. The line will be classified as Commercial Real Property and will have an
17 assessment level factor of 32%.

18 **Q. How does this factor affect the assessed value of the transmission line?**

19 A. The fair market value is adjusted by the factor to determine the final assessed
20 level. In Grain Belt's case, since the line is classified as commercial property, the
21 assessed value will be 32% of the final fair market value calculation.

22 **Q. Will the project be reassessed every year while in operation?**

1 A. Probably not. Normally, once the project is placed into service it will be
2 reassessed in odd-numbered-years like 2011, 2013, 2015 etc.

3 **Q. Could the project be reassessed in even-numbered years?**

4 A. Yes. If additional construction is performed and completed while in-service,
5 the Project could be reassessed in an even-numbered year.

6 **Q. We have discussed the process for calculating an assessed value. You**
7 **stated that the next component to calculating property tax is the taxing jurisdiction.**
8 **What is a taxing jurisdiction?**

9 A. For this discussion it is an entity that levies property tax.

10 **Q. What some are examples?**

11 A. There are many which include, but are not limited to: The State of Missouri
12 and each Missouri county, city, town, municipality, ambulance district, fire district,
13 school district and so forth.

14 **Q. What determines if a jurisdiction can collect a property tax from an**
15 **owner of real or personal taxable property in Missouri?**

16 A. It's very simple. If the taxable real or personal property is located within a
17 taxing jurisdiction the owner will most likely have a tax liability to that jurisdiction.

18 **Q. Do all jurisdictions levy tax on taxable property in their jurisdiction?**

19 A. No. There are about 50 economic development zones in the state, located in
20 places where there is blight, unemployment, etc. In those areas, to attract employers, or
21 encourage employers to expand, some property improvements are given tax abatements
22 for a period of years.

1 **Q. What if an owner does not have property within a particular jurisdiction**
2 **or it is an exempt jurisdiction?**

3 A. The owner will not have a property tax liability to that jurisdiction.

4 **Q. What is a tax levy?**

5 A. A levy is a rate of tax per \$100 of assessed value.

6 **Q. How does the levy rate get set?**

7 A. New tax levies and changes to existing levies requested by placing a question
8 on the ballot on Missouri election days. If approved by voters, the new levy is set. If not
9 approved by voters no changes will be made to that particular levy.

10 **Q. Do all taxing entities in a given jurisdiction have the same levy?**

11 A. No. Usually the levy to the school districts is the largest. In Clinton county
12 Missouri, the school levies range from 4.1968 to 5.3461 and the Clinton county fire
13 district levies range from 0.2473 to 0.9852.

14 **Q. How is the property tax calculated?**

15 A. First, the final assessed value is calculated as (Property fair market value *
16 Assessment Level Factor).

17 **Q. What is next?**

18 A. The final tax due = (Assessed value * levy rate) / 100

19 **Q. Why is the result divided by 100?**

20 A. Levy rates in Missouri are expressed as a percentage for every \$100 of
21 assessment.

22 **Q. Can you provide a simple example?**

1 A. Sure. Suppose a property has a final fair market value of \$100,000, it has a
2 commercial purpose and is subject to a levy of \$5.00 (per \$100 assessed value). The tax
3 would be calculated as: Final Fair market value of 100,000 * 32% = \$32,000 assessed
4 value. The tax would be $(\$32,000 * \$5.00) / 100 = \$1,600$ per year.

5 **Q. Does the owner of the property pay each jurisdiction separately?**

6 A. No. The county collector will create a single property tax bill for the owner
7 which contains tax due for every jurisdiction and levy applicable for the location of the
8 property.

9 **Q. If two companies have essentially the same transmission line covering the**
10 **same distance in a given county, and traverse the same jurisdictions, will the final**
11 **assessed value be the same for those two essentially identical lines?**

12 A. Probably not. The age of each line and the company's financial success or
13 failure will result in very different market values as determined by MSTC.

14 **Q. Will the Grain Belt Project pay property tax to any incorporated city,**
15 **town or municipality in Clinton County?**

16 A. No.

17 **Q. Why not?**

18 A. The Project does not enter any city, town or municipality limits.

19 **Q. Are you saying the residents of these towns will receive zero tax revenue**
20 **from the Project?**

21 A. Yes.

22 **Q. Will the Project pay property tax to all school districts in Clinton**
23 **County?**

1 A. Based on the proposed route of the line, no. There are nine school districts
2 that levy tax in Clinton County. Only three will receive monetary benefit. The other six
3 will not.

4 **Q. Are there any other taxing jurisdictions in Clinton County that will**
5 **receive ZERO tax benefits from the Project?**

6 A. Yes.

7 **Q. Will you identify the other taxing jurisdictions in Clinton County that**
8 **will receive zero tax benefits?**

9 A. There are several which include special levies, road districts, ambulance
10 districts, fire districts, school districts and cities.

11 **Q. Which Clinton County special levies will receive zero tax benefit from the**
12 **Project?**

13 A. Grindstone watershed.

14 **Q. Which Clinton County Road districts will receive zero tax benefit from**
15 **the Project?**

16 A. Cameron Special Road and Cameron Voted Road districts.

17 **Q. Which Clinton County Ambulance districts will receive zero tax benefit**
18 **from the Project?**

19 A. DeKalb-Clinton and Cameron ambulance districts.

20 **Q. Which Clinton County Fire district levies will receive zero tax benefit**
21 **from the Project?**

22 A. Cameron, Easton, Edgerton, Holt, Lawson, Osborn and Stewartsville.

1 **Q. Which Clinton County School districts will receive zero tax benefit from**
2 **the Project?**

3 A. Cameron R1, Osborn R0, Lawson R14, Kearney R1, Smithville R2 and
4 Stewartsville C2.

5 **Q. Which Clinton County cities, towns and municipalities will receive zero**
6 **tax benefit from the Project?**

7 A. Cameron, Gower, Holt, Lathrop, Osborn, Plattsburg, Trimble and Turney.

8 **Q. How many taxing jurisdictions are there in Clinton County?**

9 A. There are 42 taxing jurisdictions in Clinton County.

10 **Q. How many jurisdictions are state or county wide and apply to all**
11 **property?**

12 A. There are seven with a combined levy of 1.446 in 2013.

13 **Q. How many other jurisdictions will receive a tax benefit from the project?**

14 A. There are nine other jurisdictions that will tax receive benefit.

15 **Q. Will those nine receive tax benefit for the entire 21 miles of the line?**

16 A. No. They will only receive tax benefit for the structures located within their
17 jurisdiction.

18 **Q. How many of the 42 jurisdictions will receive zero tax benefit from the**
19 **Project?**

20 A. Of the 42 jurisdictions in Clinton county 26 jurisdictions will receive zero tax
21 benefits from the Project.

22 **Q. Would you estimate that the majority of Missourians residing in Clinton**
23 **county will or will not receive tax benefits from the line?**

1 A. Clearly, the majority will not. Much of the population lives in the county's
2 cities, towns and municipalities.

3 **Q. Is it reasonable to assume this illustration would apply to the other seven**
4 **counties on the proposed Project's final route?**

5 A. Yes. Especially in Buchanan County where there is a major population
6 center in St. Joseph. The line will not be in the city limits of St. Joseph, hence no tax
7 benefit to jurisdictions solely located with the St. Joseph city limits. This concept applies
8 to all of the other population centers along the line.

9 **Q. Clean Line has responded to several data requests from the Alliance**
10 **regarding tax calculations. Do you agree with the assumptions in their calculations?**

11 A. No. The documents we received stated that their calculations assume the
12 "cost approach" will be used. Their estimates in the data requests are also limited to the
13 first year of operation. But even if they were able to accurately estimate the amount of
14 property taxes in the first year of operation, that value would not be meaningful in the
15 years thereafter.

16 **Q. Do you think Grain Belt can accurately estimate property tax liabilities**
17 **during CWIP?**

18 A. No, not based upon my preceding testimony.

19 **Q. Can Grain Belt accurately estimate the taxes they will pay after the first**
20 **year of operation?**

21 A. No. Not at all. The office of MSTC said repeatedly it was IMPOSSIBLE to
22 calculate future tax payments due to so many unknown variables during CWIP and the
23 in-service period. Most of the required variables simply cannot be known at this point.

1 Rhetorically speaking, how can they know what their income, debt structure and stock
2 price, and negative environmental issues will be in the future? All of these are key
3 variables in the three valuation methods.

4 **Q. What if Grain Belt and Clean Line are not publically traded companies?**

5 A. It makes no difference in the approach. The calculations will use private
6 investor equity in the same manner it would calculate fair market value using public
7 investor equity.

8 **Q. If future income, debt capitalization and stock price data is not available**
9 **today, how can Grain Belt possibly estimate their Missouri property tax bill in**
10 **future years?**

11 A. They cannot accurately estimate their tax bill in future years. Both MSTC
12 staff members that I spoke with said it is IMPOSSIBLE at this point to calculate a tax
13 assessment on this project after it has been placed into service, beyond the first year,
14 because the financial information they use to assess the property is simply not available
15 today.

16 **Q. Did the MSTC state this more than once?**

17 A. Yes. Both Rosella and Randy repeatedly stated it is impossible at this point to
18 calculate the future tax liability of the Project because of so many unknown variables.

19 **Q. Do you think it is misleading for Grain Belt to state that their tax benefits**
20 **to Missouri will be based upon the cost approach and only discuss the first year of**
21 **operation?**

1 documents in Schedule LDL-4 are true and accurate copies of what they sent to me in
2 return. The one exception is the last document in that Schedule, which was sent directly
3 from the Caldwell County Commission to our attorney.

4 **Q. Please describe what is shown at Schedule LDL-5.**

5 A. Schedule LDL-5 consists of documents concerning eleven organizations we
6 are aware of which complained of being listed as a supporter of Grain Belt. There may of
7 course be more that we have no knowledge of.

8 **Q. Finally, what is shown at your Schedule LDL-6?**

9
10 A. Schedule LDL-6 consists of an article which appeared last month in *Rural*
11 *Missouri*, which is a newsletter published and distributed by the Association of Missouri
12 Electric Cooperatives.

13 This particular article discusses traditional and renewable sources of energy used
14 by the Cooperatives. While it recognizes that renewables have a place in the mix, it also
15 points out two of their chief drawbacks: the lack of reliability, and the relatively high
16 cost. To quote from the article:

17 At some point, the wind stops blowing and the water behind the
18 dams gets too low for power generation. Solar power is getting a lot of
19 press these days, but eventually the sun sets and solar panels stop working.

20 For every watt of renewable power you use, there has to be an
21 equal amount of electricity waiting to take over should these intermittent
22 power sources stop. You wouldn't be happy waiting on an operating table
23 if the only power source was wind or solar.

24 Renewables also are much more expensive. This is the chief
25 reason renewable energy is a smaller piece of the power-supply mix.

26

27 **Q. Does that conclude your testimony?**

28 A. Yes, it does.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

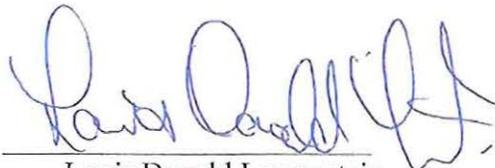
In the Matter of the Application of Grain Belt Express)
Grain Belt LLC for a Certificate of Convenience and)
Necessity Authorizing it to Construct, Own, Operate,)
Control, Manage, and Maintain a High Voltage, Direct) Case No. EA-2014-0207
Current Transmission Line and an Associated Converter)
Station Providing an interconnection on the Maywood-)
Montgomery 345 kV Transmission Line)

AFFIDAVIT OF LOUIS DONALD LOWENSTEIN

STATE OF MISSOURI)
) SS
COUNTY OF CLINTON)

Louis Donald Lowenstein, being first duly sworn on his oath states:

1. My name is Louis Donald Lowenstein.
2. Attached hereto and made a part hereof for all purposes is my Rebuttal Testimony, submitted on behalf of the Missouri Landowners Alliance.
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, and that the documents in the attached Schedules truly and accurately represent what they purport to represent.


Louis Donald Lowenstein

Subscribed and sworn before me this 10th day of Sept., 2014.


Notary Public





**Rules of
Department of Revenue
Division 30—State Tax Commission
Chapter 2—Original Assessment**

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Title 12—DEPARTMENT OF REVENUE

**Division 30—State Tax Commission
Chapter 2—Original Assessment**

12 CSR 30-2.010 Appeals from the Department of Revenue or State Collector of Revenue
(Rescinded July 16, 1979)

AUTHORITY: section 138.430(1), RSMo 1969, as amended by Laws of Mo. 1978 S.B. 661, section 1, effective Aug. 13, 1978. This version of rule filed Aug. 7, 1975, effective Aug. 17, 1975. Rescinded: Filed April 13, 1979, effective July 16, 1979.

Ellsworth Freight Lines, Inc. v. Missouri Highway Reciprocity Commission, 568 SW2d 521 (Mo. banc 1978). *Trucking companies seeking refund of motor vehicle registration fees must exhaust administrative remedies before seeking judicial review, despite assertion by companies of "federal rights" violation.*

John Cabin Manor Inc. v. Aylward, 57 SW2d 59 (1974). *While the decisions of the six commission are subject to judicial review, the circuit court does not have the authority to substitute its opinion as to value for the opinion of the administrative agency upon record evidence under which different conclusion might be drawn in the exercise of administrative discretion.*

St. Louis County v. State Tax Commission, 515 SW2d 446 (1974). *Court here adhered to the general rule that technical rules of pleading are not applied to applications for relief filed with the State Tax Commission and if a petition fairly presents the claimed error or illegality it will be deemed sufficient for the purpose.*

State ex rel. Wilson Chevrolet, Inc. v. Wilcox, 332 SW2d 867 (1966). *Upon appeal from a decision of a local board of equalization to the State Tax Commission, the hearing is de novo as a contested case with a record necessarily made of the evidence adduced and of which decision of the State Tax Commission upon such appeal, a judicial review may be had.*

Op. Atty. Gen. No. 33, Otto (4-20-78). *The State Tax Commission has the statutory authority to appoint hearing examiners for conducting initial investigations and making advisory recommendations in appeals taken under section 138.430(2), RSMo (1969).*

12 CSR 30-2.011 Completion of Forms by Assessors to be Used in Original Assessment by the State Tax Commission

PURPOSE: This rule sets forth procedures to be used by assessors in the completion of forms for original assessment by the commission.

(1) Unless otherwise provided, each assessor in the state shall estimate on Form 30, Schedule 14 the market value of property owned by each railroad, telegraph, telephone, express company and other similar public utility corporations, companies and firms (afterwards referred to as company) doing business within his/her jurisdiction.

(2) Each assessor in the state shall provide a breakdown of the market value and assessment of real estate held by each company within his/her jurisdiction on Form 30, Schedule 15.

(3) Each assessor in the state shall provide a breakdown of the market value and assessment of motor vehicles held by each company within his/her jurisdiction on Form 30, Schedule 16.

(4) These forms shall be completed by each assessor per the attendant instructions and returned to the respective company, county clerk and state tax commission on, or before April 20 of each year.

AUTHORITY: sections 138.320, 138.420(1) and (2), RSMo 1994.* Original rule filed Dec. 13, 1983, effective March 12, 1984. Emergency amendment filed Nov. 14, 1989, effective Dec. 31, 1989, expired Feb. 2, 1990. Amended: Filed Nov. 14, 1989, effective Feb. 25, 1990.

*Original authority: 138.320, RSMo 1969, amended 1945 and 138.420(1) and (2), RSMo 1949, amended 1945, 1947, 1978, 1983, 1989.

12 CSR 30-2.015 Utility Property to be Assessed Locally and by the State Tax Commission

PURPOSE: This rule sets forth that railroad and utility property which is to be assessed by the local assessor and that property which is originally assessed by the state tax commission

(1) The real and tangible personal property of water companies, gas distribution companies, cable television companies and rural electric cooperatives is to be assessed by the local assessor for *ad valorem* tax purposes.

(2) The real and tangible personal property of railroad companies is to be assessed as follows for *ad valorem* tax purposes:

- (A) The local assessor will assess—
1. Construction work in progress;
 2. Materials and supplies;
 3. Motor vehicles;
 4. Office furniture, office equipment, office fixtures;
 5. Office buildings, warehouses;
 6. Roundhouses, workshops;
 7. Land and buildings not assessed as distributable property; and
 8. Communication equipment not used in the movement of passengers and freight; and

(B) The state tax commission will originally assess—

1. Rail, ballast, ties, switches, switching equipment;
2. Roadbed, superstructure, bridges, trestles, culverts;
3. Railroad right-of-way, leased railroad lines, depots, water tanks and turntables;
4. Rolling stock, engines, hand cars;
5. Communication equipment used in the movement of passengers and freight; and
6. Any other property used directly in the movement of passengers and freight.

(3) The real and tangible personal property of telephone and telegraph companies is to be assessed as follows for *ad valorem* tax purposes:

- (A) The local assessor will assess—
1. Motor vehicles;
 2. Construction work in progress;
 3. Materials and supplies;
 4. Office furniture, office equipment, office fixtures;
 5. Office buildings and land;
 6. Land held for future use;
 7. Buildings used predominantly to house local property and land;
 8. Workshops, warehouses and land; and
 9. Work equipment and other general equipment; and

(B) The state tax commission will originally assess—

1. Central office equipment;
2. Station apparatus and station connections;
3. Large private branch exchanges;
4. Poles, lines, cable, wire, conduit, easements therefor and rights-of-way;
5. Microwave towers and sites;
6. All buildings used predominantly for housing distributable equipment and land associated with the buildings; and
7. Any other equipment directly used in the provision of telephone or telegraph service.



(4) The real and tangible personal property of pipeline companies is to be assessed as follows for *ad valorem* tax purposes:

(A) The local assessor will assess—

- 1. Motor vehicles;
- 2. Construction work in progress;
- 3. Materials and supplies;
- 4. Office furniture, office equipment, office fixtures;
- 5. Land held for future use;
- 6. Communication equipment not used for control of the movement of gaseous or liquid products;

7. Workshops, office buildings, warehouses, storage tanks, loading and unloading facilities; and

8. Land associated with other locally assessed property; and

(B) The state tax commission will originally assess—

- 1. Field lines, line pipe and fittings;
- 2. Compressor station equipment and buildings;
- 3. Pumping equipment and buildings;
- 4. Measuring and regulating equipment and housing buildings;
- 5. Communication equipment used for control of transportation of gas or liquid products; and
- 6. Land and right-of-way associated with other distributable property.

(5) The real and tangible personal property of electric companies is to be assessed as follows for *ad valorem* tax purposes:

(A) The local assessor will assess—

- 1. Motor vehicles;
- 2. Construction work in progress;
- 3. Materials and supplies;
- 4. Office furniture, office equipment, office fixtures;
- 5. Coal piles, nuclear fuel;
- 6. Land held for future use;
- 7. Workshops, warehouses, office buildings and generating plant structures;
- 8. Communication equipment not used for control of generation and distribution of power;
- 9. Roads, railroads and bridges;
- 10. Reservoirs, dams and waterways; and
- 11. Land associated with other locally assessed property all generating plant land; and

(B) The state tax commission will originally assess—

- 1. Boiler plant equipment, turbogenerator units and generators;
- 2. Station equipment;
- 3. Towers, fixtures, poles, conductors, conduit transformers, services and meters;
- 4. Substation equipment, fences;

- 5. Right-of-way;
- 6. Reactor, reactor plant equipment, cooling towers;
- 7. Communication equipment used for control of generation and distribution of power; and
- 8. Land associated with distributable property.

(6) The real and tangible personal property of commercial aircraft not owned by an airline company is to be assessed as follows for *ad valorem* tax purposes:

(A) The owner of commercial aircraft not owned by an airline company, hereinafter referred to as owner, shall make the claim of commercial aircraft upon submission of their personal property list to the assessor;

(B) Claims by owners, to either the State Tax Commission or the assessor, being made after May 1 but before September 1 will be processed by the State Tax Commission;

(C) The owner must notify their county assessor that they will be making a claim of commercial aircraft out of time and provide proof of such to the State Tax Commission; and

(D) Claims by a taxpayer filed for omitted property for prior years will not be processed by the State Tax Commission and the aircraft will be assessed by the county assessor.

*AUTHORITY: sections 138.410, 138.420, and Chapters 151 and 153, RSMo 2000. * Original rule filed Dec. 16, 1985, effective May 11, 1986. Amended: Filed Aug. 16, 2012, effective Feb. 28, 2013.*

**Original authority: 138.409, RSMo 1939, amended 1945, 1947, 1951, 138.420, RSMo 1939, amended 1946, 1986; and Chapters 151 and 153, see the Revised Statutes of Missouri 2000.*

12 CSR 30-2.016 Allocation of Unit Value

PURPOSE: This rule sets forth a precise method for the allocation of the unit value of all originally assessable companies operating in Missouri.

(1) The unit value of the following originally assessable companies operating in Missouri will be allocated to Missouri using the schedule of accounts as prescribed on the commissions' Aggregate Statement of Taxable Property in accordance with the factors set forth in this rule:

(A) Bridge Companies. The valuation allocated to Missouri should be based on the following factor:

- 1. The ratio of linear feet of the bridge and its approaches within the state to the

entire length of the bridge and its approaches;

(B) Electric Companies. The valuation allocated to Missouri should be based on the following factors and percentage weights:

1. The ratios of total gross plant in service, total net plant in service, total operating revenues and net operating income within the state to the aggregate amounts of these factors of the electric company. These factors are assigned the following percentage weights:

Factor	Weight
A. Gross plant in service	30%;
B. Net plant in service	30%;
C. Total operating revenues and	20%;
D. Net operating income	20%;

(C) Natural Gas Pipeline Companies. The valuation allocated to Missouri should be based on the following factors and percentage weights:

1. The ratios of gross plant in service, net plant in service and miles of pipe (inch equivalent) within the state to the aggregate amount of these factors of the natural gas pipeline company. These factors are assigned the following percentage weights for the 1998 tax year:

Factor	Weight
A. Gross plant in service	43%;
B. Net plant in service and	43%;
C. Miles of pipe (inch equivalent)	14%.

Beginning in the 1999 tax year, the factors will be assigned the following percentage weights:

Factor	Weight
A. Gross plant in service	45%;
B. Net plant in service and	45%;
C. Miles of pipe (inch equivalent)	10%.

(D) Products and Liquid Pipeline Companies. The valuation allocated to Missouri should be based on the following factors and percentage weights:

1. Ratios of gross plant in service and miles of pipe (inch equivalent) and barrel miles within the state to the aggregate amount of these factors of the company. These factors are assigned the following percentage weights for the 1998 tax year:

Factor	Weight
A. Gross plant in service	60%;
B. Miles of pipe (inch equivalent) and	15%;
C. Barrel Miles	25%.

Beginning in the 1999 tax year, the factors will be assigned the following percentage weights:



Factor	Weight
A. Gross plant in service	60%;
B. Miles of pipe (inch equivalent) and	10%;
C. Barrel Miles	30%.

(E) Railroad Companies. The valuation allocated to Missouri should be based on an arithmetic mean of the following ratios:

1. Ratio of operated mileage (excluding trackage rights) within the state to the total operated mileage of the railroad company;

2. Ratio of locomotive and car miles within the state to the total locomotive and car miles of the railroad company;

3. Ratio of railway operating revenue within the state to the total railway operating revenue of the railroad company;

4. Ratio of ton miles of revenue freight within the state to the total ton miles of revenue freight of the railroad company;

5. Ratio of revenue freight tons originating and terminating within the state to the total revenue freight tons originating and terminating of the railroad company; and

6. Ratio of undepreciated investment in road within the state to the total amount of undepreciated investment in road of the railroad company;

(F) Terminal Railroad Companies. The value allocated to Missouri should be based on an arithmetic mean of the following ratios:

1. Ratio of operated mileage (excluding trackage rights) within the state to the total operated mileage of the terminal railroad company; and

2. Ratio of undepreciated investment in road within the state to the total amount of undepreciated investment in road of the terminal railroad company;

(G) Telecommunications Companies. The valuation allocated to Missouri should be based on the following factors and percentage weights:

1. The ratios of gross plant in service, total operating revenues and net operating income within the state to the aggregate amounts of these factors for the telecommunications company. The factors are assigned the following percentage weights:

Factor	Weight
A. Gross plant in service	60%;
B. Total operating revenues and	20%;
C. Net operating income	20%.

(H) Telephone Companies. The valuation allocated to Missouri should be based on the following factors and percentage weights:

1. The ratios of gross plant in service, total operating revenues and net operating income within the state to the aggregate amount of these factors for the telephone

company. These factors are assigned the following percentage weights:

Factor	Weight
A. Gross plant in service	60%;
B. Total operating revenues	20%;
C. Net operating income	20%.

(I) Private Car Companies. The valuation allocated to Missouri should be based on the following ratios:

1. Ratio of total mileage within the state to the total mileage of the private car company;

2. Ratio of total loaded mileage within the state to the total loaded mileage of the private car company; and

3. Ratio of time spent within the state to the total annual time of the private car company.

AUTHORITY: sections 138.420, 151.030 and 151.060, RSMo 1994.* This rule was previously filed as 12 CSR 30-1.016. Original rule filed Dec. 2, 1986, effective June 11, 1987. Amended: Filed Sept. 15, 1987, effective Dec. 31, 1987. Emergency amendment filed Nov. 14, 1989, effective Dec. 31, 1989, expired Feb. 2, 1990. Amended: Filed Nov. 14, 1989, effective Feb. 25, 1990. Amended: Filed May 14, 1993, effective Jan. 13, 1994. Amended: Filed May 13, 1997, effective Nov. 30, 1997.

*Original authority: 138.420, RSMo 1939, amended 1943, 1947, 1986; 151.030, RSMo 1939, amended 1945, 1986; and 151.060, RSMo 1939, amended 1945, 1986, 1989.

12 CSR 30-2.017 De Minimis Level of Assessed Valuation of Private Car Companies
(Rescinded May 30, 2000)

AUTHORITY: sections 137.022 and 137.023, RSMo 1994. Original rule filed May 17, 1994, effective Sept. 30, 1994. Rescinded: Filed Sept. 20, 1999, effective May 30, 2000.

12 CSR 30-2.018 Method of Administering the Ad Valorem Taxation of the Private Railcar Industry and Applying for the Freight Line Company Tax Credit

PURPOSE: This rule sets forth the precise method of administering the ad valorem tax for the private railcar industry and the procedure for applying for the tax credit for eligible expenses.

(1) The commission will determine the statewide average rate of property taxes levied for the preceding year from reports filed by the railroad and street railway companies operating within the state. This information will be filed with the Director of Revenue along with the current year's taxable distributable assessed valuation of each freight line company on or before the first of October. In addition, this report shall include the current total main line track mileage of the railroad and street railway companies within each county to the aggregate total of the state. This report will also include the following information:

(A) Name and mailing address of each freight line company;

(B) Assessed valuation of the distributable property for each freight line company;

(C) Statewide average rate of property taxes levied the preceding year; and

(D) Amount of *ad valorem* tax due from each freight line company.

(2) Each freight line company applying for the tax credit authorized in subsection 137.1018.4, RSMo, shall submit a completed Form 50, Schedule 1, Schedule 3PC, and Schedule 20PC to the State Tax Commission on or before May 1 of the tax year for which the credit is sought, and no such credit shall be given to any company filing the form after that date. The method for determining whether the form is submitted within the time prescribed by this rule will be the same method used for determining the timeliness of complaints filed with the State Tax Commission as set out in 12 CSR 30-3.010(1)(C).

(3) In any year in which the general assembly appropriates insufficient funds to fully finance the tax credit authorized in subsection 137.1018.4, RSMo, the State Tax Commission, based upon the funds appropriated, shall allocate the credit proportionately among the freight lines timely requesting the tax credit for that year. The tax credit each individual freight line company will receive shall be calculated by multiplying the percentage that each company's claim (not to exceed their tax liability) represents of the total credit claims of all freight line companies (who timely submitted the required form and schedule for that tax year) multiplied by the amount of funds actually appropriated for that tax year.

AUTHORITY: section 137.1018, RSMo Supp. 2008 and section 137.1021, RSMo 2000. Original rule filed Sept. 20, 1999, effective May 30, 2000. Amended: Filed April 28,



2009, effective Nov. 30, 2009.

**Original authority: 137.098, RSMo 1999, amended 2008 and 137.091, RSMo 1999.*

12 CSR 30-2.020 Original Assessment by State Tax Commission and Appeals
(Rescinded September 14, 1984)

AUTHORITY: section 138.420, RSMo 1978. Original rule filed Aug. 7, 1975. Amended: Filed Aug. 15, 1983, effective Nov. 14, 1983. Rescinded: Filed April 23, 1984, effective Sept. 14, 1984.

Op. Atty. Gen. No. 88 Lehr (2-28-75). The State Tax Commission has the authority and is obligated to equalize the assessments of property among the various counties and the City of St. Louis pursuant to section 138.090, RSMo, and has the duty to order any county in which valuations of property are below 33 1/3% of true value to raise the valuations of property to 33 1/3% of true value and to order any county in which valuations of property are above 33 1/3% of true value to lower the valuation of such property to 33 1/3% of true value. The State Tax Commission has no authority to equalize the assessments among various parcels of property within a county as such, but individual assessments can be raised or lowered pursuant to sections 138.380, 138.400, and 138.470, RSMo. The state auditor has no authority to compel the State Tax Commission to require the equalization of assessments among the various counties of the City of St. Louis at 33 1/3% of true value.

12 CSR 30-2.021 Original Assessment by State Tax Commission and Appeals

PURPOSE: This rule sets a precise method for appealing final decisions of the State Tax Commission as regards public utilities and those taxpayers coming under the original assessment of the commission.

(1) Every railroad, telegraph, telephone, express company and other and similar public utility corporations, companies and firms (afterwards referred to as company) doing business in Missouri, unless otherwise provided, shall proceed before the State Tax Commission as follows:

(A) Each company shall file its report with the State Tax Commission on or before April 1 of each year. Upon receipt of the report, the commission shall certify a tentative assessment to the company. The commission shall set a date upon which an informal hearing will be conducted for the company. At the

hearing, the company shall be permitted to submit to the commission evidence and exhibits indicative of the value of the subject property;

(B) Subsequent to the proceedings set out in subsection (1)(A), the commission shall certify a final assessment to the company. The commission shall have the authority to amend a certified final assessment which it deems to be erroneous, or pursuant to section 155.040.3, RSMo, certify the value of commercial aircraft not owned by an airline company, but no such amendment or certification shall be made after September 1 of the tax year in question. Such erroneous assessments shall not include disagreements over valuation, classification, or exemption, which must be addressed through the appeal process. Upon receipt of the final assessment, the company, if dissatisfied, shall file a petition for a rehearing, which shall be decided as a contested case, after hearing on the record;

(C) The petition shall be directed to the State Tax Commission. It shall state that the appeal is from the original assessment entered by the commission; the date of the assessment; the name of the taxpayer appealing; the business address of the taxpayer to which notice of hearing may be mailed; a brief statement of why the commission should change or modify the original assessment; and a brief statement of the relief to which complainant may feel entitled. The petition shall be sworn to by the complainant or his/her attorney;

(D) The petition for rehearing shall be filed not more than thirty (30) days after the company receives notice of the original assessment. The petition shall be served upon the commission by delivery, personally, to any commissioner or to the secretary of the commission or by registered mail, postage prepaid, addressed to the State Tax Commission at Jefferson City, Missouri. If personal service is made, it may be proven by the affidavit of any person competent to testify or by the official certificate of any officer authorized under the laws of Missouri to execute process. If the petition is served by mail, it shall be filed as of the date of its delivery by the postal authorities, to the office of the State Tax Commission in Jefferson City, Missouri;

(E) Discovery in appeals shall be as in other contested cases pursuant to 12 CSR 30-3.040;

(F) An assistant attorney general will assist the commission at the hearing and in preparing the decision. The commission's staff attorneys will assist commission staff in presentation of the case; and

(G) The State Tax Commission shall set the matter for hearing at the office of the State Tax Commission, Jefferson City, Missouri, within a reasonable time after that, and notify the complainant and the proper state officer of the date. The notice shall be given to the complainant by first-class mail, postage prepaid, addressed to the complainant's place of business as given the petition filed.

AUTHORITY: section 138.420, RSMo 2000. Original rule filed Dec. 13, 1983, effective March 12, 1984. Amended: Filed Dec. 21, 2007, effective June 30, 2008.*

**Original authority: 138.420, RSMo 1939, amended 1945, 1947, 1986.*

12 CSR 30-2.030 Appeals from the Local Board of Equalization
(Rescinded March 12, 1984)

AUTHORITY: section 138.430, RSMo 1978. This version of rule filed Aug. 7, 1975, effective Aug. 17, 1975. Amended: Filed June 10, 1976, effective Sept. 11, 1976. Amended: Filed Jan. 30, 1978, effective May 11, 1978. Amended: Filed April 12, 1979, effective July 16, 1979. Amended: Filed Oct. 11, 1979, effective Jan. 12, 1980. Amended: Filed Jan. 14, 1980, effective April 14, 1980. Amended: Filed April 10, 1981, effective July 13, 1981. Amended: Filed May 13, 1982, effective Aug. 13, 1982. Rescinded: Filed Dec. 13, 1983, effective March 12, 1984.

Richmond Heights v. Board of Equalization of St. Louis County, 586 SW2d 338 (Mo. banc 1979). Property owner on appeal to the board of equalization received a reduction in assessment. City attempted to appeal to the State Tax Commission and sought circuit court appeal from the board's reassessment and from State Tax Commission's refusal to accept appeal of board reassessment. Held, proceedings before boards of equalization are not Chapter 536 "contested cases," and so are not appealable by the city to circuit court under section 536.100, RSMo. Since there is no express statutory provision to allow city's appeal to the State Tax Commission from board's reassessment, city is bound by board's determination.

Op. Atty. Gen. No. 292, State Tax Commission of Missouri (9-16-64). Neither a county, an officer of the court nor a school district has a right to appeal to the State Tax Commission from a decision of a county board of equalization, determining the assessed valuation of an individual property.



Op. Atty. Gen. No. 27, Evans (11-21-50). A taxpayer may appeal from the assessment of a county assessor to the county board of equalization and from their decision to the State Tax Commission. A taxpayer has no right of appeal from the assessment of county assessor directly to the State Tax Commission.

Article X, section 14, Mo. Const. 1945. Original rule filed April 12, 1979, effective July 16, 1979. Amended: Filed April 10, 1981, effective July 13, 1981. Rescinded: Filed Dec. 13, 1983, effective March 12, 1984.

12 CSR 30-2.040 Prehearing Procedures
(Rescinded March 12, 1984)

AUTHORITY: section 138.430, RSMo 1978. Original rule filed April 12, 1979, effective July 16, 1979. Rescinded and readopted: Filed March 12, 1980, effective April 14, 1980. Amended: Filed April 10, 1981, effective July 13, 1981. Rescinded: Filed Dec. 13, 1983, effective March 12, 1984.

12 CSR 30-2.050 Intervention
(Rescinded March 12, 1984)

AUTHORITY: Article X, section 14, Mo. Const. 1945; sections 138.430 and 536.062(1), RSMo 1978; W.L.B. Holding Company v. State Tax Commission, Cause No. 28,985, Cole County Circuit Court 1977. Original rule filed July 14, 1977, effective Oct. 13, 1977. Amended: Filed April 10, 1981, effective July 13, 1981. Rescinded: Filed Dec. 13, 1983, effective March 12, 1984.

12 CSR 30-2.060 Discovery
(Rescinded March 12, 1984)

AUTHORITY: sections 138.430 and 536.073, RSMo 1978, Article X, section 14, Mo. Const. 1945. Original rule filed April 12, 1979, effective July 16, 1979. Rescinded: Filed Dec. 13, 1983, effective March 12, 1984.

12 CSR 30-2.065 Subpoenas
(Rescinded March 12, 1984)

AUTHORITY: sections 138.360 and 536.077, RSMo 1978. Original rule filed Jan. 14, 1980, effective April 14, 1980. Amended: Filed April 10, 1981, effective July 13, 1981. Rescinded: Filed Dec. 13, 1983, effective March 12, 1984.

12 CSR 30-2.070 Procedure: Motions and Stipulations
(Rescinded March 12, 1984)

AUTHORITY: section 138.430, RSMo 1978,

Assessment Approach Definitions

Definition - Cost Approach to Property Assessment

Cost Approach - Technique - Summary definition - IAAO - International Association of Assessing Officers
http://docs.iaao.org/media/Pubs/IAAO_Glossary.pdf - page 42.

Cost Approach— (1) One of the three approaches to value, the cost approach is based on the principle of substitution—that a rational, informed purchaser would pay no more for a property than the cost of building an acceptable substitute with like utility. The cost approach seeks to determine the replacement cost new of an improvement less depreciation plus land value. (2) The method of estimating the value of property by: (a) estimating the cost of construction based on replacement or reproduction cost new or trended historic cost (often adjusted by a local multiplier); (b) subtracting depreciation; and, (c) adding the estimated land value. The land value is most frequently determined by the sales comparison approach.

Definition - Income Approach to Property Assessment

Income Approach Technique - Summary definition - IAAO - International Association of Assessing Officers
http://docs.iaao.org/media/Pubs/IAAO_Glossary.pdf - page 81.

Income Approach—One of the three approaches to value, based on the concept that current value is the present worth of future benefits to be derived through income production by an asset over the remainder of its economic life. The income approach uses capitalization to convert the anticipated benefits of the ownership of property into an estimate of present value.

Definition - Stock and Debt Approach to Property Assessment

Stock and Debt Technique - Summary definition - IAAO - International Association of Assessing Officers
http://docs.iaao.org/media/Pubs/IAAO_Glossary.pdf - page 172.

A method of appraisal in which the liabilities and equity on a company's balance sheet are valued to yield a value for the operating assets (after non-operating properties are deducted). A substitute for the sales comparison approach when sales are insufficient, as the total value of the various interest positions (taken from stock and bond sale prices in the daily newspaper or elsewhere) when summed provides a relatively objective indication of market value.

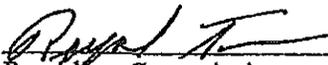
**COURT ORDER AUTHORIZING IMPROVEMENTS
ALONG PUBLIC ROADS**

On this 23rd day of August, 2012, Grain Belt Express Clean Line LLC requests authority from the Buchanan County Commission pursuant to Section 229.100 RSMo 2000 to construct, erect, place, maintain, own and operate poles, lines, and other conduits, conductors and associated structures and equipment for utility purposes through, along, across, under and over the public roads and highways of the County of Buchanan, Missouri.

The Buchanan County Commission may, pursuant to said section approve and grant such authority as reasonably requested by Grain Belt Express Clean Line LLC. The Commission hereby grants the requested authority to Grain Belt Express Clean Line LLC, and its successors and assigns, subject to the condition that all current and future building permits, bonds, and fees from the County be obtained and all rules and regulations of the Commission pertaining to such facilities be observed by Grain Belt Express Clean Line, LLC.

Dated: August 23, 2012

Buchanan County Commission:



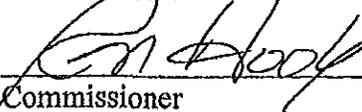
Presiding Commissioner

Royal Turner



Commissioner

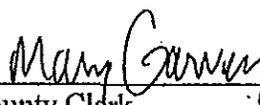
Dan Hausman



Commissioner

Ron Hook

I hereby certify that this a true and exact copy of the original order filing in my office the 23rd day of August, 2012.



County Clerk
Mary Garvey

Sch.LDL-3.P.1

County Commission, Buchanan County, Missouri

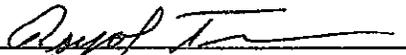
STATE OF MISSOURI, } ss. July TERM, 20 12
County of Buchanan, }

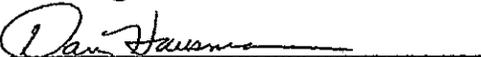
In the County Commission of said County, on the 23rd day of August, 20 12
the following, among other proceedings, were had, viz.:

Now on this 23rd day of August, 2012 the Buchanan County Commission hereby orders that pursuant to Section 229.100 RSMo to execute an Agreement authorizing Improvements along Public Roads to Grain Belt Express Clean Line, LLC.

A copy which is attached hereto and terms and conditions incorporated by reference.

It is so ordered.

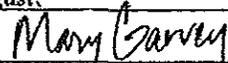
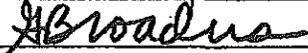

Royal Turner
Presiding Commissioner


Dan Hausman
Eastern District Commissioner


Ron Hook
Western District Commissioner

STATE OF MISSOURI, } ss. I, Mary Garvey Clerk
County of Buchanan, }

of the County Commission and for said County, hereby certify the above and foregoing to be a true copy of the proceedings of said County Commission, on the day and year above written, as the same appears of record, in my office. In Testimony Whereof, I have hereunto set my hand and affixed the seal of said County Commission at office in the Court House in St. Joseph, MO, this 23rd day of August, 20 12


By  Clerk County Commission
D.C.

Regular Terms of
Commission Meeting:
First Monday in February,
May, August and November

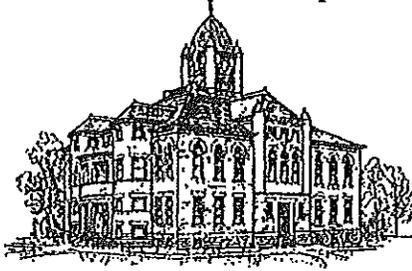
Beverly J Bryant
Clerk to the Commission

Regular Meeting: Each Monday

C.R. BUD MOTSINGER
Presiding Commissioner
Hamilton, MO 64644

DONNIE COX
Eastern District Commissioner
Braymer, MO 64624

GERALD McBRAYER
Western District Commissioner



CALDWELL COUNTY COMMISSION

49 East Main, PO Box 67
Kingston, Missouri 64650
816.586.2571
816.586.3001 (fax)

On this 5 day of Sept, 2012, Grain Belt Express Clean Line LLC requests authority from the Caldwell County Commission pursuant to section 229.100 RSMo 2000 to construct, erect, place, maintain, own and operate poles, lines, and other conduits, conductors and associated structures and equipment for utility purposes through, along, across, under and over the public roads and highways of the County of Caldwell, Missouri.

The Caldwell County Commission may, pursuant to said section approve and grant such authority as requested by Grain Belt Express Clean Line LLC. The Commission hereby grants the requested authority to Grain Belt Express Clean Line LLC, and its successors and assigns, subject to the condition that all necessary permits from the County be obtained and all rules and regulations of the Commission pertaining to such facilities be observed by Grain Belt Express Clean Line LLC.

Dated: 9-5-12

Caldwell County Commission

C.R. Bud Motsinger
Presiding Commissioner

Donnie Cox
Commissioner

Gerald McBrayer
Commissioner

I hereby certify that this is a true and exact copy of the original order filing in my office the 5 day of Sept, 2012.

Beverly Bryant
County Clerk

COPY

02-2012

On this 16 day of July, 2012, Grain Belt Express Clean Line LLC requests authority from the Carroll County Commission pursuant to section 229.100 RSMo 2000 to construct, erect, place, maintain, own and operate poles, lines, and other conduits, conductors and associated structures and equipment for utility purposes through, along, across, under and over the public roads and highways of the County of Carroll, Missouri.

The Carroll County Commission may, pursuant to said section approve and grant such authority as requested by Grain Belt Express Clean Line LLC. The Commission hereby grants the requested authority to Grain Belt Express Clean Line LLC, and its successors and assigns, subject to the condition that all necessary permits from the County be obtained and all rules and regulations of the Commission pertaining to such facilities be observed by Grain Belt Express Clean Line LLC.

Dated: 7-16-12

Carroll County Commission



[Signature]
Presiding Commissioner

[Signature]
Commissioner

[Signature]
Commissioner

I hereby certify that this is a true and exact copy of the original order filing in my office the 16th day of July, 2012.

[Signature]
County Clerk

On this 16th day of July, 2012, Grain Belt Express Clean Line LLC requests authority from the Chariton County Commission pursuant to section 229.100 RSMo 2000 to construct, erect, place, maintain, own and operate poles, lines, and other conduits, conductors and associated structures and equipment for utility purposes through, along, across, under and over the public roads and highways of the County of Chariton, Missouri.

The Chariton County Commission may, pursuant to said section approve and grant such authority as requested by Grain Belt Express Clean Line LLC. The Commission hereby grants the requested authority to Grain Belt Express Clean Line LLC, and its successors and assigns, subject to the condition that all necessary permits from the County be obtained and all rules and regulations of the Commission pertaining to such facilities be observed by Grain Belt Express Clean Line LLC.

Dated: July 16, 2012

Chariton County Commission

Tony McCollum

Presiding Commissioner

Ray Howell

Eastern District Commissioner

Faigene Madbach

Western District Commissioner

I hereby certify that this is a true and exact copy of the original order filing in my office the 16th day of July, 2012.

Aileen Liddiston

County Clerk

On this 17th day of July, 2012, Grain Belt Express Clean Line LLC requests authority from the Clinton County Commission pursuant to section 229.100 RSMo 2000 to construct, erect, place, maintain, own and operate poles, lines, and other conduits, conductors and associated structures and equipment for utility purposes through, along, across, under and over the public roads and highways of the County of ~~Buchanan~~, Missouri.

C. D. W. CLINTON CLK

The Clinton County Commission may, pursuant to said section approve and grant such authority as requested by Grain Belt Express Clean Line LLC. The Commission hereby grants the requested authority to Grain Belt Express Clean Line LLC, and its successors and assigns, subject to the condition that all necessary permits from the County be obtained and all rules and regulations of the Commission pertaining to such facilities be observed by Grain Belt Express Clean Line LLC.

Dated: 7/17/12

Clinton County Commission

Wade Wilby

Presiding Commissioner

Charles Dawson

Commissioner

[Signature]

Commissioner

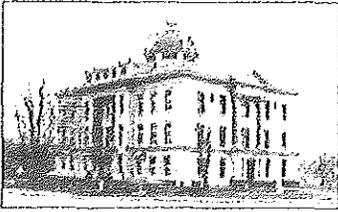
I hereby certify that this is a true and exact copy of the original order filing in my office the 17 day of July, 2012.

Mary Blanton

County Clerk

Monroe County Commission

300 N. Main • Room 203 • Paris, MO 65275-1399 • 660-327-5107 • FAX 660-327-1019



Mike Whelan
Eastern District

Mike Minor
Presiding

Glenn E. Turner
Western District

On this 30th day of July, 2012, Grain Belt Express Clean Line LLC requests authority from the Commission pursuant to section 229.100 RSMo 2000 to construct, erect, place, maintain, own and operate poles, lines, and other conduits, conductors and associated structures and equipment for utility purposes through, along, across, under and over the county maintained roads and highways of the County of Monroe, Missouri.

The Monroe County Commission may, pursuant to said section approve and grant such authority as requested by Grain Belt Express Clean Line LLC. The Commission hereby grants the requested authority to Grain Belt Express Clean Line LLC, and its successors and assigns, subject to the condition that all necessary permits from the County be obtained and all rules and regulations of the Commission pertaining to such facilities be observed by Grain Belt Express Clean Line LLC.

Dated: July 30, 2012

Monroe County Commission

Mike Minor, Presiding Commissioner

Mike Whelan, Eastern Commissioner

Glenn E. Turner, Western Commissioner

I hereby certify that this is a true and exact copy of the original order filing in my office the 30 day of

July 2012.

Sandra Francis, County Clerk

**INTERGOVERNMENTAL AGREEMENT
TRANSMISSION LINE INSTALLATION & REPAIR**

This Intergovernmental Agreement is entered between Grain Belt Express Clean Line LLC (hereafter referred to as "Constructor") and Ralls County (hereafter referred to as "County") pursuant to Section 70.220 RSMo. to grant Constructor permission to construct and maintain utility lines and to grant access to the ground surface only over certain of the county public roads and connected rights of way, in Ralls County, Missouri.

Section 1. County grants Constructor permission to build and maintain utility lines over the ground surface only of certain of the county public roads and connected rights of way in Ralls County, Missouri.

Section 2. County grants Constructor permission to access to build and maintain utility lines over the ground surface only of certain of the county public roads and connected rights of way in Ralls County, Missouri.

Section 3. County shall have no responsibility for the utility lines which are owned by Constructor.

Section 4. Constructor shall provide advance notice to County in advance of any construction activity and maintenance activity on the subject ground surface only of certain of the county public roads and connected rights of way that are the subject of this Agreement.

Section 5. Constructor agrees to hold County harmless from any and all damages resulting from the placement, construction, maintenance, and operation of the utility lines, including the payment of attorney fees, costs of litigation related to the utility lines, the payment for any judgments entered against County and all other costs and expenses related to the utility lines. Counsel for County shall be selected by County.

Section 6. Constructor agrees that it will construct and maintain the utility lines at the level of industry standards accepted at the time any construction or maintenance is performed.

Section 7. Constructor agrees to comply with any and all federal and state laws and applicable regulations relating to the construction, upkeep, maintenance and repair of utility lines as they now exist or may exist during the life of the utility lines.

Section 8. Constructor agrees to replace the road bed and road surfaces and rights of way to the standard and condition of such as required by County at the time that any work is commenced. Constructor agrees to pay for any road work performed by County to insure the quality of the road bed and rights of way are returned to their pre-construction condition if Constructor fails to properly perform the work to the satisfaction of County.

Section 9. This Agreement shall be interpreted under Missouri law and only subject to state court jurisdiction.

Section 10. The parties agree that, if any litigation arises between them related to the terms or enforcement of this Agreement, venue is only proper in Ralls County and in no other place in Missouri.

Section 11. All parties to this Agreement represent that they have the authority to enter into this Agreement and that the signatories hereto are authorized to sign for the respective party.

Section 12. The terms of this Agreement and any liability that may arise under it is not a waiver of any defenses or immunities that County possesses by virtue of the fact that it is a governmental entity in Missouri. No defense raised or action taken to advance this Agreement by Constructor in behalf of County shall be considered as or act as a waiver of any immunities or defenses available to County as to any person, including but not limited to Constructor.

Entered this 23 day of AUGUST, 2012, by and between the following:

For Constructor by:

Joseph Deane KLP
Name

Executive Vice President
Title

For County by:

[Signature]
Name

Presiding Commissioner

ATTEST:

[Signature]
County Clerk

RALLS COUNTY, MISSOURI RESOLUTION

RIGHT OF WAY ACCESS AGREEMENT

WHEREAS, Ralls County, Missouri is the owner of non-state public roads within the geographic territory of the county; and

WHEREAS, Section 229.100 RSMo. requires County Commission permission to use county right of way over or under or across county roads; and

WHEREAS, Grain Belt Express Clean Line LLC has a need to construct utility lines using county right of way; and

WHEREAS, such utility lines must run over certain county public roads and connected rights of way; and

WHEREAS, a need has been demonstrated to the County Commission to provide access to the ground surface only of certain of the county public roads and connected rights of way; and

WHEREAS, Ralls County is authorized under Section 70.220 RSMo. to enter into contracts with other entities to advance County programs consistent with county authority; and

WHEREAS, Ralls County is authorized under Section 49.270 RSMo. to engage in all matter of transactions to county property;

NOW THEREFORE BE IT RESOLVED:

That the County Commission finds that it is necessary to grant access to the ground surface only of certain of the county public roads and connection rights of way, and

That a contract for such access with guarantees from Grain Belt Express Clean Line LLC is in the best interests of the County; and

That in such contract, Grain Belt Express Clean Line LLC will guarantee that the quality of the road bed and rights of way over the identified county public roads and connected rights of way will be replaced and maintained in the condition it existed prior to the utility lines passing over the road bed and connected rights of way; and

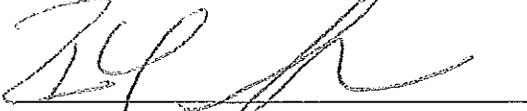
That in such contract Grain Belt Express Clean Line LLC will hold harmless Ralls County from any and all damages resulting from the placement, construction, and operation of the utility lines,

including the payment of attorney fees, costs of litigation related to the utility lines, the payment for any judgments entered against the County and all other costs and expenses related to the utility lines; and

That the Agreement attached to this Resolution is the contract authorized by the County Commission to be executed in behalf of Ralls County, Missouri as the document that encompasses all of the terms and conditions associated with the grant of access to the ground surface only over certain of the county public roads, to Grain Belt Express Clean Line LLC for the utility lines; and

That the Presiding Commissioner of Ralls County is directed to execute the attached Agreement upon receipt of an executed copy of the Agreement from Grain Belt Express Clean Line LLC.

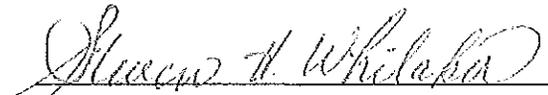
Adopted this 23 day of November, 2012, by roll call vote as follows:



Presiding Commissioner



Eastern Commissioner



Western Commissioner

ATTEST:



County Clerk

**INTERGOVERNMENTAL AGREEMENT
ELECTRIC TRANSMISSION LINE INSTALLATION & REPAIR**

LLC (circled) / RSC / WPE / JD
This Intergovernmental Agreement is entered between Grain Belt Express Clean Line (hereafter referred to as "Constructor") and Randolph County (hereafter referred to as "County") pursuant to Section 70.220 RSMo to grant Constructor permission to construct and maintain utility lines and to grant access to the ground over and underlying certain of the county public roads and connected rights of way in Randolph County, Missouri.

Section 1. County grants Constructor permission to build and maintain utility lines over and under the ground underlying certain of the county public roads and connected rights of way in Randolph County, Missouri.

Section 2. County grants Constructor permission to access to build and maintain utility lines over and under the ground underlying certain of the county public roads and connected rights of way in Randolph County, Missouri.

Section 3. County shall have no responsibility for the utility lines which are owned by Constructor.

Section 4. Constructor shall provide advance notice to County in advance of any construction activity and maintenance activity on the subject ground underlying certain of the county public roads and connected rights of way that are the subject of this Agreement.

Section 5. Constructor agrees to hold County harmless from any and all damages resulting from the placement, construction, maintenance, and operation of the utility lines, including the payment of attorney fees, costs of litigation related to the utility lines, the payment for any judgments entered against County and all other costs and expenses related to the utility lines. Counsel for County shall be selected by County.

Section 6. Constructor agrees that the any underground utility lines will be buried at least six (6) feet below the surface of the road bed and connected rights of way.

Section 7. Constructor agrees that it will construct and maintain the utility lines at the level of industry standards for high voltage, direct current electric transmission lines accepted at the time of any construction or maintenance is performed.

Section 8. Constructor agrees to comply with any and all federal and state laws and applicable regulations relating to the construction, upkeep,

maintenance and repair of utility lines as they now exist or may exist during the life of the utility lines.

Section 9. Constructor agrees to replace the road bed and road surfaces and rights of way to the standard and condition of such as required by County at the time that any work is commenced. Constructor agrees to pay for any road work performed by County to insure the quality of the road bed and rights of way are returned to their pre-construction or repair or maintenance condition if Constructor fails to properly perform the work to the satisfaction of County.

Section 10. This Agreement shall be interpreted under Missouri law and only subject to state court jurisdiction.

Section 11. The parties agree that if any litigation arises between them related to this terms or enforcement of this Agreement, that venue is only proper in Randolph County and in no other place in Missouri.

Section 12. All parties to this Agreement represent that they have the authority to enter into this Agreement and that the signatories hereto are authorized to sign for the respective party.

Section 13. The terms of this Agreement and any liability that may arise under it is not a waiver of any defenses or immunities that County possesses by virtue of the fact that it is a governmental entity in Missouri. No defense raised or action taken to advance this Agreement by Constructor in behalf of County shall be considered as or act as a waiver of any immunities or defenses available to County as to any person, including but not limited to Constructor.

Entered this 6th day of September, 2012, by and between the following:

For Constructor, by:

Joseph Duvali EIT *MD*
Name & Title

For County, by

A Susan Carter
Presiding Commissioner

ATTEST:

Will [Signature]
County Clerk



RANDOLPH COUNTY, MISSOURI RESOLUTION
RIGHT OF WAY ACCESS AGREEMENT

WHEREAS, Randolph County, Missouri is the owner of non-state public roads within the geographic territory of the county; and

WHEREAS, Section 229.100 RSMo requires County Commission permission to use county right of way over or under or across county roads; and

WHEREAS, Grain Belt Express Clean Line LLC has a need to construct utility lines using county right of way; and

WHEREAS, such utility lines must run over or under certain county public roads and connected rights of way; and

WHEREAS, a need has been demonstrated to the County Commission to provide access to the ground of certain of the county public roads and connected rights of way; and

WHEREAS, Randolph County is authorized under Section 70.220 RSMo to enter into contracts with other entities to advance County programs consistent with county authority; and

WHEREAS, Randolph County is authorized under Section 49.270 RSMo to engage in all matter of transactions related to county property:

NOW THEREFORE BE IT RESOLVED:

That the County Commission finds that it is necessary to grant access to the ground of certain of the county public roads and connected rights of way; and

That a contract for such access with guarantees from Grain Belt Express Clean Line LLC is in the best interests of the County; and

That in such contract Grain Belt Express Clean Line LLC will guarantee that the quality of the road bed and rights of way over or under the identified county public roads and connected rights of way will be replaced and maintained in the condition it existed prior to the utility lines passing over or under the road bed and connected rights of way; and

That the buried utility lines will be at least six (6) feet below the surface of the road bed and connected rights of way; and

That in such contract Grain Belt Express Clean Line LLC will hold harmless Randolph County for any and all damages resulting from the placement,

construction, and operation of the utility lines, including the payment of attorney fees, costs of litigation related to the utility lines, the payment for any judgments entered against the County and all other costs and expenses related to the utility lines; and

That the Agreement attached to this Resolution is the contract authorized by the County Commission to be executed in behalf of Randolph County, MO as the document that encompasses all of the terms and conditions associated with the grant of access to the ground over and underlying certain of the county public roads; and

That the Presiding Commissioner of Randolph County is directed to execute the attached Agreement upon receipt of an executed copy of the Agreement from Grain Belt Express Clean Line LLC.

Adopted this 6th day of September, 2012 by roll call vote as follows:

Alexander Carter
Presiding Commissioner

Wayne Wilson
Associate Commissioner

Jeremy Puntigam
Associate Commissioner

ATTEST:

Will [Signature]
County Clerk



Office of
Clinton County Commissioners

Wade L. Wilken, Jr.
Presiding Commissioner

Charles Dawson
1st District Commissioner

Larry C. King
2nd District Commissioner



Clinton County Courthouse
207 North Main
Plattsburg, Missouri 64477
(816) 539-2536

State of Missouri

March 4, 2014

Grain Belt Express Clean Line
1001 McKinney Street, Suite 700
Houston, TX 77002

To whom it may concern,

On July 17, 2012 the Clinton County Commission issued a resolution authorizing Grain Belt Express Clean Line, LLC to construct, erect, place, maintain, own and operate poles, lines, and other conduits, conductors and associated structures and equipment for utility purposes through, along, across, under and over the public roads and highways of the County of Clinton, Missouri.

It has come to our attention that we acted prematurely in issuing this resolution. Therefore, on March 4, 2014 we are officially rescinding the resolution issued on 17 July 2012. A copy of this is being sent to the Missouri Public Service Commission as well.

Please update your files accordingly.

Sincerely,

Wade Wilken, Jr.
Presiding Commissioner

Charles Dawson
1st District Commissioner

Larry King
2nd District Commissioner

Cc: Missouri Public Service Commission

Sch. LDL-4, p. 1

CERTIFICATION OF RESCISSION OF FRANCHISE

I hereby certify that the foregoing document is a true and exact copy of a document which was filed in my office on the 4 day of March, 2014.

Mary Blanton

Mary Blanton
County Clerk
Clinton County, Missouri

Dated: 4-3-14

CHARITON COUNTY COMMISSION

306 S. Cherry St.

Keytesville, MO 65261

Phone 660-288-3200

Fax 660-288-3403

Tony McCollum
Presiding Commissioner
Susan Littleton
Clerk of the County Commission
660-288-3273

Steve Atkinson
Eastern District Commissioner
Gary Clark
Western District Commissioner

March 31, 2014

Missouri Public Service Commission
200 Madison St.
Jefferson City, MO 65101

To Whom It May Concern:

At an earlier date you received a Resolution in support of Grain Belt Express Clean Line LLC by the Chariton County Commission. After further review of this company we feel that we were premature in our support. Many of our citizens are opposed to this line going through our county. They are concerned about the impact that these high voltage lines may have on their livelihood, health, economy, future land use and the aesthetic beauty of the area. We feel there are many questions that need to be answered such as:

Will these extreme high voltage lines really improve the lives of Chariton County citizens and the citizens of Missouri?

What health hazard do these lines pose on humans and livestock?

How will these lines negatively impact the use of GPS for farmers in our county and our state?

How will these lines negatively impact the use of cell phone and emergency 2-way radios?

How will these lines negatively impact the farming ground that is directly under these lines of which our landowners will still pay tax?

Why should Missouri provide the access without any use of energy?

Will wind energy be a viable energy source in 10 years; if not, why allow these huge poles and lines to ruin our landscape?

COMMISSION MEETS EVERY MONDAY

Sch. LDL-4, p. 3

Is the short term gain in economic activity for construction and taxes realized, offset the long term negative effects of these lines?

Who are the owners of Grain Belt Express Clean Line LLC, and are they reputable in their long term goals, or are the owners' plans only to make a quick dollar by selling to another investor or even a middle east investor?

Does the east coast even want this power from Grain Belt Express Clean Line LLC?

These are only a sample of questions we feel compelled to inform you of. However, we feel very strongly that these and many more questions need to be answered before any approval is granted to Grain Belt Express Clean Line LLC to construct a high voltage DC electric line across Chariton County or the State of Missouri.

Sincerely,

Chariton County Commission



Tony McCollum
Presiding Commissioner



Steve Atkinson
Eastern District Commissioner

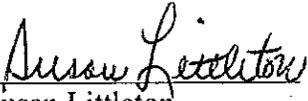


Gary Clark
Western District Commissioner

sl

CERTIFICATION OF RESCISSION OF FRANCHISE

I hereby certify that the foregoing document is a true and exact copy of a document which was filed in my office on the 31st day of March, 2014.

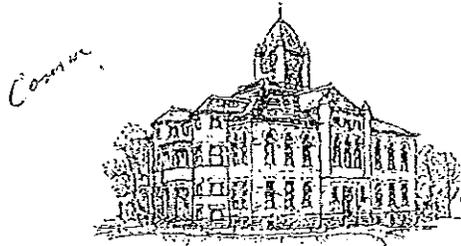

Susan Littleton
County Clerk
Chariton County, Missouri

Dated: 7-7-14

C.R. BUD MOTSINGER
Presiding Commissioner
Hamilton, MO 64644

DONNIE COX
Eastern District Commissioner
Braymer, MO 64624

GERALD McBRAYER
Western District Commissioner



Regular Terms of
Commission Meeting:
First Monday in February,
May, August and November

Beverly J Bryant
Clerk to the Commission

Regular Meeting: Each Monday

CALDWELL COUNTY COMMISSION

49 East Main, PO Box 67
Kingston, Missouri 64650
816.586.2571
816.586.3001 (fax)

March 10, 2014

Missouri Public Service Commission
200 Madison Street
Jefferson City, MO 65101

RE: Grain Belt Express Clean Line LLC

Dear Public Service Commissioners:

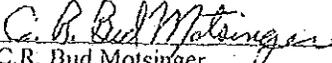
Grain Belt Express Clean Line LLC is proposing the establishment of a high voltage DC current transmission line across the state of Missouri. The transmission line is apparently routed to pass through Caldwell County. Many of the citizens of Caldwell County are opposed to this line going through Caldwell County. They are concerned about the impact that these high voltage lines may have on their livelihood, health, economy, future land use and the aesthetic beauty of the area. There are many unanswered questions that should be addressed prior to the public service commission acting on any application of Grain Belt Express Clean Line LLC.

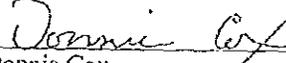
Therefore, the Caldwell County Commission wants the Public Service Commission to be absolutely clear that the Caldwell County Commission has Not Granted Approval for Grain Belt Clean Line Express LLC to construct, erect, place, maintain, or operate poles, lines, and other conduits conductors, and associated structures and equipment for utility purposes through, along, across, under or over the county maintained roads and highways of Caldwell County Missouri as pursuant to Section 229.100 RSMo. The Caldwell County Commission further wants the Public Service Commission to be clear that the prior correspondence to the Public Service Commission dated March 12, 2012 and September 5, 2012 is rescinded and the letter dated February 10, 2014 is further clarification of the counties concerns. The Caldwell County Commission strongly encourages the Missouri Public Service Commission to carefully consider the request of Grain Belt Express Clean Line LLC and the future impact that this transmission line would have on the state of Missouri and specifically on the citizens of Caldwell County before granting public utility status and thus the right to obtain easements and right-of-way by use of eminent domain.

Thank you for your careful consideration of this very sensitive issue. We would welcome the opportunity to discuss this issue with the Public Service Commission in more detail if you would so desire.

Sincerely,

Caldwell County Commission


C.R. Bud Motsinger
Presiding Commissioner

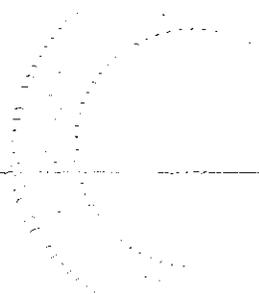

Donnie Cox
Eastern Commissioner


Gerald McBrayer
Western Commissioner

Sch. LDL-4, p. 6

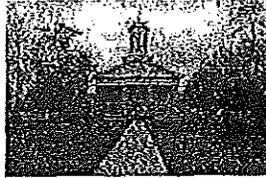
CERTIFICATION OF RESCISSION OF FRANCHISE

I hereby certify that the foregoing document is a true and exact copy of a document which was filed in my office on the 10 day of March, 2014.


Beverly Bryant
Beverly Bryant
County Clerk
Caldwell County, Missouri

Dated: July 7, 2014

RALLS COUNTY COMMISSION



P.O. Box 400

311 S Main St

New London, MO 63459

573-985-7111

Steven H. Whitaker
Western Commissioner

Robert See
Presiding Commissioner

RC Harlow
Eastern Commissioner

24 March 2014

Missouri Public Service Commission
200 Madison Street
PO Box 360
Jefferson City, MO 65102-0360

Dear Commissioners,

On August 23, 2012 the Ralls County Commission signed a Resolution granting Grain Belt Express Clean Line LLC access to the ground surface only of a certain of the county public roads and connected rights of way. At that point in time it was deemed to be in the best interest of the County.

As of this date the Ralls County Commission upon extensive investigation have determined there are too many conflicting stories regarding the effect of this endeavor. In addition the majority of citizens of Ralls County that have voiced an opinion are not in favor of this project by a wide margin.

Therefore the Ralls County Commission hereby retracts and officially denies the approval of Grain Belt Express Clean Line LLC the authority to construct, erect, place, and maintain utility lines and to grant access to the ground surface only over certain of the county public roads and connected rights of way, in Ralls County, Missouri. Until such time that Grain Belt Express Clean Line LLC has utility status in the State of Missouri and the approval of the Missouri Public Service Commission.

Ralls County Commission feels very strongly due to all the conflicting information and overwhelming citizen displeasure that approval not be granted. If such approval is granted by the Missouri Public Service Commission to Grain Belt Express Clean Line LLC then Ralls County Commission will be subject to section 229.100 RSMO 2000.

Respectfully,

Ralls County Commission

Presiding Commissioner
Robert L. See

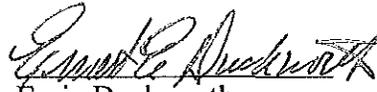
Steven H. Whitaker
Western District Commissioner

RC Harlow
Western District Commissioner

Sch. LDL-4, P. 8

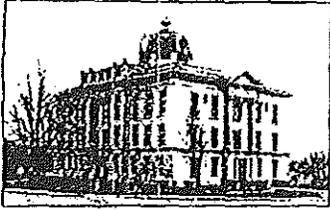
CERTIFICATION OF RESCISSION OF FRANCHISE

I hereby certify that the foregoing document is a true and exact copy of a document which was filed in my office on the 24th day of March, 2014.



Ernie Duckworth
County Clerk
Ralls County, Missouri

Dated: 7-7-14



Monroe County Commission

300 N. Main • Room 203 • Paris, MO 65275-1399 • 660-327-5107 • FAX 660-327-1019

Mike Whelan
Eastern District

Mike Minor
Presiding

Glenn E. Turner
Western District

On the 30th day of July, 2012 Grain Belt Express Clean Line LLC requested authority from the commission pursuant to section 229.100 RSMO 2000 to construct, erect, place, maintain, own and operate poles, lines, and other conduits, conductors and associated structures and equipment for utility purposes through, along, across, under and over the county maintained roads and highways of the County of Monroe, Missouri.

The Monroe County Commission may, pursuant to said section approve and grant such authority as requested by Grain Belt Express Clean Line LLC.

On July 30th, 2012 the Commission did grant the requested authority to Grain Belt Express Clean Line LLC, and its successors and assigns, subject to the condition that all necessary permits from the County be obtained and all rules and regulations of the Commission pertaining to such facilities be observed by Grain Belt Express Clean Line LLC.

After further review of the granting of the approval on July 30th 2012 by the Commission to Grain Belt Express Clean Line LLC, it was determined by the Commission the decision to grant such authority was premature.

Grain Belt Express Clean Line LLC cannot be granted such authority by the Monroe County Commission until such a time that Grain Belt Express Clean Line LLC has utility status in the State of Missouri by receiving the official approval of the Missouri Public Service Commission.

Therefore, the Monroe County Commission hereby retracts and officially denies the approval of Grain Belt Express Clean Line LLC the authority to construct, erect, place, maintain, own and operate poles, lines, and other conduits, conductors and associated structures and equipment for utility purposes through, along, across, under and over the county maintained roads and highways of the County of Monroe, Missouri. Until such a time that Grain Belt Express Clean Line LLC has utility status in the State of Missouri and the approval of the Missouri Public Service Commission.

After such approval has been given by Missouri Public Service Commission to Grain Belt Express Clean Line LLC then the Monroe County Commission may, pursuant to section 229.100 RSMO 2000 approve and grant such authority as requested by Grain Belt Express Clean Line LLC.

Dated: January 24, 2014

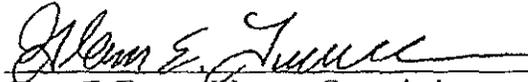
Monroe County Commission



Mike Minor, Presiding Commissioner

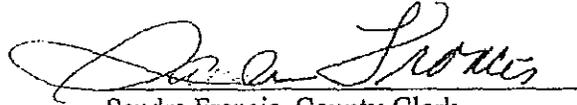
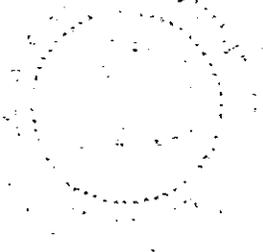


Mike Whelan, Eastern Commissioner



Glenn E. Turner, Western Commissioner

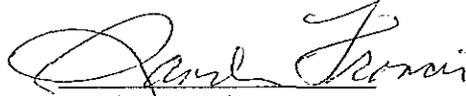
I, hereby certify that this is a true and exact copy of the original order filing in my office the 24th day of January, 2014.



Sandra Francis, County Clerk

CERTIFICATION OF RESCISSION OF FRANCHISE

I hereby certify that the foregoing document is a true and exact copy of a document which was filed in my office on the 24 day of January 2014.



Sandra Francis
County Clerk
Monroe County, Missouri

Dated: 1/24/14

CALDWELL COUNTY COMMISSION
49 East Main, PO Box 67
Kingston, Missouri 64650

At a meeting on September 5, 2012, the County Commission approved a document which states that it granted authority to Grain Belt Express Clean Line LLC pursuant to Section 229.100 RSMo to construct, erect, place, maintain, own and operate poles, lines, and other conduits, conductors and associated structures and equipment for utility purposes through, along, across, under and over the public roads and highways of the County of Caldwell, Missouri.

Since that time, information has come to the attention of the County Commission which leads it to question that grant of authority to Grain Belt Express. Accordingly, if our grant of authority of September 5, 2012 to Grain Belt Express was valid, the County Commission does hereby rescind and revoke the authority granted that date to Grain Belt Express to construct, erect, place, maintain, own and operate poles, lines, and other conduits, conductors and associated structures and equipment for utility purposes through, along, across, under and over the public roads and highways of the County of Caldwell, Missouri.

Dated: 8-4-2014

Caldwell County Commission

C. J. Beal Miltberger
Presiding Commissioner

Donnie Cox
Commissioner

David M. Brown
Commissioner

I certify that this is a true and exact copy of the original order filed in my office on the 4th day of Aug., 2014.

Beverly Bryant
County Clerk

DAILY & MURRELL LAW OFFICE
613 FIRST STREET
P.O. BOX 215
GLASGOW, MO 65254
TELEPHONE (660)338-2144 ** FAX (660)338-2561

WILLIAM J. DAILY

STEPHEN M. MURRELL

March 21, 2014

Missouri Public Service Commission
P. O. Box 0360
Jefferson City, MO 65102

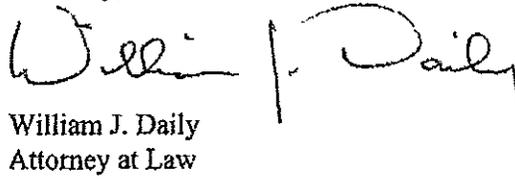
Re: Case NoEA-2014-0207
Clean Line Grain Belt Express

To Whom It May Concern:

The purpose of this letter is to correct what appears to be a misrepresentation contained in lists which are being circulated by Clean Line Grain Belt Express stating that the cities of Brunswick and Salisbury are in support of the current proposal in the above named case. I know of no such support for the project by the government officials in those cities.

I am and have for some time been the city attorney for both the City of Brunswick, Missouri [since April, 2012] and the City of Salisbury, Missouri [since 2003]. I have been at all regular meetings of both cities for at least two years, have checked with the city clerk and/or officers in each city concerning any supposed endorsement of Clean Line and can find no record of any support for the project within either city's government records or with their officers. In fact, the city council for the City of Salisbury is actively opposed to the project and several members of that council have voiced strong opposition to the project over the past several months.

Sincerely,



William J. Daily
Attorney at Law

Sch. LDL-5, P.1



Case EA-2014-0207-Grain Belt Express

Case EA-2014-0207-Grain Belt Express

Doug W. Marrs <DMarrs@greatsouthernbank.com> Thu, Apr 3, 2014 at 2:10 PM
To: "pscinfo@psc.mo.gov" <pscinfo@psc.mo.gov>
Cc: "mrodenbaugh61@gmail.com" <mrodenbaugh61@gmail.com>, "Kelly A. Polonus" <KPolonus@greatsouthernbank.com>

I represent Great Southern Bank and am the Vice President of Operations and the COO. We would like to rescind any support endorsement that refers to Great Southern Bank. Any prior endorsement was not approved by our Corporation. We appreciate any assistance you can give us relating to this matter. Please give me a call if you have any questions.

Doug Marrs | Vice President

Great Southern Bank | Operations

218 S. Glenstone | Springfield, Mo. 65802

Phone 417-895-4569 | Fax 417-895-4533

DougMarrs@greatsouthernbank.com | www.greatsouthernbank.com

2 attachments

 Clean_Line_Supporters[1].pdf
79K

 Block GBE sample commissioner business letter.doc
23K

Sch. LDL-5, p.2



Grain belt

Grain belt

Brad.Brown@amwater.com

Fri, Mar 28, 2014 at 11:01

<Brad.Brown@amwater.com>

AM

To: "mrodenbaugh61@gmail.com" <mrodenbaugh61@gmail.com>

Cc: Ann.Dettmer@amwater.com, christie.barnhart@amwater.com

We have no knowledge within our company of having written anything in support of this initiative.

Regards

Brad Brown - Missouri American.

Sent from my iPhone

- MO Am Water -

Sch. LDL-5, p.3

Klingner

163

Macy J. Rodenbaugh

From: Mark C. Bross <mcb@klingner.com>
Sent: Tuesday, March 25, 2014 8:27 AM
To: Jerad R. Noland; Macy J. Rodenbaugh
Subject: Re: FW: Block Grain Belt - How you can help

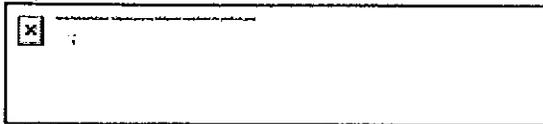
Jerad/Macy:

We are unsure how we got listed as a supporter, but it appears we are initiating steps to remove our support for this. Thanks for bringing it to our attention.

Thanks.

Mark C. Bross, PE
Senior Project Engineer

Klingner & Associates, PC
4510 Paris Gravel Road | Hannibal, MO 63401
Office: 573.221.0020 | Fax: 573.221.0012 | www.klingner.com
mcb@klingner.com



Big River Oil

Macy J. Rodenbaugh

From: Stewart McIntyre <smcintyre@bigriveroil.com>
Sent: Wednesday, March 26, 2014 4:06 PM
To: Jerad R. Noland; Macy J. Rodenbaugh; jutterba@amfam.com; Phyllis Bross
Subject: FW: Case EA2014-0207-Grain Belt Express

FYI

From: PSC Info (Public Info Email Address) - PSC [<mailto:pscinfo@psc.mo.gov>]
Sent: Wednesday, March 26, 2014 2:32 PM
To: 'Stewart McIntyre'
Subject: RE: Case EA2014-0207-Grain Belt Express

Dear Mr. McIntyre:

Thank you for contacting our office. This letter is to acknowledge receipt of your email concerning Grain Belt Express Clean Line, LLC (Grain Belt). Your questions and comments are important to us and have been filed into Grain Belt Clean Line's application case EA-2014-0207. As a part of the official case file, the Commission will be able to view all public comments for consideration.

If at any time you have questions or concerns regarding this matter, please feel free to contact our office at 1-800-392-4211.

Sincerely,

Consumer Services Unit

From: Stewart McIntyre [<mailto:smcintyre@bigriveroil.com>]
Sent: Wednesday, March 26, 2014 1:48 PM
To: PSC Info (Public Info Email Address) - PSC
Subject: Case EA2014-0207-Grain Belt Express
Importance: High

Big River Oil

R201402904

Dear Commissioners,

I am writing in regards to case no. EA-2014-0207.

I am very much opposed to the Grain Belt Express Clean Line transmission line and ask that you please DENY them Public Utility status. As a Missouri business owner, I believe that we do not need the electricity and would not benefit from it. It would violate property rights, reduce property values far more than compensation, spoil our rural landscape, cause hundreds of acres of deforestation, create obstacles to farming, limit future land use options, and cause potential health risks to human and livestock.

Additionally, Clean Line has put our company name down on supporting propaganda material without our permission. I do not agree or appreciate the tactics being used for this proposed project.

Thank you!

Respectfully,

+Macy 3 Share

Gmail More 4 of 497

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CASE #EA2014-0207 Inbox x

Jason D. Janes, PLS <jason@janesurveying.com> 12:49 PM (4 hours ago)

to psdinfo, me

Dear Sirs:

Please accept this email as notification that my company Janes Surveying, Inc. neither supports or opposes the Grainbelt Express Project. I attended an informational meeting sometime in the past and it has come to my attention this company is using my company in their documentation. I attended the meeting in hopes that maybe I would gain possible work from this project but at no time did I lend my support. I have contacted the company to have my name removed as well.

Thank you.

JASON D. JANES, PLS
 Janes Surveying, Inc.
 222 South Main
 Palmyra, Missouri 63461
 (573)769-7020
 www.janesurveying.com

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P201402903

Janes Surveying

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Hale R-1 School Inbox x

Clint Heussner 11:54 AM (13 minutes ago)

to pschno, ma

To Whom It May Concern:

Please take the Hale R-1 School off the list of schools that support the Grain Belt Express Project. Those individuals that signed the paper indicating they supported the project were asked for their place of employment and they do not have permission to speak on behalf of the Hale R-1 School. Thank you for your cooperation in this matter. If you have any questions please call me at 660-565-2417. Thanks again.

Clint Heussner
Superintendent
Hale R-1 School

People (2)

Clint Heussner
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Hale Schools

Sch. LDL-5, p. 7

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Ameila Johnson
cpowman4183@...

Public Service Commission Inbox x

Rich Stille <RStille@hannibal.k12.mo.us> Mar 27 (1 day ago)

to me

Macy:

Per our telephone conversation, please be advised that I contacted the Public Service Commission on behalf of the Hannibal School District #60 on Tuesday, March 25, 2014 regarding Grain Belt Express Green Line.

I requested that the PSC make comment and note that both the Hannibal School District #60 and/or the Hannibal Career and Technical Center could not support the Green Belt Express Clean Line project.

Thank you for your time and consideration with this matter. Please feel free to contact me if you have any questions or need additional information.

Regards.

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Hannibal Career & Tech Center - HC TC

Sch. LDL-5, p. 8

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 - Sent Mail
 - Drafts (2)
 - Circles
 - (imap)/Trash (19)
- Search people...
- Ameia Johnson
avs@ear@gmail.com
 - cpowman4163@...

Allstate - Save 45% or more. - Switch to Allstate and discover all the ways you can save. Get a Quote! Why this ad?

Grain Belt inbox x

 Tom May <tmay@mfaoil.com> 4:09 PM (1 hour ago)
to me

Macy,
Thanks for contacting MFA Oil through our website. We were put on the list because we were a potential supplier on the project, not because of any endorsement that that MFA Oil gave to the project. We sent an email to them back on March 14th to remove our name from the list as a supporters on their flyers. MFA Oil did attend a meeting and we did communicate that we do handle projects like this for fuel, as we have for some of the pipelines that have passed through our state.

Thanks,
Tom May
Director of Public Relations
MFA Oil Company

Tom May
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mortgageupdates.com

MFAoil

Sch. LDL-5, P. 9

CC 3083

Tue, Mar 25, 2014 at 2:38 PM

To: Macy Rodenbaugh <mrodenbaugh61@gmail.com>

I am aware of this project but have not heard much about it for several months now. Early last year they called us to see if we would be interested in doing business with them however, we were not a good

To my knowledge, we have not given them permission to use our name or told them that we would support them in this project. However, I will double check with our head office in Chesterfield to see if they have had any more information regarding this group or this project.

Terry Bennett

Cell:

Office:



Continental Cement Company
10107 Highway 79
Hannibal, Missouri 63401

Safety first ... the only smart choice.

mrodenbaugh61@gmail.com]

To: Terry Bennett

Grain Belt Express Clean Line project

Sch. LDL-5, P.10



COMMENTS

A primer on power

Diverse power resources keep electricity affordable and reliable

Do you know where your electricity comes from? Many electric cooperative members don't have the slightest idea what goes into creating the electricity they use.

For the most part, that is a good thing. It means you are getting reliable service you can take for granted.

But as debate on carbon-dioxide regulation heats up in Washington, D.C., electric cooperative members need to understand exactly how electricity is created and brought to their homes.

Electric cooperative members in Missouri receive their power from two generation cooperatives. For most electric cooperatives, this wholesale power comes from Associated Electric Cooperative based in Springfield, Mo. Citizens Electric members get their power from Wabash Valley Power, a cooperative based in Indianapolis.

The two utilities use similar resources to generate electricity. The backbone of their power needs are met by large coal-fired power plants. Associated Electric, for example, meets most of the needs of its member systems with two coal-fired plants located at Thomas Hill in north-central Missouri and New Madrid in southeast Missouri.

These plants provide about 80 percent of the electricity used by its member systems, which include electric co-ops in Iowa and Oklahoma. For Wabash Valley, coal supplies 50 percent of the electricity. Another 13 percent comes from synthetic natural gas and 5 percent from nuclear power.

Like a wise investor, electric utilities don't put all of their eggs in one basket. Behind these large coal plants are a series of plants that use natural gas as the fuel source.

Combined-cycle gas plants operate extremely efficiently and are a great complement to the coal plants, especially when natural gas prices are low.

These generation co-ops also have smaller, "simple-cycle" natural gas plants designed to operate for shorter periods of time when demand for electricity is high.

Associated also has one small power plant located in Unionville that uses fuel oil as its fuel source. Because it is more expensive to operate, it is used only when the demand for electricity hits peak levels.

Besides these large fossil-fuel power plants, renewable resources play a major role in supplying electricity. Associated buys the entire output of four wind farms in northwest Missouri and receives power from a fifth wind farm in Kansas. A new wind farm in Oklahoma is under construc-

tion and is expected to start delivering power in 2015.

Another major source of renewable energy comes from the federal hydropower projects along the White River and elsewhere. This does not include electricity generated at Bagnell Dam, which forms Lake of the Ozarks. This is a private hydropower project owned by Ameren Missouri.

Altogether, renewable resources provided 16 percent of the electricity for Associated member systems in 2013. Wabash Valley Power also supports renewable energy. It owns landfill gas generation and has contracts to purchase the output from wind farms and biogas projects. It sells, separately, the environmental attributes associated with this generation to its members and third parties.

Whatever the power source, electricity is generated pretty much the same way. Steam, wind or water turns a generator, which creates electricity. This electricity moves across transmission lines to the distribution cooperative, the voltage gets stepped down to consumer levels and the lights come on in your home.

Electricity moves at roughly the speed of light through these power lines. That's a good thing too, because it's not possible to store it. For all practical purposes, the electricity you use has to be generated as you use it.

For this reason, those large baseload plants fueled by coal and natural gas are critical to meeting your energy needs. At some point, the wind stops blowing and the water behind the dams gets too low for power generation. Solar power is getting a lot of press these days, but eventually the sun sets and solar panels stop working.

For every watt of renewable power you use, there has to be an equal amount of electricity waiting to take over should these intermittent power sources stop. You wouldn't be happy waiting on an operating table if the only power source was wind or solar.

Renewables also are much more expensive. This is the chief reason renewable energy is a smaller piece of the power-supply mix.

It has taken many years to build these resources, but Missouri's electric cooperatives can count on a reliable supply of electricity. That's why we resist any effort to weaken this powerful network. We hope you will keep informed about any issues that could hurt this supply of affordable and reliable electricity. If you haven't already done so, visit www.action.coop and join the half million members who have already let their voices be heard.

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Cotton is new manager at Farmers'

Farmers' Electric Cooperative has a new manager who is no stranger to the cooperative. He is Rod Cotton, a long-time cooperative employee and a native of northwest Missouri. He previously worked for Grundy Electric Cooperative in Trenton and Green Hills Telephone Corp. based in Breckenridge. His latest role at the Chillicothe-based Farmers' Electric was as assistant manager and chief financial officer.

A graduate of Northwest Missouri State University, Cotton received a bachelor's degree in accounting. He is a certified public accountant and has completed the Cooperative Financial Professional Certificate Program and the National Rural Electric Cooperative Association's New CEO Orientation.

The new manager is an Eagleville native but has lived in Trenton with his wife, Missie, for the past 21 years. His hobbies include coaching youth basketball and attending the sporting events of his children, Cassidy and Connor.

He replaces former Farmers' Electric Manager Mike Sanders, who retired on May 15. Sanders was manager for the past eight years.

Missouri's electric cooperatives welcome Cotton to his new role at the cooperative and wish Sanders all the best in his retirement.



Rod Cotton