

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION OF
MONTANA-DAKOTA UTILITIES CO. AND
OTTER TAIL POWER COMPANY FOR A
PERMIT TO CONSTRUCT THE BIG STONE
TO SOUTH ELLENDALE 345KV
TRANSMISSION LINE

DIRECT TESTIMONY OF
GERALD PESALL

EL13-028

1. State your name and address.

Gerald W. Pesall, 15062 430th Ave. in Lily, South Dakota, 57274.

2. Describe your educational and occupational background.

I graduated from 12 years of high school in 1955. I worked in construction after school, but have been farming for the last 53 years. I started in 1961 renting 350 acres from family. Today I own and farm about 1,500 acres. My farm includes my house and the house where my family homesteaded back in 1882. The family farm has been in continuous operation since that time. All of this land is in Day County, South Dakota.

3. Describe the size and general nature of your farming operation.

I farm about 1,500 acres right now. I raise soybeans, corn, and wheat. This includes about 400 acres of corn, 400 in wheat, and the rest in soybeans. I also do some custom tillage and harvesting work on the side. I used to raise dairy cattle but discontinued that operation due to flooding in the 1990's.

4. Are you familiar with other farming operations in your region of South Dakota?

Yes.

5. Are those farms similar to yours?

Yes. They mostly raise small grains, corn, soybeans and wheat. They may farm from 600 acres to several thousand.

6. Would the operators of those farms be likely to experience the same concerns about the proposed B.S.S.E. line that you have?

Yes. And at least 12 of my neighbors have told me that they oppose it.

7. Does the proposed B.S.S.E. line pass over land you farm, and if so where?

Yes. It would cross over my land at section 17, township 120, range 56 in Day County, South Dakota. This is about one mile east of my house, and about ¼ from the original family homestead.

8. Do you oppose the issuance of a permit for the proposed line by the P.U.C.?

Yes, absolutely.

9. Why do you oppose the issuance of a permit in this proceeding, and why do you feel the line should not be built?

If the line were constructed, it would interfere with my daily farming operations and create more paperwork for me. It would lower my property values. It would create new liability issues for me. It would create health and safety risks. It would also damage cropland and roads. I do not have a pole on my property and I don't want to look at them. All my lines are buried. The land looks almost the same today as it did when my grandfather homesteaded.

10. What impact would the proposed line have on your day-to-day farming activities?

It would prevent me, and farmers like me from using irrigation, interfere with electronic farming equipment, and create obstacles in the field which we would have to work around. It would also create extra paperwork for us any time their construction or maintenance crews damage crops, and increase paperwork for crop insurance claims and crop histories.

11. What impact would the proposed line would have on the value of property you own?

If the line goes there, I will not be able to acquire the full cash rent if I rent it out. Large farmers will be using electronic gadgets, and the extra obstacles and potential disruption under the lines will require extra effort from him.

If I decided to sell the land, it will not carry the same value. Anything on it impacts the price. I would estimate about \$5 per acre less for cash rent. I would estimate about a 3% decrease in the market value of that land.

12. What impact would the proposed line have on the aesthetics of your region of the state?

It will distort the overall view of the region.

13. What are your liability concerns?

They're putting obstacles out in the field, and I can be responsible if I or a renter or a hired

person, collides with any of them. They applicants say they'll have insurance but I have no way of knowing whether they'll maintain that insurance, or if it would be sufficient if a third party gets injured. And, insurance does not prevent harm, it just tries to pay for it after-wards.

If someone gets hurt or killed because this high-voltage line is out in the field, no check from an insurance company is going to bring them back.

14. What are your health concerns?

The builders say there should not be health concerns for people at ground level, but they have to avoid houses and towns. I may have people in tractors or combines that are well above ground level that will get exposed to the fields from this line. My neighbor has a pacemaker. I know people with cochlear implants. If any of these people are in a tractor under that line, they may have problems.

15. What are your safety concerns?

A fallen high voltage line could be deadly. I do not want to see family, friends, or neighbors get injured. Some common farm equipment can get quite tall and come close to those lines. If the equipment connects with one, it could damage the equipment or harm the driver, or start a fire. It creates another hazard for me if I have to be careful not to park equipment under the lines. It could also induce current in fences or other metal items near the lines.

16. What concerns do you have about damage to cropland?

I worry about soil compaction and pests. The builders claim they will fix soil compaction, but I have no way of knowing whether they will follow through. Some soil compaction can take ten years or more to recover. I've seen this happen where roads are constructed in my area, even when the contractors try to fix the soil.

Another concern is the transmission of the soybean cyst nematode, "sudden death syndrome," and chemically resistant weeds. All of these can be transferred from field to field with large equipment. My farm equipment might transfer small amounts in my region, but a construction project this big means equipment moving across fields for miles and miles. Once these pests get started in a field, they remain forever and will permanently harm crop yields.

17. What concerns do you have about road maintenance if the project goes forward?

I was on the township board for over 40 years and I've seen contractors destroy roads, blade them once or twice, and leave. Large equipment used in the wrong season can destroy the roads. Roads around our area were built with elevated graders and using black dirt to construct the roadbed. They cannot withstand a lot of heavy equipment use. The townships and taxpayers will have to pay for the roads if the line is built and the builders do not maintain them.

18. Is it possible for you to calculate the potential dollar value of the damage these would cause to your operation?

I cannot, because the time of year that they do construction or maintenance would be a big factor. If their activities happen during planting or harvest, it could cost me thousands of dollars in lost time and production.

19. Do you believe there would be any benefit to you, or others similarly situated, by the construction of the proposed line?

No.

20. Have you had any problems with the reliability of your electrical services in recent years?

We had an outage last fall when an airplane caught a similar high-voltage line. We were without electricity for a few hours. Otherwise we have had no trouble with our electrical services in recent years. Most of the REA lines in my region are buried and they are burying more every year. I am quite satisfied with the current condition of my electrical services.

21. Do you or anyone you know have any intent to connect directly to this line to buy or sell electricity?

No.

22. Are you aware of anyone in your region who would benefit financially, either through employment or otherwise, from the construction of the proposed line?

All the people I've seen working on this project, asking us to sign easements, are not local people. They are all from out of state. I do not know of anyone from South Dakota who is employed by this project.

23. What kinds of economic activity go on in your region and how will the line impact it?

Just about everyone in my region farms. The farms are getting bigger and more technological. This line would not benefit those operations, but it would interfere with them.

24. Does this conclude your testimony?

Yes.

CERTIFICATE OF SERVICE

The undersigned attorney hereby certifies that a true and correct copy of the foregoing **DIRECT TESTIMONY OF GERALD PESALL** was served upon the following parties of record, electronically or in paper form, this 24th day of April, 2014:

Thomas J. Welk, Attorney
P.O. Box 5015
Sioux Falls, SD 57117-5015
tjwelk@bgpw.com

Patricia Van Gerpen
Executive Director
South Dakota P.U.C.
500 E. Capitol Ave.
Pierre, SD 57501
patty.vangerpen@state.sd.us

Karen Cremer, Attorney
500 E. Capitol Ave.
Pierre, SD 57501
karen.cremer@state.sd.us

Brian Rounds
Staff Analyst
South Dakota P.U.C.
500 E. Capitol Ave.
Pierre, SD 57501
brian.rounds@state.sd.us

Darren Kearny
Staff Analyst
South Dakota P.U.C.
500 E. Capitol Ave.
Pierre, SD 57501
darren.kearny@state.sd.us


Jennifer Smestad, Attorney
214 S. Cascade St.
Fergus Falls, MN 56538
jsmestad@ottertail.com

Daniel S. Kuntz, Attorney
P.O. Box 5650
1200 West Century Ave.
Bismarck, ND 58506
dan.kuntz@mduresources.com

Maxine Fischer
Brown County Auditor
25 Market St., Ste. 1
Aberdeen, SD 57401
maxine.fischer@browncounty.sd.gov

Sandra Raap
Day County Auditor
711 W. First St., Ste. 204
Webster, SD 57274
dcaud@itctel.com

Karen Layher
Grant County Auditor
210 E. Fifth Ave.
Milbank, SD 57252
karen.layher@state.sd.us



N. Bob Pesall, Attorney