



**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

**IN THE MATTER OF THE APPLICATION BY PREVAILING WIND PARK, LLC
FOR A PERMIT FOR A WIND ENERGY FACILITY IN BON HOMME, CHARLES MIX,
AND HUTCHINSON COUNTIES, SOUTH DAKOTA, FOR PREVAILING WIND
PARK ENERGY FACILITY**

SD PUC DOCKET EL-18-026

**REVISED PREFILED REBUTTAL TESTIMONY OF MICHAEL MAROUS
ON BEHALF OF PREVAILING WIND PARK, LLC**

October 8, 2018

I. INTRODUCTION

Q. Please state your name.

A. My name is Michael MaRous.

Q. Did you provide Supplemental Direct Testimony in this Docket?

A. Yes. I submitted Supplemental Direct Testimony in this docket on August 10, 2018.

Q. What is the purpose of your Rebuttal Testimony?

A. The purpose of my Rebuttal Testimony is to respond to the testimony of South Dakota Public Utilities Commission Staff witness Darren Kearney regarding a property value guarantee.

II. PROPERTY VALUE GUARANTEE

Q. Mr. Kearney discusses the difficulty of administering a property value guarantee. What is your response?

A. I do not believe a property value guarantee is warranted for this Project or workable. As I testified, the Project is not expected to have any adverse impact on property values. I also agree with Mr. Kearney's position that "the implementation of a property value guarantee would be extremely difficult to do." Many variables can influence the criteria to establish value or re-establish value at a later date. For example, if maintenance and modernization has not been done, the condition of the property can deteriorate and negatively impact value. Alternatively, it would be difficult to determine how an improvement, such as a new kitchen or bathroom, should be factored in. Further, ideally, the same appraiser should do the appraisal years later if an allegation of an impact due to proximity to a wind farm is suggested. There are very few residential appraisers in the Project area, and there is a reasonable chance that the same appraiser would be retired or no longer working in the area when the future appraisal is needed. I want to emphasize that these are just some, not all, of the reasons I believe a property value guarantee is unworkable.

III. CONCLUSION

Q. Does this conclude your Rebuttal Testimony?

A. Yes.

Dated this 8th day of October, 2018.



Michael MaRous

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