

**Afternoon CommStock Report-10/09/14**  
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Former Iowa Farm Bureau President Craig Lang is a strong public proponent of wind energy and the proposed Rock Island Clean line transmission line that would move wind energy generated in the Northern and Western Corn-Belt, taking the power east to consumers in metropolitan IL where the demand is. I think that Craig is right about the opportunity to export domestic energy, wind power through transmission lines or Bakken oil through pipelines crossing Iowa being good for the country. They will also be good for the private companies that own these endeavors.

While there is general collective good from using domestic energy these companies are not the Rural Electric Cooperative or the Tennessee Valley Authority, they are private commercial enterprises. As such they can pay their way paying negotiated value for the easements that they need to build their power lines and pipelines through private property. What they would like to do instead of negotiate with landowners is gain the right of eminent domain to condemn the land they need to cross from state utilities boards.

The power of eminent domain was intended for public works projects not private commercial concerns like RICL. If after obtaining the vast majority of easements through negotiation with private landholders a threshold that I would put at 90%, then and only then should the state utilities board consider authorizing eminent domain.

My opinion is that RICL is offering landowners half the commercial value of the easements. They chose the price and the formulas and when they claim to be willing to negotiate that is overstating the flexibility in their offer. They offer a take it or leave price and I would leave it which I believe will force them to change their model and pay commercial rates for easements. They base their easement value on farmland values but what other commercial project gets to do that? The RICL is not going to farm it. They are going to get paid well to build poles and transmit electricity over it.

They will get paid commercial rates and the value of the easements should be valued as commercial property as well. It is the same with the proposed oil pipeline a Texas company wants to build to bring oil from the Bakken field in ND to IL. Again these private companies are not the REC or TVA and as such they should not be treated as public works projects. I have been pleasantly surprised at the bi-partisan opposition that has formed against allowing private companies the right of public eminent domain.

Here is what my Congressman Steve King had to say about the subject: "Bakken Pipeline: King supports the concept of a proposed 1,100-mile pipeline that would carry crude oil from North Dakota's Bakken oil fields through 17 counties in Iowa to an Illinois transfer area. However, he says he wants to protect the property rights of Iowa landowners, and he wants to reach a consensus by requiring that the pipeline company have a "substantial number of leases signed. He adds, I don't want to go through Iowa with eminent

domain and wipe out peoples' property rights. They have to have an idea that is good enough and strong enough and economically feasible enough that they can get a significant percentage of these leases negotiated before you get to eminent domain. "

On the other side of the aisle here is what 3rd District Democratic candidate Staci Appel had to say on eminent domain use: "I do not support eminent domain, Appel told Des Moines Register editor and reporters on Tuesday. What I think is that we have to work with the entities and the people who own that and find a way to come together. Eminent domain is the power to seize private property without the owner's consent. It's been historically used for public benefit, such as constructing highways, utilities and public buildings. Her opponent, Republican David Young of Van Meter, hasn't taken a stance on the underground pipeline, which would pass through Polk County in central Iowa. The project is proposed by Dallas-based Energy Transfer Partners. I don't think I am being naïve, Appel said. What I think is that we need to find agreement with farmers and to find ways to work around it if we need to. But I do not support eminent domain for a pipeline."

We can all be for wind power and development of domestic oil production in the Bakken. I support this. What I also support is private property rights and the obligation of these private companies to negotiate commercial deals with landowners that they want easements from rather than get handed use of eminent domain so that they can roll over these landowners dictating the terms. I was glad to see these political leaders agree.

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