

**LANDOWNERS' PAYMENTS WORKING GROUP
REPORT TO THE LEGISLATIVE ELECTRIC ENERGY TASK FORCE
(LEETF)**

Laws 2005, chapter 97, article 11, required the Legislative Electric Energy Task Force (LEETF) to create a landowners' payments working group to study alternative methods of remunerating landowners on whose land high-voltage transmission lines have been constructed.

The group was created, met twice, and this is a report of its findings and recommendations.

LANDOWNER PAYMENTS GROUP FINDINGS

1. Farm owners in southwestern Minnesota want compensation for high-voltage transmission line easements to be paid annually as a percentage of the current value of the land so that as land values rise or drop, the payments rise or drop accordingly.
2. Easement acquiring utilities are not in favor of the proposal described in item #1 and do not want to fundamentally change the current method of payment for easements, which consists of a onetime payment based on a percentage value of the land over which the easement is acquired.
3. The Legislature has the authority to mandate the payment system described in item #1.
4. There are no jurisdictions that have the payment system described in item #1.
5. The payment system described in item #1 would be more expensive than the current payment system, assuming the percentages proposed by the landowners with attendant upward pressure on rates.
6. There is a social value to having a harmonious, nonadversarial process to acquire high-voltage transmission line easements that has an economic value that is hard to quantify.
7. There is a sense that the process for negotiating an easement and/or contesting it by a landowner is too expensive and complicated and it may be helpful to search for legislative ways to ensure that all similarly situated landowners receive the same just compensation without being intimidated by the process or forced to great expense by the process.
8. While this group was formed due to farm landowner concerns, the scope of the charge extends to all landowners. Guidance from the task force is necessary as to the scope of the charge because the scale of the issue is altered if any easement over any land is the subject of the discussion.
9. While the direct parties in interest-the landowners and utilities-are stalemated, the current push to acquire easements for new lines makes the issue one that should have a firm handle kept on it.

1. If further work is to be done on this topic, the task force should provide the guidance described under finding #8.
2. If the task force wants to continue work on this topic and wants more public input, it should consider utilizing the same persons who are on the current study group.
3. The task force may wish to consider whether there are flaws in the current easement acquisition process related to its expense to landowners to contest and perceived intimidating qualities.