

**REBUTTAL TESTIMONY OF AMY ROSCHELLE,
SYNAPSE ENERGY ECONOMICS, INC.
ON BEHALF OF
INTERVENORS BARBARA BORN, ET AL.**

CASE # 03-1860-E-CS-CN

CASE # 05-1467-E-CN

Application of Longview Power, LLC for a Certificate of Public Convenience and Necessity Authorizing Construction and Installation of a 500kV Electric Transmission Line and to satisfy Conditional Siting Certificate for Exempt Wholesale Generating Facility in Monongalia County, West Virginia

March 16, 2006

PUBLIC VERSION

1 **Q. PLEASE SUMMARIZE YOUR REBUTTAL TESTIMONY.**

2 A. My rebuttal testimony addresses the application for the Siting Certificate for the
3 proposed Longview Power, LLC (Longview) coal plant project (Project). After
4 submitting my direct testimony, I received some confidential information that
5 indicates that there is further information that the Commission needs in order to
6 determine whether the proposed plant and related transmission line offend the
7 public interest. In particular, I am concerned that while the Project will be
8 capable of paying Monongalia County full property taxes, it will be given both
9 unnecessary and highly favorable treatment under the Payment in Lieu of Taxes
10 (PILOT) agreement; in other words, the Project would pay far less taxes than it
11 can afford to pay to the County. This would, by definition, offend the public
12 interest.

13 **Q. WHAT INFORMATION DID LONGVIEW PROVIDE?**

14 [REDACTED]
15 [REDACTED]
16 [REDACTED]

17 **Q. WHAT DOES THE [REDACTED] INDICATE?**

18 A. [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17

[REDACTED]

[REDACTED]

Q. LONGVIEW HAS STATED THAT THE PROJECT WOULD NOT BE FINANCIALLY VIABLE IF LONGVIEW WERE REQUIRED TO PAY FULL PROPERTY TAXES TO MONONGALIA COUNTY, WEST VIRGINIA. IS THAT WHAT THE [REDACTED] INDICATES?

A. [REDACTED]

Q. ARE THERE ANY OTHER ASSUMPTIONS IN THE [REDACTED] IN PARTICULAR, THAT CONCERN YOU?

A. Yes. Only six months ago, when Jerry Knight prepared his direct testimony addressing the amount of taxes Longview would be required to pay if Longview constructed and operated the Project in the absence of the PILOT, he assumed the Project would cost \$1,042 million, which translated to a first year property tax

1 estimate of \$9.5 million. [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]

6 **Q. DO YOU HAVE ANY OTHER CONCERNS?**

7 A. [REDACTED]
8 [REDACTED]
9 [REDACTED]

10 **Q. IN SUM, WHAT INFORMATION DOES THE COMMISSION NEED TO**
11 **SEE IN ORDER TO DETERMINE WHETHER THE PROJECT OFFENDS**
12 **THE PUBLIC INTEREST?**

13 A. Longview has yet to fully satisfy the Commission’s conditional requirements for
14 the Siting Certificate, as detailed in its August 27, 2004 Order. The Commission
15 needs a spreadsheet detailing the annual amount of property taxes that Longview
16 would be required to pay to Monongalia County in the absence of the Payment in
17 Lieu of Taxes (PILOT) agreement, as well as the corresponding pro forma
18 spreadsheet, which projects annual net income that the Project would generate
19 under this scenario [REDACTED]

20 [REDACTED]
21 [REDACTED] Until all of this information and
22 other information detailed in my direct testimony is made available and reviewed,
23 the Commission should assume that this Project offends the public interest.

1 **Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?**

2 A. Yes, it does.