

COMMONWEALTH OF MASSACHUSETTS

APPELLATE TAX BOARD

**WESTERN MASSACHUSETTS
ELECTRIC COMPANY**

**v. BOARD OF ASSESSORS OF THE
CITY OF SPRINGFIELD**

Docket Nos. F315550 &
F319349

Promulgated:
May 12, 2020

These are appeals heard under the formal procedure pursuant to G.L. c. 58A, § 7 and G.L. c. 59, §§ 64 and 65 from the refusal of the Board of Assessors of the City of Springfield ("assessors" or "appellee") to abate personal property tax on certain electric utility transmission and distribution property ("subject property") located at various locations in the City of Springfield ("City" or "Springfield") owned by and assessed to Western Massachusetts Electric Company ("WMEC" or "appellant") for fiscal years 2012 and 2013 ("fiscal years at issue").

Chairman Hammond heard these appeals. Commissioners Scharaffa, Rose, Chmielinski, and Good joined him in the Appellate Tax Board ("Board") decision for the appellee.

These findings of fact and report are made pursuant to a request by the appellant under the provisions of G.L. c. 58A, § 13 and 831 CMR 1.32.

Daniel J. Finnegan, Esq. and Michael D. Roundy, Esq. for the appellant.

David L. Klebanoff, Esq. for the appellee.

FINDINGS OF FACT AND REPORT

In addition to the testimony offered by the parties over the course of a three-day trial, the record in these appeals consisted of the following: an agreed statements of facts for each of the fiscal years at issue; designated testimony from the appeals in ***NSTAR Electric Company v. Assessors of Boston***, Mass. ATB Findings of Fact and Reports 2017-340, *aff'd*, 94 Mass. App. Ct. 1123 (2019) (decision under Rule 1:28), *further appellate review denied*, 482 Mass. 1102 (2019) (“designated ***NSTAR*** testimony”); pre-filed testimony; stipulated exhibits; and exhibits. Based upon the record in its entirety, the Board made the following findings of fact.

I. Introduction

The appellant - a public electric utility regulated by the Massachusetts Department of Public Utilities (“DPU”) and the Federal Energy Regulatory Commission - is a wholly owned subsidiary of Eversource, formerly known as Northeast Utilities. The appellant serves fifty-nine communities in western Massachusetts, including Springfield. During time periods relevant to these appeals, the appellant served approximately

206,000 residential, commercial, municipal, and industrial customers, approximately 62,000 of which were located in Springfield.

II. Subject Property

As of January 1, 2011 and January 1, 2012, the relevant valuation and assessment dates, the appellant reported on its Forms of List that the subject property consisted of the categories and quantities summarized in the following table:

	Fiscal Year 2012	Fiscal Year 2013
Poles	14,325	14,259
Circuit miles of overhead lines	912	917
Circuit miles of underground lines	949	953
Circuit miles of conduit	1,367	1,367
Services	42,367	37,845
Transformers	5,994	5,964
Meters	66,189	63,319
Street lights	14,354	14,371
Transmission poles	16	16
Miles of overhead transmission lines	17	17
Miles of underground transmission lines	22	22
Solar generation facility	--	2.3MW

The above categories and quantities were not challenged by the assessors, and so the Board found that these items comprised the subject property, in addition to the construction work in progress ("CWIP"), as discussed below. The net book cost of the subject property was \$145,824,889 for fiscal year 2012 and \$190,772,007 for fiscal year 2013. The subject property reported and valued by WMEC did not include CWIP, but included completed construction not yet classified. When requested by the

assessors, the appellant reported a net book cost of \$4,543,360 for CWIP for fiscal year 2013, but stated in its response to the assessors that it "did not include [CWIP] in our Form of List filing as we do not consider [CWIP] to be taxable for property tax purposes." During calendar year 2011, WMEC placed \$45,745,811 of new property in service in Springfield.

The methodology implemented by the assessors for valuing the subject property used a formula of an equal weighting of the reported net book cost and the reproduction cost new less physical and functional depreciation of the subject property.

III. Jurisdiction

Based upon the following facts, the Board found and ruled that it had jurisdiction over these appeals:

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The appellant filed its fiscal year 2012 Form of List with the assessors on February 25, 2011. The appellee valued the subject property at \$207,663,400 for fiscal year 2012 and assessed a tax thereon at the rate of \$39.99 per \$1,000 in the total amount of \$8,304,459.37. The appellant timely paid the tax in full and filed an application for abatement on January 24, 2012, which was denied by the appellee on April 17, 2012. The appellant timely filed a petition with the Board on May 11, 2012.

The appellant filed its fiscal year 2013 Form of List with the assessors on February 16, 2012. The appellee valued the subject property at \$253,745,860 for fiscal year 2013 and assessed a tax thereon at the rate of \$38.98 per \$1,000 in the total amount of \$9,891,013.62. The appellant paid \$7,436,292.84 prior to filing its appeal with the Board, more than the one-half required by G.L. c. 59, § 64. It filed an application for abatement on January 29, 2013, which was denied by the appellee on April 24, 2013. The appellant timely filed a petition with the Board on May 16, 2013.

IV. Framework for Valuation of Utility Property and the Parties' Claims

Historically in Massachusetts, the carry-over rate base rule¹ - limiting the net book value of utility assets in the hands of the buyer to the existing net book value in the hands of the seller - has been the rule used for valuation of utility property, absent the existence of special circumstances² that

¹ A utility's rate base "is its net book value, which has been defined as 'the original cost of the property at the time it was originally devoted to public use, less accrued depreciation.'" *Boston Gas Co. v. Assessors of Boston*, 458 Mass. 715, 718 (2011) (quoting *Tennessee Gas Pipeline Co. v. Assessors of Agawam*, 428 Mass. 261, 263 (1998)).

² As discussed further in the Opinion, a non-exclusive list of factors - often referred to as the "*Watertown* factors" after the matter of *Boston Edison Co. v. Assessors of Watertown*, 387 Mass. 298 (1982) - has developed and been applied through the years to determine whether special circumstances exist, most recently by the Board in *NSTAR Electric Company v. Assessors of Boston*, Mass. ATB Findings of Fact and Reports 2017-340. These factors include the following: the actual return may exceed or be expected to exceed the approved rate of return; the allowed return may exceed the return available on the

could induce a buyer to pay more than net book value. **NSTAR Electric Company v. Assessors of Boston**, 94 Mass. App. Ct. 1123 (2019), *further appellate review denied*, 482 Mass. 1102 (2019); **Boston Gas Co. v. Assessors of Boston**, 458 Mass. 715, 718-19 (2011). However, the DPU, courts, and the Board have increasingly recognized the existence of special circumstances that could justify an increase in value over net book.

In affirming the Board's decision in **NSTAR Electric Company v. Assessors of Boston**, Mass. ATB Findings of Fact and Reports 2017-340, the Appeals Court recognized that "the DPU officially formalized this shift in its policy with respect to the carry-over base rule in an order regarding mergers and acquisitions of utilities." 94 Mass. App. Ct. at 8-9. The court noted that in *Guidelines & Standards for Acquisitions & Mergers*, D.P.U. 93-167-A (1994), "the DPU stated that it would 'no longer follow the practice of denying acquisition premium recovery based on a per se basis.'" *Id.*

Following the issuance of the DPU's order in 1994, additional case law has "acknowledged the DPU's policy change." *Id.* The court in **Stow Municipal Electric Department v.**

market for an investment having the same or greater risk; a possible change in the relevant rules of law or agency decisions that could make an investment in the company more desirable; the potential for growth in a utility's business; and the possibility of finding a buyer that is not a public utility. **NSTAR Electric Company**, 94 Mass. App. Ct. 1123 (2019). If special circumstances exist, then the utility has the burden of establishing overvaluation. **Boston Gas Co. v. Assessors of Boston**, 458 Mass. 715, 729 (2011).

Department of Public Utilities, 426 Mass. 341, 347 (1997), found that

[t]he department specifically considered its carry-over rate base policy, which it has recently changed from a mandatory rule always limiting a buyer of utility property to the seller's rate base to a case-by-case determination. We certainly cannot fault the department for considering the effect of this change and concluding that because the carry-over rate base rule might not apply to Stow, Stow should pay more than original cost less depreciation.

Attorney General v. Department of Telecommunications & Energy, 438 Mass. 256, 261-62 (2002), affirmed a rate plan that included an acquisition premium, noting that

[p]rior to conducting evidentiary hearings, the department issued an interlocutory order stating that "this proceeding does not include a relitigation of the [d]epartment's policy on the recovery of merger-related costs, including the recovery of a merger-related acquisition premium." That policy, simply put, favors mergers and acquisitions of utility companies within its jurisdiction, and permits the recovery of merger-related costs, where consolidation and recovery of costs will serve the "public interest," and is set forth in D.P.U. 93-167-A (1994) (*Mergers & Acquisitions*).

Boston Gas Co. v. Assessors of Boston, 458 Mass. at 724, emphasized that "[t]he DPU has declared its abandonment of a strict carry-over rate base policy, this court has repeatedly and recently acknowledged that policy change, and the DPU has, in practice, allowed the recovery of a premium in a utility merger."

V. The Parties' Contentions and Cases

In the present matters, the assessors alleged that special circumstances existed that could induce a buyer to pay more than net book value for the subject property. The appellant contended that no special circumstances existed that could induce a buyer to pay more than net book value for the subject property, but that a value equal to or approximating net book value is the correct valuation regardless of the existence or nonexistence of special circumstances.

In support of its claims, the appellant presented both pre-filed and trial testimony of Peter J. Clarke, the senior vice president of Eversource, and Jeffrey L. Michelson, the former manager of revenue requirements of Eversource; pre-filed, trial, and designated **NSTAR** testimony of John J. Reed, the chairman and CEO of Concentric Energy Advisors, and David C. Moody, an appraiser with Lummus Consultants International; an expert report prepared by Mr. Moody for the fiscal years at issue; and expert reports prepared by Mr. Reed for each of the fiscal years at issue. Mr. Reed was qualified to testify as an expert in regulatory, economic, and financial matters related to utilities. Mr. Moody was qualified to testify as an expert in the valuation of public utility property.

In support of their claims, the assessors presented both pre-filed, trial, and designated **NSTAR** testimony of George E.

Sansoucy, P.E., the owner and operator of George Sansoucy PE, LLC, an engineering and appraisal consulting firm, as well as an expert report prepared by Mr. Sansoucy for the fiscal years at issue. Mr. Sansoucy was qualified to testify as an expert in valuation of utility property and engineering.

VI. The Board's Findings and Conclusion

The Board found that the cases and contentions presented by both WMEC and the assessors closely mirrored those of the parties as discussed in ***NSTAR Electric Company v. Assessors of Boston***, Mass. ATB Findings of Fact and Reports 2017-340, particularly relevant here since both WMEC and the assessors specifically relied upon designated ***NSTAR*** testimony of their expert witnesses - the same witnesses who testified in ***NSTAR Electric Company v. Assessors of Boston***, Mass. ATB Findings of Fact and Reports 2017-340 for the same fiscal years at issue.

In ***NSTAR Electric Company v. Assessors of Boston***, Mass. ATB Findings of Fact and Reports 2017-340, the Board found that the changes in the relevant rules of law and agency decisions to permit deviation from the carry-over rate base rule were special circumstances that could induce a buyer to pay more than net book value. The Appeals Court explicitly affirmed this finding. ***NSTAR Electric Company v. Assessors of Boston***, 94 Mass. App. Ct. 1123 (2019). Consequently, the Board found that special circumstances existed in these matters that could induce a buyer

to pay more than net book value for the subject property. The Board was not required to make a finding as to a certainty that a buyer would pay more than net book value, and so it was not persuaded by Mr. Reed's testimony that he was not aware of any case that has so far deviated from the carry-over rate base rule. Similarly, even if true, the appellant's attempts to highlight hardship - from Mr. Clarke's testimony on the economic plight of Springfield and decline in customers to Mr. Moody's report claiming that WMEC achieved less than 90 percent of the average market return on its DPU regulated property between 2007 and 2010 - do not negate the continued existence of the changes in DPU decisions and rules of law that have consistently been recognized as special circumstances, and so the Board found this evidence presented by the appellant to lack any practical significance.

The Board, however, did find testimony regarding a decoupling mechanism presented by the appellant served to bolster the existence of special circumstances. Mr. Clarke explained that under decoupling - whereby the DPU decouples revenues from sales volume - revenues are fixed at a certain target amount. He indicated that due to the effect of decoupling, WMEC³ would likely not earn more than its allowed

³ The evidence established that WMEC was under a decoupling mechanism during times relevant to these matters as a result of D.P.U. 10-70, a 2010 DPU rate case concerning WMEC.

rate of return because the company is required to refund to ratepayers any revenue amounts exceeding the target amount by making an annual adjustment to rates to account for the excess earnings. The Board found that this decoupling mechanism effectively guarantees levelized earnings to WMEC, even during times of economic hardship and declining load in Springfield, and so a buyer could attribute value to this assurance. Further, the Board credited certain testimony by Mr. Sansoucy as supportive of special circumstances. He testified that both the marketplace and the regulation of public utility property have changed substantially since ***Boston Edison Co. v. Assessors of Watertown***, 387 Mass. 298 (1982). He noted that various regulatory aspects have changed since then and that, as a result of certain factors pertinent here, the return may exceed the allowed rate. He testified that recent experience has shown utility companies frequently earn more than the allowed rate of return. He stated that "[w]hether the values reflected in the current market are the result of these regulatory changes or whether, as I suspect, the ***Watertown*** model was always wrong, valuation models bear out that the value of this property exceeds its rate base."

Accordingly, because the Board found that special circumstances existed to overcome the presumption that net book value was the appropriate value for the subject property, it

then looked to the valuation evidence presented by the parties to determine whether the assessed values of the subject property exceeded the fair cash values for the fiscal years at issue. The Board found that much of the testimony and reports was not particularly useful, just as it found with the expert testimony and reports of these same experts in ***NSTAR Electric Company v. Assessors of Boston***, Mass. ATB Findings of Fact and Reports 2017-340.

Mr. Reed remained steadfast in his determination that no buyer would ever pay more than net book value - ignoring the years of historical change as documented in Massachusetts case law and DPU decisions, discussed above. Similarly, Mr. Moody's testimony and conclusions of fair cash value for each of the fiscal years at issue appeared to be predetermined to arrive at or near net book value, with final reconciled values of \$145,800,000 for fiscal year 2012 and \$190,800,000 for fiscal year 2013. He conducted a sales comparison approach of six transactions that were not actually sales or admittedly even comparable to the subject property, yet he still claimed that they offered meaningful data in that the "analysis did provide the fact that in every case the allocation of the purchase price to the fair value of the physical assets was at their net book cost." He developed a cost approach but did not consider it to be a significant indicator of value even though his cost

approach yielded values of \$207,669,291 for fiscal year 2012 and \$254,146,179 for fiscal year 2013, values that were within \$5,891 and \$400,319, respectively, of the assessed values of \$207,663,400 for fiscal year 2012 and \$253,745,860 for fiscal year 2013.

Mr. Moody instead chiefly relied upon an income approach using a discounted cash flow analysis of the entirety of WMEC's property, plant, and equipment using rate base as the allocation factor for the subject property.⁴ Of note, though Mr. Michaelson testified that WMEC did not consider CWIP to be a component of rate base, Mr. Moody admitted during testimony that in calculating his rate base allocation factor he included CWIP in the denominator (comprising the total of WMEC's personal property) but not in the numerator (comprising just the subject property), which deflates the rate base in a skewed manner.

Based upon the above, the Board found Mr. Moody's data to be unreliable, from padding the denominator of his rate base calculation with CWIP to outright ignoring an approach that yielded values significantly close in value to the assessed values.

Mr. Sansoucy's valuation testimony and report were similarly problematic and ultimately not relied upon by the

⁴ See Appendix 1 for a summary of Mr. Moody's approaches and reconciled values for each of the fiscal years at issue.

Board for the reasons articulated by the Board in ***NSTAR Electric Company v. Assessors of Boston***, Mass. ATB Findings of Fact and Reports 2017-340. Mr. Sansoucy sought to distinguish his discounted cash flow method⁵ in these matters from his discounted cash flow analysis in ***NSTAR Electric Company*** - particularly focusing on the Board's concerns in ***NSTAR Electric Company*** that the models were not no-growth models as claimed; that they failed to depreciate the subject property over time; and that they did not deduct or account for revenues attributable to other sources, such as real estate, and also that revenues were not reduced to reflect depreciation of the plant.⁶ The Board found no meaningful distinction in his analysis. Further, the Board has never adopted the discounted cash flow model and it especially found no basis to do so here with the flawed analyses offered by both parties. See ***Firstlight Hydro Generating Company v. Assessors of Montague and Gill***, Mass. ATB Findings of Fact and Reports 2018-674, 684 (finding that "[t]he Board has consistently considered the [discounted cash flow] approach to

⁵ See Appendix 2 for a summary of Mr. Sansoucy's approaches and reconciled values for each of the fiscal years at issue.

⁶ With respect to his cost approach, Mr. Sansoucy made no changes from his analysis in ***NSTAR Electric Company*** regarding useful lives, which the Board found "were not adequately substantiated with trustworthy factual underpinnings" and that "[a]s a result . . . the depreciation that he employed in his cost or RCNLD approach was flawed, rendering his estimates of the value of the subject property using that approach unreliable and inexact." Mass. ATB Findings of Fact and Reports at 2017-398, 402. With respect to his sales comparison approach, Mr. Sansoucy used five of the seven sales that the Board rejected in ***NSTAR Electric Company*** - enterprise sales that were sales of the entirety of a business, not sales solely consisting of personal property.

be an unsuitable methodology for valuing property for *ad valorem* tax purposes").⁷

Accordingly, based upon the record in its entirety, the Board found that the appellant failed to establish that the assessed values of the subject property exceeded their fair cash values for the fiscal years at issue and so the Board issued a decision for the appellee.

OPINION

Net book value is the presumed value of utility property for assessment purposes, but for the existence of special circumstances that could induce a buyer to pay more than net book value. ***NSTAR Electric Company v. Assessors of Boston***, 94 Mass. App. Ct. 1123 (2019) (citation omitted) (decision under Rule 1:28), *further appellate review denied*, 482 Mass. 1102 (2019). Where, as here, special circumstances are "present, the burden shifts back to the taxpayer to establish that the assessed value is in excess of the property's fair cash value." ***NSTAR Electric Company***, 94 Mass. App. Ct. at 3 (citation omitted).

⁷ Mr. Sansoucy also presented a regulatory capitalization approach, but he offered it to demonstrate in his opinion why no seller would sell the subject property for net book value rather than at a price based on a valuation methodology. Consequently, the Board found that this approach was not useful in answering the question of overvaluation - whether the specific assessed values here were higher than fair cash value.

In these matters the Board's analysis was two-fold: (1) it determined the existence of special circumstances that could induce a buyer to pay more for the subject property than net book value and consequently, (2) it conducted a valuation analysis, through which it determined that the assessed values of the subject property for the fiscal years at issue did not exceed their fair cash values.

I. Special Circumstances

Special circumstances that could induce a buyer to pay more than net book value for utility property include but are not limited to the following: (1) "[t]he return actually being earned by the utility may exceed . . . the rate of return approved in the allowed rate"; (2) "the return allowed on the investment may exceed the return available in the market for an investment having the same or a greater risk"; (3) "the applicable rules of law [or] governing agency decisions might be changed so as to make an investment in the company more attractive"; (4) there may be "potential for growth in a utility's business"; and (5) there may be "the possibility of finding a buyer that is not a public utility." **NSTAR Electric Company**, 94 Mass. App. Ct. at 3 (quoting **Boston Edison Co. v. Assessors of Watertown**, 387 Mass. 298, 305-06 (1982)). In the present appeals, the Board found and ruled that special circumstances existed, specifically that the changes in the

relevant rules of law and agency decisions to permit deviation from the carry-over rate base rule, as discussed in **NSTAR Electric Company** for the same fiscal years at issue here, could make an investment in WMEC more desirable. **NSTAR Electric Company**, 94 Mass. App. Ct. at 10 (citation omitted) (“In its review of the DPU decisions, the board was not relying on factual findings made in those cases. The board was instead analyzing how the DPU’s use of the carry-over rate base rule has changed. This was precisely the type of analysis required of the board.”). See also **Boston Gas Co. v. Assessors of Boston**, 458 Mass. 715, 724 (2011) (“The DPU has declared its abandonment of a strict carry-over rate base policy, this court has repeatedly and recently acknowledged that policy change, and the DPU has, in practice, allowed the recovery of a premium in a utility merger.”).

Though Mr. Reed testified that he was not aware of any case that has deviated from the carry-over rate base rule, “[t]his argument ‘may speak to the diminished *probability* of a buyer earning a return on an acquisition premium, but factors bearing on valuation need not be certainties before the board may consider how they would manifest in a hypothetical sale.’” **NSTAR Electric Company**, 94 Mass. App. Ct. at 10 (citation omitted). The Board also found and ruled that other factors supported special circumstances, including the decoupling mechanism and

Mr. Sansoucy's testimony that in his experience utility companies frequently earn more than the allowed rate of return.

Consequently, because special circumstances existed that could induce a buyer to pay more than net book value, the burden shifted back to the appellant to prove that the value of the assessment exceeded fair cash value. **NSTAR Electric Company**, 94 Mass. App. Ct. at 11.

II. Valuation

The assessors are required to assess real estate at its fair cash value. G.L. c. 59, § 38. The standard to be used in determining fair cash value for taxation purposes is "the fair market value, which is the price an owner willing but not under compulsion to sell ought to receive from one willing but not under compulsion to buy." **Taunton Redevelopment Associates v. Assessors of Taunton**, 393 Mass. 293, 295 (1984) (quoting **Boston Gas Co. v. Assessors of Boston**, 334 Mass. 549, 566 (1956)). "A proper valuation depends on a consideration of the myriad factors that should influence a seller and buyer in reaching a fair price." **Montaup Electric Co. v. Assessors of Whitman**, 390 Mass. 847, 849-50 (1984).

Generally, real estate valuation experts, the Massachusetts courts, and this Board rely upon three approaches to determine the fair cash value of property: income capitalization, sales comparison, and cost. **Correia v. New Bedford Redevelopment**

Authority, 375 Mass. 360, 362 (1978). The Board and courts have consistently upheld the methodology implemented by the assessors for valuing the subject property, an equal weighting of the reported net book cost and the reproduction cost new less physical and functional depreciation of the subject property. **Boston Gas Co.**, 458 Mass. at 739 ("The board did not err in using a valuation methodology that equally weighted net book value and RCNLD."); **Boston Edison Co. v. Assessors of Boston**, 402 Mass. 1, 13 (1988) ("We uphold the board's general determination to arrive at the fair cash value of the real estate (not including the land) by giving equal weight to net book cost and depreciated reproduction cost.").

"The board is not required to adopt any particular method of valuation." **Pepsi-Cola Bottling Co. v. Assessors of Boston**, 397 Mass. 447, 449 (1986). Nor is "[t]he board . . . required to believe the testimony of any particular witness but it [can] accept such portions of the evidence as appear[s] to have the more convincing weight." **Assessors of Quincy v. Boston Consol. Gas Co.**, 309 Mass. 60, 72 (1941). The mere qualification of a person as an expert does not endow the expert's testimony with magic qualities. **Boston Gas Co. v. Assessors of Boston**, 334 Mass. 549, 579 (1956). "The credibility of witnesses, the weight of the evidence, and inferences to be drawn from the evidence are matters for the board." **Cumington School of the Arts v.**

Assessors of Cummington, 373 Mass. 597, 605 (1977) (citing **Fisher School v. Assessors of Boston**, 325 Mass. 529, 534 (1950)). The Board can accept those portions of the evidence that it determined had more convincing weight. **Foxboro Associates v. Assessors of Foxborough**, 385 Mass. 679, 683 (1982); **Assessors of Lynnfield v. New England Oyster House, Inc.**, 362 Mass. 696, 702 (1972).

"The burden of proof is upon the [appellant] to make out its right as a matter of law to abatement of the tax." **Schlaiker v. Assessors of Great Barrington**, 365 Mass. 243, 245 (1974) (quoting **Judson Freight Forwarding Co. v. Commonwealth**, 242 Mass. 47, 55 (1922)). In the present appeals, the Board found and ruled that the appellant failed to offer persuasive, reliable evidence demonstrating fair cash values for the subject property that were lower than the assessed values for the fiscal years at issue. Accordingly, the Board found and ruled that the appellant did not meet its burden of proving that the subject property was overvalued for the fiscal years at issue, and issued a decision for the appellee in these appeals.

CONCLUSION

The Board found and ruled that special circumstances existed that could induce a buyer to pay more than net book value for the subject property. Consequently, net book value was

not the presumed value for the subject property and the burden was on the appellant to establish that the assessed values for the fiscal years at issue were higher than their fair cash values, which the Board found and ruled that the appellant failed to accomplish. The Board therefore decided these appeals for the appellee.

THE APPELLATE TAX BOARD

By: /s/ Thomas W. Hammond
Thomas W. Hammond, Jr., Chairman

A true copy,

Attest: /s/ William J. Doherty
Clerk of the Board

Appendix 1. Mr. Moody Reconciled Values

The follow table summarizes the values Mr. Moody attributed to each value indicator in his analyses and his determination of the fair cash value for each of the fiscal years at issue:

Approach	Result for Fiscal Year 2012	Result for Fiscal Year 2013
Sales comparison approach	Original cost less depreciation	Original cost less depreciation
Income approach (DCF)	\$145,295,308	\$190,856,745
Cost approach (reproduction cost new less depreciation)	\$207,669,291	\$254,146,179
Original cost less depreciation (rate base)	\$145,824,889	\$190,772,007
Fair cash value as of January 1, 2011	\$145,800,000	\$190,800,000

Appendix 2. Mr. Sansoucy Reconciled Values

The following table summarizes Mr. Sansoucy's valuation approaches and reconciled values:

Method of Valuation	Fiscal Year 2012	Fiscal Year 2013
Cost Approach (no real property)	\$298,298,000	\$348,943,000
Sales Comparison Approach (no real property)	\$241,055,000	\$246,920,000
Income Capitalization Approach (no real property)	\$272,748,000	\$259,650,000
Reconciled Value (rounded)	\$256,901,000	\$271,372,000