REDACTED DECISION – DK# 23-1354

BY: A.M. "FENWAY" POLLACK, CHIEF ADMINISTRATIVE LAW JUDGE
SUBMITTED FOR DECISION ON JUNE 5, 2024
ISSUED ON NOVEMBER 4, 2024

FINAL DECISION

The Petitioners in this matter are three (3) limited liability companies with commercial property in AAA County, West Virginia (hereafter "property owner"). Specifically, they own and operate natural gas pipelines. In August of 2022, the property owner submitted property tax returns for this property to the AAA County Assessor. Thereafter, by email dated December 13, 2022, the property owner requested that the Assessor consider economic obsolescence when valuing the property. The property owner never received a response to this request from the Assessor. Thereafter, on February 13, 2023, the property owner timely filed an appeal with this Tribunal. Evidentiary hearings were held on October 4, 2023, and October 19, 2023. After the filing of post-hearing briefs, the record was closed on March 1, 2024. On May 16, 2024, in a companion case, the EEE County Assessor moved to reopen the record, a Motion the property owner did not oppose[1]. This Tribunal granted the Assessor's Motion, and the parties in this matter agreed that the order reopening the record would apply to this matter as well. As a result, the record in both matters was closed a second time on June 5, 2024, and both became ripe for a decision at that time.

On October 9, 2024, this Tribunal entered a Final Decision in Docket No. 23-1355. That matter is virtually identical to this matter. The only difference between the two matters is that the

[1] The pipelines at issue in this matter carry either ethane or natural gas liquids (NGLs). The purpose of the Assessor's Motion to Reopen the Record was to present additional evidence and argument regarding amended filings that the ethane pipeline owners filed with the Federal Energy Regulatory Commission (FERC). However, no additional argument was necessary, because the two property owners who owned the ethane pipelines, namely, BBB, and CCC, agreed, by letter dated June 4, 2024, to withdraw their appeals regarding valuation of the eight/ten (8/10) inch pipeline and the 12-inch ethane pipelines. As a result, the findings of fact below generally concern only the remaining pipeline at issue, the 20-inch pipeline owned by DDD. However, because the issue of the ethane pipelines valuation was resolved after the conclusion of the evidentiary hearings, there will be obviously be some overlap in the findings of fact and the testimony relied on.

pipeline segments at issue in 23-1355 are located in EEE County, West Virginia, whereas the segments in this matter are located in AAA County, West Virginia. The only other difference between the two matters is that in 23-1355 the EEE County Assessor retained two experts, and in this matter the Assessor only retained one of the two, namely FFF. Once the undersigned began to draft this Final Decision it became clear that due to the virtual identical nature of the two proceedings, judicial economy called for some connection between the two decisions, but not outright consolidation. During a telephonic status conference held in this matter on October 23, 2024, counsel for the parties agreed to this Tribunal issuing a truncated Final Decision. Specifically, a decision which would memorialize the agreement between the parties to be bound by any final appellate decision issued in Docket No. 23-1355.

Based upon the foregoing, it is hereby **ORDERED** that this matter and Docket No. 23-1355 shall be "connected" for the purposes of appellate review, and that the parties shall be held to their oral agreement to be bound by the final appellate decision in Docket No. 23-1355.

It is further **ORDERED** that the 20-inch pipeline segments at issue in this matter, identified by their AAA County account numbers below, shall have the final assessed values determined by the AAA County Assessor lowered by 35%, to reflect economic obsolescence.

- GGG – HHH 20in HP 6.254151 mi, XXX
- GGG – HHH 20in HP 3.934301 mi, XXX
- III to GGG 20in HP 7.4978 mi, XXX
- HHH to JJJ 20" NGL 6.970518 mi, XXX
- GGG – HHH 20in HP 0.497901 mi, XXX
- HHH to JJJ 20" NGL .72532 mi, XXX
- GGG – HHH 20in HP 6.771693 mi, XXX

It is further **ORDERED** that the Sheriff of AAA County shall provide the property owner with a credit against future property taxes on the subject property, in an amount consistent with the revised values, as reflected in this decision.

WEST VIRGINIA OFFICE OF TAX APPEALS

By: ________________________________
A. M. "Fenway" Pollack
Chief Administrative Law Judge

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Date Entered