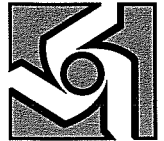


**BASIN ELECTRIC
POWER COOPERATIVE**

1717 EAST INTERSTATE AVENUE
BISMARCK, NORTH DAKOTA 58503-0564
PHONE 701-223-0441
FAX: 701/224-5336



May 12, 2004

RECEIVED

MAY 13 2004

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

Ms. Karen Cremer
South Dakota Public Utilities Commission
Capitol Building 1st Floor
500 East Capitol Avenue
Pierre, SD 57501-5072

RE: Notification of Intent for Basin Electric Power Cooperative's Proposed Groton Project

Dear Ms. Cremer:

Basin Electric Power Cooperative (Basin Electric) is a consumer-owned, regional cooperative headquartered in Bismarck, North Dakota. Basin Electric is proposing to construct a new 100 MW (nominal) General Electric LMS100 simple cycle gas turbine in Brown County, approximately 5 miles south of the City of Groton. The estimated cost for this project is \$69 million dollars.

The proposed site is located 5 miles south of the town of Groton, 3 miles north of the community of Ferney and 18 miles southeast of the City of Aberdeen, all of which are in Brown County.

The turbine will be fired by natural gas supplied by the nearby Northern Border Pipeline's (NBPL) existing 42" diameter interstate transmission line. This proposed project location will require approximately 12 miles of new pipeline to be installed to interconnect the gas turbine site with the major pipeline.

The proposed site has an existing Western Area Power Administration (Western) 115-kV substation and a Basin Electric 345-kV substation. An existing 345-kV transmission line owned by Basin Electric and a 115-kV line owned and operated by Western currently pass within ½ mile of the site.

This site will be operated remotely with daytime support personnel for operating and maintenance activities. The construction phase of the project will take place over a period of 12-15 months. A maximum of approximately 30-40 construction personnel will be onsite at any given time.

Known permits that have been identified for this project are:

Siting an Energy Conversion Facility - South Dakota Public Utility Commission
Air Emission Permit - South Dakota Department of Environment and Natural Resources
Storm Water Permit - South Dakota Department of Environment and Natural Resources
Conditional Use - Brown County Commission

Basin Electric will be completing an Environmental Assessment (EA) in accordance to the Rural Utilities Service (RUS) requirements for this Project. It is in this EA process that all pertinent permits are identified.

May 12, 2004

Page 2

The following is a preliminary listing of names and addresses in the anticipated effected area of the proposed plant site:


Mr. Dennis Feickert
Chairman,
Brown County Commission
25 Market Street
Aberdeen, SD 57401

Mr. Gerald Rix
Mayor
209 North Main
P.O. Box 587
Groton, SD 57445-0587

Mr. Allen Walter
President
Groton School Board
40776 131st Streett
Groton, SD 57445-6100

If you have any questions or require any additional information please do not hesitate to contact me. I can be reached at (701) 355-5635 or Jim Berg at (701) 355-5635.

Sincerely,



Cris Miller
Environmental Coordinator

cm:mev

cc: Jim K. Miller

South Dakota Public Utilities Commission
WEEKLY FILINGS
For the Period of May 13, 2004 through May 19, 2004

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact
Delaine Kolbo within five business days of this report. Phone: 605-773-3201

ELECTRIC

**EL04-017 In the Matter of the Filing by Homestake Mining Company of California
Regarding a Request for Mediation between Homestake Mining Company
of California and Black Hills Corporation.**

Filing by Homestake Mining Company of a request for mediation regarding determination of the appropriate capacity of Homestake's load for billing purposes.

Staff Analyst: Dave Jacobson
Staff Attorney: Rolayne Wiest
Date Filed: 05/06/04
Intervention Deadline: 05/28/04

**EL04-018 In the Matter of the Filing by Basin Electric Power Cooperative, Inc.
Regarding its Notification of Intent to Apply for a Permit for an Energy
Conversion Facility.**

The Commission has received a notification of intent to submit an application for a Permit for an Energy Conversion Facility from Basin Electric Power Cooperative. The Notice of Intent describes the proposed facility, the projected costs, a list of the chairpersons in the affected area, and the timeline of the project.

Staff Analyst: Michele Farris
Staff Attorney: Karen Cremer
Date Filed: 05/13/04
Intervention Deadline: 06/04/04

**EL04-019 In the Matter of the Filing by Otter Tail Power Company for Approval of
Tariff Revisions.**

On May 19, 2004, Otter Tail Power Company filed for Commission approval Otter Tail Power Company's Summary List of Contracts with Deviations Sheet No. 3. Otter Tail Power is proposing to remove the City of South Shore from the Summary List of Contracts with Deviations. In support of the removal, Otter Tail has submitted a copy of the Municipal Service Agreement for the City of South Shore, SD. The agreement was updated because the old contract will expire on July 1, 2004. The new agreement does not contain any rates, terms, or conditions that would be considered a deviation from Otter Tail Power Company's tariff.

Staff Analyst: Michele Farris
Staff Attorney: Karen Cremer
Date Filed: 05/19/04
Intervention Deadline: 06/04/04

TELECOMMUNICATIONS

TC04-096 In the Matter of the Filing for Approval of an Amendment to an Interconnection Agreement between Qwest Corporation and DIECA Communications, Inc. d/b/a Covad Communications Company.

On May 17, 2004, the Commission received a filing for approval of a Commercial Line-Sharing Amendment to the Interconnection Agreement between Qwest Corporation and DIECA Communications, Inc. d/b/a Covad Communications Company. According to the parties, the Amendment "is made in order to add to the Agreement the terms, conditions and rates for Commercial Line-Sharing." Any party wishing to comment on the Amendment may do so by filing written comments with the Commission and the parties to the Amendment no later than June 7, 2004. Parties to the Amendment may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Rolayne Ailts Wiest
Date Filed: 05/17/04
Initial Comments Due: 06/07/04

**You may receive this listing and other PUC publications via our website or via internet e-mail.
You may subscribe or unsubscribe to the PUC mailing lists at <http://www.state.sd.us/puc>**

**BASIN ELECTRIC
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1717 EAST INTERSTATE AVENUE
BISMARCK, NORTH DAKOTA 58503-0564
PHONE 701-223-0441
FAX: 701/224-5336



RECEIVED

MAY 27 2004

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

May 24, 2004

Ms. Pam Bonrud, Executive Director
SD Public Utilities Commission
Capitol Building 1st Floor
500 East Capitol Avenue
Pierre, SD 57501-5072

RE: Addendum to the May 12, 2004 Notification of Intent for Basin Electric Power Cooperative's Proposed Groton Project

Dear Ms. Bonrud:

On May 13, 2004 Cris Miller and I met with Ms. Karen Cremer and staff to discuss the proposed gas turbine project at Groton South Dakota. Base on those discussions, Basin Electric Power Cooperative would like to add the following to our May 13, 2004 Notification of Intent:

For purposes of project coordination the Permitting Manager will be Jim Berg, (701) 355- 5653 and Legal Counsel for the project will be Russ Mather, (701) 355- 5319.

The proposed natural gas supply pipeline will originate from the existing Northern Border Pipeline located in the SE1/4 Sec 11 – T120N, R61W in Spink County, South Dakota. As a small portion of Spink County is involved in the project, a representative of the Spink County Commission has been added to the listing of potential members for the local review committee:

Mr. Hjalmer Tschetter
Chairman,
Spink County Commission
210 E 7th Avenue
Redfield, SD 57469

An addition to the list of known required permits for this project will be a Utility Permit to Occupy Right-Of-Way from the South Dakota Department of Transportation.

If you have any questions or require any additional information please do not hesitate to contact me. I can be reached at (701) 355-5653.

Sincerely,

James A. Berg
NEPA/Water Quality & Waste Management Coordinator

cm:mev

cc: Jim K. Miller
Russ Mather
Karen Cramer

**EL04-018 NOTICE OF INTENT OF BASIN ELECTRIC TO APPLY FOR PERMIT
TO CONSTRUCT ENERGY CONVERSION FACILITY**

MOTION

I move that the Commission designate the affected area for Basin Electric's proposed simple cycle gas turbine energy conversion facility to be the area within six (6) miles of the site of the proposed facility located entirely within Brown County and the Groton School District, together with the area in which the proposed gas supply pipeline will be located, which will include areas in southern Brown and northern Spink Counties and the Groton and Conde School Districts.

I further move that the Commission designate the persons holding the following offices to serve *ex officio* as the local review committee for Basin Electric's proposed project:

The Chairman of the Brown County Commission
The Chairman of the Spink County Commission
The President of the School Board of Groton School District 06-3
The President of the School Board of Conde School District 56-1
The Mayor of the City of Groton
A person appointed by Basin Electric Power Cooperative

I further move that any person on the committee who ceases to hold such office or appointment shall be replaced on the committee by his successor, who shall promptly notify the Commission of such succession.

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE FILING BY BASIN)	ORDER DESIGNATING
ELECTRIC POWER COOPERATIVE, INC.)	AFFECTED AREA AND
REGARDING ITS NOTIFICATION OF INTENT)	LOCAL REVIEW
TO APPLY FOR A PERMIT FOR AN ENERGY)	COMMITTEE
CONVERSION FACILITY)	EL04-018

On May 13, 2004, the Public Utilities Commission (Commission) received a notification of intent to submit an application for a permit for an energy conversion facility from Basin Electric Power Cooperative, Inc. (Basin Electric). Basin Electric is a consumer-owned, regional cooperative headquartered in Bismarck, North Dakota. Basin Electric proposes to construct a new 100 MW (nominal) General Electric LMS100 simple cycle gas turbine in Brown County, approximately five miles south of the city of Groton. The proposed site is located five miles south of the city of Groton, three miles north of the community of Ferney and 18 miles southeast of the city of Aberdeen, all of which is in Brown County. The proposed natural gas supply pipeline will originate from the existing Northern Border Pipeline located in the SE1/4 of Section 11, Township 120 North, Range 61 West in Spink County, South Dakota. The turbine will be fired by natural gas supplied by the nearby Northern Border Pipeline's existing 42" diameter interstate transmission line. This proposed project location will require approximately 12 miles of new pipeline to be installed to interconnect the gas turbine site with the major pipeline. The proposed site has an existing Western Area Power Administration (Western) 115-kV substation and a Basin Electric 345-kV substation. An existing 345-kV transmission line owned by Basin Electric and a 115-kV line owned and operated by Western currently pass within 1/2 mile of the site. This site will be operated remotely with daytime support personnel for operating and maintenance activities. The construction phase of the project will take place over a period of 12-15 months. A maximum of approximately 30-40 construction personnel will be on site at any given time.

Basin Electric estimates the capital cost of the Groton project at \$69,000,000.

Under SDCL 49-41B-6, the Commission is required to designate the affected area relative to this filing and also to designate a local review committee within thirty days after the filing of the notification of intent. According to SDCL 49-41B-2(8), the term "siting area" is defined as "that area within ten miles in any direction of a proposed energy conversion facility or which is determined by the commission to be affected by a proposed energy conversion facility." In ARSD 20:10:22:01(1), "affected area" is defined as "that area which may be affected environmentally, socially, aesthetically, or economically by the location of a facility at a proposed site."

Under SDCL 49-41B-6, the Commission shall also designate the local review committee which shall be composed of the following:

- (1) The chairman of the county commissioners of each affected county;
- (2) The president of the board of education of each affected school district;
- (3) The mayor of each affected municipality; and
- (4) A representative of the applicant utility designated by the utilities.

Any person on the committee who ceases to hold such office or appointment shall be replaced on the committee by his/her successor, who shall promptly notify the Commission of such succession.

At its June 8, 2004, Commission meeting, the Commission discussed the designation of the affected area and the local review committee. The Commission has jurisdiction over this matter pursuant to SDCL 49-41B, specifically SDCL 49-41B-6 and ARSD 20:10:22:01 and 20:10:22:02. After its discussion, the Commission determined that the affected area for Basin Electric's proposed simple cycle gas turbine energy conversion facility is an area within six miles of the site of the proposed facility located entirely within Brown County and the Groton School District, together with the area in which the proposed gas supply pipeline will be located, which will include areas in southern Brown and northern Spink Counties and the Groton and Conde School Districts. In accordance with SDCL 49-41B-6, the Commission designated the local review committee which shall be comprised of the following individuals, ex officio:

- (1) The Chairman of the Brown County Commission;
- (2) The Chairman of the Spink County Commission;
- (3) The President of the School Board of Groton School District 06-3;
- (4) The President of the School Board of Conde School District 56-1
- (5) The Mayor of the city of Groton;
- (6) A person appointed by Basin Electric Power Cooperative, Inc.

It is therefore

ORDERED, that the affected area for the purposes of this filing shall consist of an area within six miles of the site of the proposed facility located entirely within Brown County and the Groton School District, together with the area in which the proposed gas supply pipeline will be located, which will include areas in southern Brown and northern Spink Counties and the Groton and Conde School Districts; and it is

FURTHER ORDERED, that the local review committee shall be comprised of the above referenced individuals, serving ex officio, and that any person on the committee who ceases to hold such office or appointment shall be replaced on the committee by his/her successor, who shall promptly notify the Commission of such succession.

Dated at Pierre, South Dakota, this 11th day of June, 2004.

CERTIFICATE OF SERVICE
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.
By: <u>Melaine Kalbo</u>
Date: <u>6/14/04</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Robert K. Sahr
ROBERT K. SAHR, Chairman *dk*

Gary Hanson
GARY HANSON, Commissioner

James A. Burg
JAMES A. BURG, Commissioner



Bob Sahr, Chair
Gary Hanson, Vice-Chair
Jim Burg, Commissioner
August 4, 2004

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

500 East Capitol Avenue
Pierre, South Dakota 57501-5070
www.state.sd.us/puc

Capitol Office
(605) 773-3201
(605) 773-3809 fax

Transportation/Warehouse
(605) 773-5280
(605) 773-3225 fax

Consumer Hotline
1-800-332-1782

Mr. Dennis Feickert
Chairman
Brown County Commission
25 Market Street
Aberdeen, SD 57401

Mr. Hjalmer Tschetter
Chairman
Spink County Commission
210 East 7th Avenue
Redfield, SD 57469

Mr. Allen Walter
President
Groton School Board
40776 131st Street
Groton, SD 57445-6100

Mr. Tim Van Hatten
President
Conde School Board
P. O. Box 328
Conde, SD 57434

Mr. Gerald Rix
Mayor
City of Groton
P. O. Box 587
Groton, SD 57445-0587

Mr. James A. Berg
NEPA/Water Quality and Waste
Management Coordinator
Basin Electric Power Cooperative, Inc.
1717 East Interstate Avenue
Bismarck, ND 58503-0564

RE: In the Matter of the Filing by Basin Electric Power
Cooperative, Inc. Regarding its Notification of Intent
to Apply for a Permit for an Energy Conversion Facility
Docket EL04-018

Dear Folks:

On May 13, 2004, the Public Utilities Commission (Commission) received a notification of intent to submit an application for a permit for an energy conversion facility from Basin Electric Power Cooperative, Inc. (Basin Electric). Basin Electric is a consumer-owned, regional cooperative headquartered in Bismarck, North Dakota. Basin Electric proposes to construct a new 100 MW (nominal) General Electric LMS100 simple cycle gas turbine in Brown County. The proposed site is located five miles south of the city of Groton, three miles north of the community of Ferney and 18 miles southeast of the city of Aberdeen, all of which is in Brown County. The proposed natural gas supply pipeline will originate from the existing Northern Border Pipeline located in the SE1/4 of Section 11, Township 120 North, Range 61 West in Spink County, South Dakota. The turbine will be fired by natural gas supplied by the nearby Northern Border Pipeline's existing 42" diameter interstate

transmission line. This proposed project location will require approximately 12 miles of new pipeline to be installed to interconnect the gas turbine site with the major pipeline. The proposed site has an existing Western Area Power Administration (Western) 115-kV substation and a Basin Electric 345-kV substation. An existing 345-kV transmission line owned by Basin Electric and a 115-kV line owned and operated by Western currently pass within 1/2 mile of the site. This site will be operated remotely with daytime support personnel for operating and maintenance activities. The construction phase of the project will take place over a period of 12-15 months. A maximum of approximately 30-40 construction personnel will be on site at any given time.

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Under SDCL 49-41B-6, the Commission is required to designate the affected area relative to this filing and also to designate a local review committee within thirty days after the filing of the notification of intent. According to SDCL 49-41B-2(8), the term "siting area" is defined as "that area within ten miles in any direction of a proposed energy conversion facility or which is determined by the commission to be affected by a proposed energy conversion facility." In ARSD 20:10:22:01(1), "affected area" is defined as "that area which may be affected environmentally, socially, aesthetically, or economically by the location of a facility at a proposed site."

Under SDCL 49-41B-6, the Commission shall also designate the local review committee which shall be composed of the following:

- (1) The chairman of the county commissioners of each affected county;
- (2) The president of the board of education of each affected school district;
- (3) The mayor of each affected municipality; and
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Any person on the committee who ceases to hold such office or appointment shall be replaced on the committee by his/her successor, who shall promptly notify the Commission of such succession.

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- (2) The Chairman of the Spink County Commission;
- (3) The President of the School Board of Groton School District 06-3;
- (4) The President of the School Board of Conde School District 56-1
- (5) The Mayor of the city of Groton;
- (6) A person appointed by Basin Electric Power Cooperative, Inc.

Therefore as the designated person of that organization, you have been appointed as one of the local review committee members.

I have enclosed a copy of the laws which sets forth the committee's duties as well as a copy of the Notice of Intent. The responsibilities of the local review committee can be summarized as follows: the local review committee shall assess the potential social and economic effects of the proposed energy conversion facility, assess the surrounding area's ability to absorb those effects and arrive at mitigation measures.

At this time, Basin Electric has only filed its notice which indicates that it will file its application for a permit. Basin anticipates filing its application for a permit in November 2004. Within seven months after the November application is filed, the committee is required to file a final report with the Commission pertaining to its recommendations on the assessment of the effect of the facility. Pursuant to SDCL 49-41B-8 and 49-41B-9, the committee may employ other such persons to carry out the provisions of § 49-41B-7 and the expenses shall be paid from the initial fee that Basin will be required to file with its application. Expense payments and other authorized payments to committee members are to be financed by the unit of government which the members represent.

Commission Staff would suggest that the committee meet and select a chairperson. While the committee is an independent body separate from Commission Staff, Staff is available to answer any questions the committee may have. Should you need to contact Staff, please do not hesitate to contact me or Michele Farris, Staff Engineer.

Sincerely,



Karen E. Cremer
Staff Attorney

cc: Michele Farris

Enc.

(5) A representative of the applicant utility designated by the utilities.
Source: SL 1977, ch 390, § 10.

Library References

Electricity Ⓢ9(2).
 Westlaw Key Number Search: 145k9(2).

49-41B-7. Assessment by local review committee—Factors included

The local review committee shall meet to assess the extent of the potential social and economic effect to be generated by the proposed facility, to assess the affected area's capacity to absorb those effects at various stages of construction, and formulate mitigation measures. The assessment of the local review committee shall include but not be limited to consideration of the temporary and permanent alternatives in the following areas:

- (1) Housing supplies;
- (2) Educational facilities and manpower;
- (3) Waste supply and distribution;
- (4) Waste water treatment and collection;
- (5) Solid waste disposal and collection;
- (6) Law enforcement;
- (7) Transportation;
- (8) Fire protection;
- (9) Health;
- (10) Recreation;
- (11) Government;
- (12) Energy.

Source: SL 1977, ch 390, § 12.

Library References

Electricity Ⓢ9(2).
 Westlaw Key Number Search: 145k9(2).

49-41B-8. Employment of personnel by committee—Expenses—Information furnished by commission

The local review committee may employ such persons as determined by the Public Utilities Commission which may be required to carry out the provisions of § 49-41B-7 and the expenses of said staff shall be paid from the initial filing fee. The commission shall furnish copies of the application to the members of the local review committee and all other information which the commission determines that the committee should receive.

Source: SL 1977, ch 390, § 14.

Library References

Electricity Ⓢ9(2).
 Westlaw Key Number Search: 145k9(2).

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49-41B-9. Financing of committee expenses

Expense payments and other authorized payments to members of the local review committee for their service on the committee shall be financed by the unit of government or utility which they represent.

Source: SL 1977, ch 390, § 11.

Library References

Electricity Ⓢ9(2).
Westlaw Key Number Search: 145k9(2).

49-41B-10. Final report of committee

Within seven months after the application is filed the local review committee shall file a final report with the Public Utilities Commission which includes the recommendations of the committee as to mitigation measures and minority reports.

Source: SL 1977, ch 390, § 13.

Library References

Electricity Ⓢ9(2).
Westlaw Key Number Search: 145k9(2).

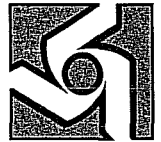
49-41B-11. Applications for permit—Filing deadline—Form—Contents

All applications for a permit shall be filed with the Public Utilities Commission not less than six months prior to the planned date of commencement of construction of a facility in such form as prescribed by rules, and shall contain, but not be limited to, the following information:

- (1) The name and address of the applicant;
- (2) Description of the nature and location of the facility;
- (3) Estimated date of commencement of construction and duration of construction;
- (4) Estimated number of employees employed at the site of the facility during the construction phase and during the operating life of the facility. Estimates shall include the number of employees who are to be utilized but who do not currently reside within the area to be affected by the facility;
- (5) Future additions and modifications to the facility which the applicant may wish to be approved in the permit;
- (6) A statement of the reasons for the selection of the proposed location;
- (7) Person owning the proposed facility and person managing the proposed facility;
- (8) The purpose of the facility;
- (9) Estimated consumer demand and estimated future energy needs of those consumers to be directly served by the facility;

**BASIN ELECTRIC
POWER COOPERATIVE**

1717 EAST INTERSTATE AVENUE
BISMARCK, NORTH DAKOTA 58503-0564
PHONE 701-223-0441
FAX: 701/224-5336



May 12, 2004

RECEIVED

MAY 13 2004

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

Ms. Karen Cremer
South Dakota Public Utilities Commission
Capitol Building 1st Floor
500 East Capitol Avenue
Pierre, SD 57501-5072

RE: Notification of Intent for Basin Electric Power Cooperative's Proposed Groton Project

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Known permits that have been identified for this project are:

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Air Emission Permit - South Dakota Department of Environment and Natural Resources
Storm Water Permit - South Dakota Department of Environment and Natural Resources
Conditional Use - Brown County Commission

Basin Electric will be completing an Environmental Assessment (EA) in accordance to the Rural Utilities Service (RUS) requirements for this Project. It is in this EA process that all pertinent permits are identified.

May 12, 2004
Page 2

The following is a preliminary listing of names and addresses in the anticipated effected area of the proposed plant site:

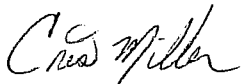
Mr. Dennis Feickert
Chairman,
Brown County Commission
25 Market Street
Aberdeen, SD 57401

Mr. Gerald Rix
Mayor
209 North Main
P.O. Box 587
Groton, SD 57445-0587

Mr. Allen Walter
President
Groton School Board
40776 131st Streett
Groton, SD 57445-6100

If you have any questions or require any additional information please do not hesitate to contact me. I can be reached at (701) 355-5635 or Jim Berg at (701) 355-5635.

Sincerely,



Cris Miller
Environmental Coordinator

cm:mev

cc: Jim K. Miller