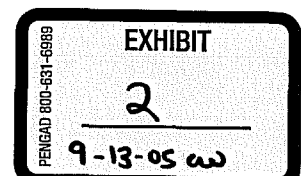My name is Adam Sokolski, and I am an Energy Associate with the Midwest Office of

the Izaak Walton League of America. The Izaak Walton League – together with our

colleagues from Minnesotans for an Energy-Efficient Economy and the Union of

Concerned Scientists – intends to intervene in the *South Dakota* Public Utilities Commission

proceeding regarding the proposed Big Stone II power plant.

We have concerns about the proposed Big Stone II power plant – not the least of which is

that it would be a substantial increase in carbon dioxide emissions. This is an

environmental issue AND a financial issue. The world's emerging response to global

warming will inevitably transform the <u>regulatory</u> climate in the years ahead. These new

laws will in turn change the economics and the technology of electricity production and

use, making high-carbon energy sources relatively more expensive, while low-carbon

energy sources become better and cheaper through technological advances, economies of

scale, and government incentives.

The Big Stone II partners have proposed a high-risk, high-cost power plant when you

consider the ratepayer costs that are likely under carbon-capped regulatory scenarios.

Just this Summer, the United States Senate passed a resolution supporting "a

comprehensive and effective national program of mandatory, market-based limits and

incentives on emissions of greenhouse gases." The regulatory path ahead puts a hefty

price tag on proposals such as Big Stone II.

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In fact, Otter Tail Power's largest industrial customer in Minnesota, Enbridge Corporation, is seeking to insulate itself from the high costs and risks of future fossil fuel investments such as Big Stone II, by seeking from Otter Tail a long term contract that is keyed into the costs of a new *wind power* development in the "other Dakota".

Izaak Walton League, Minnesotans for an Energy Efficient Economy and the Union of Concerned Scientists appreciate the opportunity to participate in the South Dakota Public Utilities Commission proceeding.