

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION
APPLICATION
FOR
CHANCELLOR 115 KV LINE TAP

Prepared by:

East River Electric Power Cooperative, Inc.
121 Southeast First Street
Madison, South Dakota

June 11, 2008

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ACRONYMS AND ABBREVIATIONS

69 kV	69,000 Volt
115 kV	115,000 Volt
230 kV	230,000 Volt
East River	East River Electric Power Cooperative
MW	Mega Watt
NESC	National Electric Safety Code
PUC	Public Utilities Commission
ROW	Right-of-way
RUS	Rural Utilities Service
SDAR	South Dakota Administrative Rule
SDCL	South Dakota Codified Law
Southeastern Electric	Southeastern Electric Cooperative, Inc
Western	Western Area Power Administration

1.0 APPLICATION PREFACE

East River Electric Power Cooperative, Inc. (East River) is proposing to build a new 115,000 volt (115 kV) overhead electric transmission line between the Virgil Fodness High Voltage Substation located south of Tea, South Dakota in the S.E. quarter of Section 2, R51W, T99N, Lincoln County, a facility jointly owned by the Western Area Power Administration (Western) and East River, and East River's existing Chancellor Substation located east of Chancellor, South Dakota in the N.W. quarter of Section 26, R52W, T99N, Turner County. This entire project is referred to in this application as the "Chancellor 115 kV Line Tap" or as the "Project".

The Chancellor 115 kV Line Tap will include:

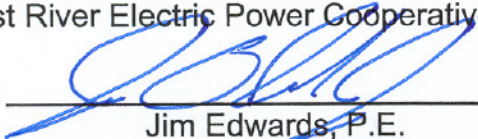
- Constructing approximately 9.5 miles of 115 kV overhead transmission line.

This application meets the requirements set forth in South Dakota Codified Law (SDCL) 49-41B and South Dakota Administrative Rule (SDAR) 20:10:22. The balance of this document includes the application, supporting exhibits, and supporting documents. In accordance with SDCL 49-41B-22, East River establishes that:

1. The proposed facilities comply with all applicable laws and rules;
2. The facilities will not pose a threat of serious injury to the environment nor to the social and economic condition of inhabitants or expected inhabitants in the siting area;
3. The facilities will not substantially impair the health, safety or welfare of the inhabitants; and
4. The facilities will not unduly interfere with the orderly development of the region with due consideration having been given the views of governing bodies of affected local units of government.

East River respectfully requests the Public Utilities Commission (PUC) of South Dakota to make complete findings and render a decision to grant a permit to construct the transmission facilities upon such terms, conditions or modification of the construction, and operation or maintenance as the Commission may deem appropriate.

East River Electric Power Cooperative, Inc.

By: 
Jim Edwards, P.E.
Title: Assistant General Manager-Operations
Date: June 11, 2008

2.0 APPLICATION

This East River PUC application was developed and organized to meet the requirements of the South Dakota PUC rules set forth in SDAR 20:10:22. This application is submitted to the South Dakota PUC and conforms to South Dakota statutes and rules governing energy conversion and transmission facilities.

2.1 NAME OF PARTICIPANTS (SDAR 20:10:22:06)

The applicant's name, address, and telephone number is:

East River Electric Power Cooperative, Inc.
121 SE 1st Street
P.O. Box 227
Madison, SD 57042
(605) 256-4536

The individuals authorized to receive communications relating to the application on the behalf of East River are:

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2.2 NAME OF OWNER AND MANAGER (SDAR 20:10:22:07)

The proposed transmission facilities will be owned by East River. The Project Manager for the Project is:

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Assistant General Manager-Operations
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121 SE 1st Street
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2.3 DESCRIPTION OF THE NATURE AND LOCATION OF THE TRANSMISSION PROJECT (SDCL 49-41B-11 (2))

East River is proposing to construct a 9.5 mile 115 kV transmission line to serve the expansion of an existing ethanol plant served by East River's member system, Southeastern Electric Cooperative, Inc. (Southeastern Electric), as well as other loads which continue to grow in Turner and Lincoln Counties of South Dakota. (Exhibit 1) The entire Project is referred to in this application as the "Chancellor 115 kV Line Tap" or as the "Project".

The Chancellor 115 kV Line Tap Project will include:

- Construction of 9.5 miles of a new 115 kV overhead transmission line.

The transmission line is located in both rural croplands and urban growth areas. The 9.5 miles of transmission line will cross sixteen parcels of land, which are privately owned and approximately three and three quarter miles of public right of way (ROW) adjacent to twelve parcels of privately owned land. East River does not anticipate any deviations from the existing transmission line route.

2.4 PURPOSE OF FACILITY (SDAR 20:10:22:08)

East River is a consumer-owned, regional power supply cooperative headquartered in Madison, South Dakota. It transmits wholesale electricity to 21 member electric distribution systems in Minnesota and South Dakota. These member systems, in turn, distribute electricity to approximately 86,000 consumer accounts.

East River's member system Southeastern Electric, headquartered in Marion, South Dakota serves the growing counties of Lincoln, Turner, McCook and Hutchinson, South Dakota.

Southeastern Electric serves the POET Chancellor (formerly Great Plains) Ethanol plant, located near Chancellor, South Dakota. This ethanol plant is

undergoing a significant expansion and will increase from a 60 million gallons per year plant to a 100 million gallon per year plant. Currently the plant has a peak demand of approximately 6 Mega Watt's (MW). The expansion is forecasted to increase the plant's electrical use by an additional 10 to 14 MW. The Project will provide the additional electrical capacity needed for the plant's expansion.

2.5 ESTIMATED COST OF FACILITY (SDAR 20:10:22:09)

The estimated total cost of this Project, based on East River's construction cost histories accumulated during recent construction projects, is \$1,470,000.

2.6 DEMAND FOR FACILITY (SDAR 20:10:22:10)

The POET Chancellor Ethanol Plant, is presently served directly off East River's 69,000 volt (69 kV) transmission network. With the expansion of the plant from 6 MW to 16-20 MW, plus the other cooperative load growth on the west side of Sioux Falls, a new 115 kV transmission circuit is needed to increase transmission capacity and reliability to the ethanol plant to other prospective cooperative customers in the area. Initially the line will only be used to serve the POET Chancellor Ethanol Plant, but in the future it will be used to convert portions of East River's existing 69 kV transmission network on the west side of Sioux Falls to 115 kV, similar to what East River did with its transmission network on the east side of Sioux Falls.

The following chart shows the historic and projected summer and winter electrical demand peaks for East River's system on the west side of Sioux Falls, SD. The load growth projects are based on:

- The Cooperative's 2007 Power Requirements Study.
- An analysis of the load growth in this area for the last ten years.
- Approximately 17 MW of new industrial load will come on line in 2008 as a result of the expansion of the POET Chancellor Ethanol plant and a new 100 million gallon per year ethanol plant near Marion, South Dakota.

Year	Summer Peak (kW)	Winter Peak (kW)
1996	11,267	11,028
2001	17,913	13,261
2007	34,523	27,730
2012	70,002	65,337
2020	97,589	85,491

As East River does its long range system modeling of its existing facilities located west of Sioux Falls and adds in the projected load growth in the chart, it finds a need to increase the capacity in its system in order to maintain adequate voltage

levels, system reliability and continuity of service. The 115 kV line and service to the POET Chancellor Ethanol plant is part of the plan to increase the capacity and maintain adequate service to the Cooperative lands in the area.

2.7 GENERAL SITE DESCRIPTION (SDAR 20:10:22:11)

The proposed transmission line (Exhibit 1) will originate at the Virgil Fodness 230/115/69 KV Substation located in Section 2, T 99 N, R 51 W, in Lincoln County, South Dakota. The line will be constructed as a single 115 kV circuit using single wooden pole structures. From the Virgil Fodness Substation, the line will cross 274th Street to the west side of the north south quarter line. The transmission line will continue south and run along the west side of the quarter line for one half mile, and then west along the north side of the quarter line to 468 Avenue. The line will then turn south proceeding for one half mile along the east side of 486th Avenue. The line will then turn west and proceed for two and one half miles on the south side of 275th Street. The line will cross to the north side of 275th Street at that point to avoid four residential homes located on the south side of 275th Street. The line will continue west on the north side of 275th Street for one and one half miles. It will then turn south and proceed along the east side of 464th Avenue for two miles. It will then turn west again and proceed one and one half miles on the north side of 277th Street to a point directly across from East River's Chancellor substation where the line will then cross the road to the south and enter onto the substation property.

East River is not aware of any cemeteries, places of historical significance, transportation facilities or other public facilities adjacent to or abutting the proposed transmission line.

2.8 PROJECT ALTERNATIVES (SDAR 20:10:22:12)

This section presents the general criteria used to select the proposed and alternative transmission sites, an evaluation of alternative sites considered, and an evaluation of the advantages of the proposed transmission facility.

Siting of the proposed transmission line required two different engineering evaluations and decisions with different criteria on the alternatives. First was the evaluation and decision on the high voltage source and voltage level (i.e. 69 kV or 115 kV) for the transmission line. Second, there was the evaluation and decision on the actual line route for the proposed line.

2.8.1 69 kV Verses 115 kV Transmission Service Evaluation

The engineering evaluation and planning for East River's system is an ongoing process. The Sioux Falls area is expanding and growing at a phenomenal pace. Projects such as the proposed one must be evaluated in relationship to East River's total system.

Modeling of the existing East River transmission system from the Virgil Fodness Substation to the V. T. Hanlon Substation located near Montrose, SD and around the west side of Sioux Falls (Exhibit 2), using the Cooperative's projected load growth in the chart given in Section 2.6, shows a need for East River to increase the capacity in its system in order to maintain adequate voltage levels, system reliability and continuity of service. Several approaches for upgrading the capacity in the system were considered.

1. Leave the system at its current 69 kV voltage level and increase capacity by reconductoring/rebuilding portions of the system and adding additional 69 kV tie lines and sources.
2. Convert the system to a higher voltage level (115 kV) system to increase the overall capacity of the system and, where needed, reconductor sections of lines which have smaller conductors and thermal loading limitations.
3. Overlay the existing system with a higher voltage level (115 kV) to increase the overall capacity of the system, and to provide the ability to reinforce the existing 69kV system where needed. Reconductor and upgrade the existing 69kV system to 115kV where practical.

When considering the different approaches, the following general criteria were used:

- The upgraded system needed to be able to carry the existing and projected Cooperative load during normal and emergency conditions with no reliability or overloading problems.
- The upgraded system needed to maintain the multiple tie lines and high voltage sources required to allow loads to be transferred between line sections and sources during outages, emergencies, and construction/maintenance work.

The first approach of leaving the system around the west side of Sioux Falls at the current 69 kV voltage level was not practical due to the number of additional lines required, the lack of new high voltage sources available between the two major delivery points, and the density of new distribution substations required to serve the projected load during normal and emergency conditions.

The second approach of converting the entire system around western Sioux Falls to 115 kV was not practical due to the amount of the system that would need to be converted to maintain the necessary backup tie lines and sources. In addition, converting the system does not provide additional lines that will allow for additional substations to serve new loads as Sioux Falls expands to the west.

The third approach (Exhibit 3) is to overlay the existing 69kV system with a 115kV system, reconductor some portions of the 69kV system where practical. This method provides greater capacity to the area, and provides additional lines in the area that can have new distribution substations served from them. The Chancellor 115kV line will be the first step in providing the overlay system between Virgil Fodness and V. T. Hanlon. The Chancellor 115kV line is required to maintain adequate service and reliability to the loads between the Virgil Fodness and V. T. Hanlon substation.

2.8.2 Line Route Selection

East River conducted a evaluation of alternative routing for the proposed project to select the most feasible alignment based on such considerations as separation from existing electric facilities used in contingencies, cooperation of land owners, topographic features, cost, environmental concerns and regulations, other utilities, engineering, and location of future planned for electrical facilities.

The routing process included a systematic evaluation of various route alignments between the Virgil Fodness Substation and the Chancellor 115 kV Substation, with due consideration for a future line to be built from this line to Hartford, South Dakota. The preferred route and the two alternative routes were evaluated:

- The preferred route (Exhibit 1) – This route for the Project creates the most favorable connection point (Exhibit 2) for a future transmission line between Hartford, South Dakota and the proposed Project maintaining a physical separation between the Project and the existing 69 kV line that now serves the Chancellor substation. By maintaining a separation we limit the risk of losing both electric lines due to one natural disaster such as a tornado.
- Alternative 1 (Exhibit 4) – Rebuild the existing single pole wooden structures that support the existing 69 kV line between the Virgil Fodness Substation and the Chancellor Substation into a double circuit 69 kV and 115 kV line.

This alternative would make both electric circuits to the Chancellor substation susceptible to one natural disaster such as a tornado. This was ruled out as a preferred route due to this risk management issue.

- Alternative 2 – Routing the Project down other county road routes, other than the preferred route, does not provide for the most favorable connection point for a future transmission line to Hartford, South Dakota. Utilizing other routes was ruled out as a preferred route for this reason.

The evaluation of alternatives reveals that the alignment proposed best addresses the needs of East River and its customers while minimizing impacts to the environment, existing land uses, concerns of land owners, and regulatory

requirements. The preferred route provides for separation from the existing facilities serving the Chancellor substation, creating contingencies for use during outage conditions. It also provides the most favorable location to connect a future transmission line to Hartford, South Dakota.

2.8.3 Impact of Alternatives and Eminent Domain

East River is not planning or anticipating using eminent domain powers for the proposed Transmission Project. Where private right of way cannot be obtained from landowners, East River has designed the transmission line so that it is completely located in the public right of way. Since eminent domain powers are not being used for this proposed Transmission Project, use of an alternative site or route would not reduce the reliance upon use of eminent domain powers.

2.9 ENVIRONMENTAL INFORMATION (SDAR 20:10:22:13)

The proposed Project is located in both rural croplands and urban growth areas. The proposed alignment for the Project would minimize changes and impacts to the existing environment by following existing property boundaries, road and public ROW's, siting in areas with compatible land use, avoiding potentially unfavorable human features, and minimizing the need to cross environmentally sensitive or significant features. It is not anticipated that this Project will create any significant direct, cumulative, or synergistic hazards to the health and welfare of human, plant or animal communities.

2.9.1 Environmental Studies and Approvals

East River engaged Cultural Heritage Consultants to perform a Class III archaeological investigation (Exhibit 10) of the proposed Transmission Project and also submitted the necessary information on the proposed Project to five governmental agencies for their review of the Project. The five governmental agencies were the South Dakota State Historical Society (Exhibit 11), U.S. Corps of Engineers (Exhibit 12), U.S. Fish and Wildlife Service (Exhibit 13), S.D. Department of Game, Fish and Parks (Exhibit 14) and the S.D. Department of Environment and Natural Resources (Exhibits 15, 16, 17 and 18). Each of these agencies has responded favorably towards the proposed Transmission Project. All environmental studies and reviews required for the proposed Project are completed and no additional environmental studies are planned for this proposed Project.

The Project will be designed to meet or exceed the United States Department of Agriculture's Rural Utilities Service (RUS) Standards or Approvals and the National Electric Safety Code (NESC).

2.9.2 Noise Levels Associated with Proposed Project.

With respect to noise sensitive issues and the proposed Project, noise from a transmission line can be associated to two causes, corona and wind induced.

Corona noise is the result of an electrical break down of the air charged particles near high-voltage conductors. Generally corona noise is only heard under conditions of high humidity and primarily for lines at voltages of 345,000 Volts and higher. No noise from corona is expected from the proposed Project under any operating conditions or line loading.

Wind induced noise can be either turbulent or aeolian. Turbulent noise is a characteristic of any structure, artificial or natural and is not considered a nuisance. It is a characteristic of trees and some land forms. Aeolian noise is caused by the wind crossing over the conductor wires. Wind induced noise under all operating and line loading conditions is expected to be comparable to the existing noise environment and will not have a significant impact on humans or the environment.

2.10 EFFECT ON PHYSICAL ENVIRONMENT (SDAR 20:10:22:14)

This section provides information on the effect of the proposed transmission line facility on the physical environment.

2.10.1 Regional Land Forms

The proposed Project lies in the James River Lowland ecoregion. The ecoregion is characterized by mesic soils, warmer temperatures, and a longer growing season than the Drift Plains ecoregion to the north. These differences are reflected in the crop types of the region. Winter wheat, corn, and soybeans are more prevalent in this ecoregion's milder climate.

The Project will not involve any new roads, grading, filling, or other changes to the topography or regional landforms. As a result, no direct, indirect, or cumulative impacts to regional land forms are anticipated by the Project.

2.10.2 Topography

Regional topography is level to slightly rolling plain composed of glacial drift. A topographic map of the Project is provided as Exhibit 5.

2.10.3 Geologic Features

The proposed Project is located in the James River Lowland ecoregion, comprised of glacial till over Cretaceous Pierre Shale and Sandstone of Niobrara Formation.

2.10.4 Economic Deposits

There are no commercially important sources of coal, oil and gas, or metals in the region.

2.10.5 Soil Type

The soil types in the area of the Project are of Mollisols (Argiustolls, Haplustolls, Natrustolls).

2.10.6 Potential for Erosion and Sedimentation

It is not anticipated that the construction of this proposed line will cause erosion or sedimentation problems during the construction and in the future. Areas that are disturbed by construction equipment are expected to recover with native vegetation after the construction equipment is permanently removed.

2.10.7 Seismic Risks, Subsidence Potential, and Slope Instability

The electric transmission line involved in the Project will be designed and constructed to meet utility standards. As a result, no issues relating to seismic risks, subsidence, and slope instability have been identified. Any potential difficulties due to seismic activities, subsidence and slope instability will be avoided through proper design and construction.

2.10.8 Geological Constraints

No geological constraints have been identified along the transmission line routes and it is not anticipated that any geological constraints will impact the Project.

2.11 HYDROLOGY (SDAR 20:10:22:15)

This section provides information on the hydrology of the Project area and the effect of the proposed Project on surface and groundwater.

2.11.1 Hydrologic Map

The topographic map (Exhibit 5) shows the terrain and drainage patterns in the areas around the transmission upgrade project. As this Project does not involve any new roads, grading, filing, deforestation, or significant vegetation removal, there will be no changes to the current drainage patterns.

Construction would be conducted in accordance with a plan for control of sediment and erosion. After construction, no direct, indirect, or cumulative impacts to surface water quality resulting from the proposed project are anticipated.

2.11.2 Effect on Current Planned Water Uses

The proposed transmission line will not use either municipal or private water and therefore, will have no impacts on any planned water uses by communities, agriculture, recreation, fish, or wildlife.

2.11.3 Surface and Groundwater Use by Proposed Facility

The proposed 115 kV transmission line will not require consumptive use of or discharge to any surface water body or groundwater.

2.11.4 Aquifer Use by Proposed Facility

The proposed 115 kV transmission line will not require the use of groundwater as a source of potable water supply or process water.

2.11.5 Water Storage, Reprocessing, and Cooling by Proposed Facility

No water storage, reprocessing, or cooling will be required for the construction or operation of the proposed transmission line.

2.11.6 Deep Well Injection Use by Proposed Facility

No deep well injection would be required for the construction or operation of the proposed transmission line.

2.12 EFFECT ON TERRESTRIAL ECOSYSTEMS (SDAR 20:10:22:16)

This section contains information on the terrestrial ecosystem potentially affected by the proposed project.

The proposed Project will follow existing roads and quarter lines and should have no adverse long term impact on the vegetation and wildlife composition within the Project area. No permanent service road will be required that would result in vegetation removal and unauthorized access. Vegetation removal or habitat loss resulting from pole and anchor placement is insignificant. The transmission project will not displace or adversely affect wildlife or aquatic species. The Project will not impact ecologically unique or sensitive habitats including wetlands and aquatic habitats.

2.12.1 Effect on Wildlife

The proposed Project should have minimal impact and disruption to any wildlife within the Project area. It should also only cause an insignificant, if any, change or loss of any wildlife habitat or vegetation in the area.

The area around the Project is dominated by agricultural land and some urban developments. The Transmission line will be located on road/public ROW, cropland and urban areas. Wildlife in this area is made up of species adapted to agricultural and urban areas such as deer, rabbits, raccoons, geese, ducks, songbirds and others.

The Project does not involve any new roads, grading, or deforestation. Vegetation clearing will be restricted to areas immediately around the poles. As

a result, the Project should not impact wildlife composition, abundance, or habitat.

East River has requested comments from the U.S. Fish and Wildlife Service on the environmental aspects of the proposed Project (Exhibit 13). Mr. Gober, South Dakota Field Supervisor for the U.S. Fish and Wildlife has indicated on his response, "We have reviewed and have NO OBJECTION to this proposed project" (Exhibit 13).

East River also requested comments from the South Dakota Department of Game, Fish and Parks on the environmental aspects of the proposed Project. Subsequently East River received a response of "no significant impact on fish and wildlife resources" from the S.D. Department of Game, Fish and Parks, stamped on our original letter to them (Exhibit 14).

2.12.2 Effect on Vegetation

The impact to vegetation in the Project area should be minimal. As stated in 2.12.1, the proposed transmission line is located on road/public ROW, croplands and urban areas. The Project does not include any new roads, buildings, grading, water uses, or other changes to the land that may have a long term negative impact to vegetation. Also, the Project should not cause any future erosion problems which could impact vegetation.

Construction of the Project will have a short term impact on vegetation as a result of vehicle and equipment accessing the structures, material delivery, structure assembly and erection, and stringing of conductors and static wire. Also, there will be some minor vegetation removal to maintain adequate safety clearances within the overhead lines.

2.13 EFFECT ON AQUATIC ECOSYSTEMS (SDAR 20:10:22:17)

The proposed Project should not adversely impact any aquatic ecosystems. The Project does not directly change or impact any wetlands, streams, or rivers. Also, the Project does not require any new roads, grading filling, or other changes to the existing terrain that could cause erosion or sedimentation problems or would change any existing drainage patterns.

2.14 LAND USE (SDAR 20:10:22:18)

This section provides information concerning the present and anticipated use or condition of the land in the area of the Project.

2.14.1 Land Use Map

Enclosed are Exhibits 6a and 6b showing the Land Use adjacent to the proposed Project. The following land uses are not shown on the map as we are unaware of their existence in this area; irrigated lands, haylands, undisturbed native

grasslands, existing and potential extractive nonrenewable resources, other major industries, residential, municipal water supply and water sources for organized rural water systems and noise sensitive land uses.

2.14.2 Homes and Persons Displaced

There will be no homes or persons displaced as a result of the construction, operation, or maintenance of the transmission facilities that are part of this Project. A map showing existing homes in relationship to the proposed project is included as Exhibit 7.

2.14.3 Land Use Compatibility

The proposed project would have a minimal impact on land use. The majority of the proposed transmission line traverses sixteen parcels of privately owned land that is zoned agricultural and is regulated by County land use plans and ordinances. The remaining portion of the Project is located within public ROW.

2.14.4 Effect on Land Use

The land in the public and private ROW can be used for the same purpose as prior to this Project. The land will be subject to the restrictions as stated in the easements. These restrictions include that trees and structures that might interfere with the safety, operation or maintenance of the line may not be permitted in the ROW.

2.15 LOCAL LAND USE CONTROLS (SDAR 20:10:22:19)

The proposed Project will comply with all applicable zoning requirements. No existing land use controls by any of the governing bodies (Lincoln County, Turner County) restrict the use of the land within the proposed Project area for the purpose of constructing and maintaining the transmission facility.

East River has requested county franchises from both Lincoln and Turner County for the proposed Project. The franchise requests are scheduled on the July 1, 2008 commission meeting agendas for both Counties. During the meetings, East River will present an overview of the proposed Project to the two County commissions and request approval of the respective franchises.

2.16 WATER QUALITY (SDAR 20:10:22:20)

This Project should not impact any wetlands, streams or rivers. The project will comply with all applicable federal, state and local rules and regulations required for alteration of wetlands, streams, or rivers resulting from the Project. The following are specific measures that would be taken to protect water quality in the proposed Project corridor:

- Best management practices would be implemented to minimize erosion and sedimentation, runoff, and surface instability during construction.
- Construction would be conducted to minimize disturbances around surface water bodies to the extent possible.
- Current drainage patterns in areas affected by construction will be maintained.
- Staging areas for project-related construction equipment would be located in areas that are not environmentally sensitive to control erosion.
- Staging and lay down yards for project-related construction would be established at least 59 feet from waterways or wetlands, if permitted by topography. No vegetation would be cleared between the yard and the waterway or wetland.
- Construction equipment would not be serviced within 25 feet of waterways or wetlands. Equipment would not be fueled within 100 feet of the waterways or wetlands.
- Any spills of fuels or other hazardous materials during construction or system maintenance would be promptly contained and cleaned up.
- Any herbicides used in ROW maintenance would be approved by U.S. Environmental Protection Agency and applied by licensed professions. Application of herbicides would be limited to the extent necessary for regular maintenance of the transmission line.

2.17 AIR QUALITY (SDAR 20:10:22:21)

No significant or long-term impacts to air quality will occur as a result of this Project. Construction traffic may generate some local dust for short duration. However, the use of construction vehicles involved in the Project will be short term at each part of the Project. The Project will comply with all federal, state and local air quality standards and regulations.

2.18 TIME SCHEDULE (SDAR 20:10:22:22)

The current estimated time schedule for the Project is to start construction in the fall of 2008 and complete construction in early 2009.

2.19 COMMUNITY IMPACT (SDAR 20:10:22:23)

This section reviews the effects the construction, operation, and maintenance of the Project will have on socioeconomic, taxation, agricultural production, population and community, transportation, and cultural resources.

2.19.1 Forecast of Socioeconomic Impact

East River believes that the proposed Project will have minimal, if any, impact, on housing, land values or the labor market. East River bases this, in part, on our long history with similar facilities crossing similar rural routes in South Dakota and Minnesota. The physical aspects of the proposed facilities are like other 69 kV and 115 kV lines which already cross this state with little or no economic impact. The land use and characteristics are typical for such a build, and there is nothing unusual in the proposed route that should cause heightened concern.

This Project will provide additional electrical infrastructure in the area to serve the POET Chancellor Ethanol Plant. It would not be possible for the ethanol plant to expand without an upgrade to the electrical system. The facilities also will be available to serve future electrical needs in the rapidly expanding area of the state. Together these will provide significant social and economic benefit to the area.

East River anticipates that the proposed Project will have minimal, if any, demand on public services and does not foresee the need for any extension or expansion of public services within the affect areas due to the proposed Project.

2.19.2 Property and Other Tax Impacts

East River believes that the proposed Project will not have any dollar value impact on property taxes. For personal property used in the distribution and transmission of electricity (SDCL 10-36-2), such as with the proposed Project, rural electric cooperatives pay a two percent gross receipts tax pursuant to (SDCL 10-36-6). This tax is in lieu of other taxes including property taxes. (SDCL 10-36-11) A prorated share of this tax is paid to the individual counties and ultimately distributed to local school districts. (SDCL 10-36-7; 10-36-8; and 10-36-10) So, while the facilities themselves will not directly increase property taxes, the increased sales to customers served by this line will increase the overall gross receipts tax paid and bring tax benefits to the area and state.

2.19.3 Forecast of Agricultural Impacts

The transmission line involved in the Project is sited along ROW and property lines. As a result, the Project is not expected to interfere with agricultural operations or result in the loss of croplands. Should damage occur to crops during construction of this Project, landowners are reimbursed for damages as a normal part of easement costs.

2.19.4 Forecast of Population and Community Impacts

The proposed transmission Project is not expected to impact the population, income, and occupational distribution on the short-term. However, long-term population increases could result from increased power availability in the area.

2.19.5 Forecast of Transportation Impacts

No significant direct, indirect, or cumulative impacts are expected to the transportation systems of cities, counties, and the state as a result of the Project. Short-term impacts may include minor traffic delays caused when wires are strung across roadways. Any such short-term roadway closings would be scheduled with appropriate authorities and marked clearly, and detour routes would be provided as necessary. Construction of the proposed Project would be expected to cause only insignificant and temporary adverse transportation effects to public access as a result of roadway congestion from work vehicles.

2.19.6 Forecast of Cultural Resource Impacts

The transmission line in the Project is sited along ROW and property lines, As such there are no anticipated impacts to cultural resources as a result of the Project.

East River engaged Cultural Heritage Consultants to conduct a Class III archaeological investigation of the proposed Project. Subsequently the Cultural Heritage Consultants recommended that a determination of “No Historic Properties in the Area of Potential Effects” be made regarding the proposed Project (Exhibit 10).

The Cultural Heritage Consultants report and recommendation were forwarded to the South Dakota State Historical Society. Subsequently in a response dated February 25, 2008, the South Dakota State Historical Society concurred (Exhibit 11).

2.20 EMPLOYMENT ESTIMATES (SDAR 20:10:22:24)

This Project will utilize approximately 30 employees from East River’s existing work force supplemented by up to four workers employed for the construction season. Once the Project is constructed and complete, there will be no new employees residing in the area as a result of the Project.

2.21 FUTURE ADDITIONS AND MODIFICATIONS (SDAR 20:10:22:25)

At this time, East River does not anticipate any future additions or modifications to this Project that would need to be approved under this permit application.

2.22 RIGHT-OF-WAY ACCESS, CLEARING, WEED CONTROL, AND RESTORATION (SDAR 20:10:22:34)

This section includes information on East River's policies concerning ROW clearing, restoration, revegetation and weed control.

2.22.1 Vegetation Clearing

The proposed Project is located in public and private ROW. Some vegetation may need to be cleared to provide adequate clearances to the transmission line. East River annually trims vegetation away from its transmission lines for this purpose. It is expected that some additional vegetation will be removed for the Project.

2.22.2 Soils

Any soils removed during borings for the transmission line structures would be used for backfill. Any remaining material would be spread and mounded near the base of the transmission line structures. After construction is complete, any compacted soil would be tilled and the area would be reseeded with native grasses.

2.22.3 Herbicides and Sterilants (Weed Control)

It is East River's policy to use mechanical and manual methods to clear the ROW. However, where the use of mechanical or hand methods are impractical, the selective use of herbicides may be necessary. In these instances, the appropriate Federal and state agencies will be notified, only approved herbicides will be used, and all recommended precautions will be taken.

2.22.4 Construction Site Access

All line segments are either built in ROW with easements that allow access for construction and maintenance purposes, or are built in public right-of-way along public roads that provide access for construction and maintenance purposes.

2.22.5 Waste Disposal

Vegetation that may be removed from the ROW and debris resulting from the work will be disposed of in a manner approved by local authorities.

2.22.6 Restoration and Revegetation

Those areas requiring revegetation will be reseeded with vegetation recommended by the Soil Conservation Service.

2.23 TRANSMISSION FACILITY DESIGN AND CONSTRUCTION (SDAR 20:10:22:35)

This section includes information on: (1) configuration of poles; (2) line switches, (3) conductor configuration; (4) proposed transmission site and major alternatives; (5) reliability and safety; (6) ROW or condemnation requirements; (7) necessary clearing activities; and (8) underground utility details.

2.23.1 Configuration of Poles

One primary basic structure type will be used for the proposed transmission line. This structure type is a single pole wooden structure configured with three side mount insulators supporting the three phase conductors and one suspension shoe mounted at the top of the structure supporting the shield wire. (Exhibit 8) The height of the poles is dependent upon clearance of other objects, will range between 65 feet and 95 feet in height.

The project will cross under a Western's 230 kV transmission line three times. A single pole structure (Exhibit 9) utilizing a wooden crossarm will be used at these crossings to maintain the required clearance from both the ground and Western's transmission line.

2.23.2 Line Switches

No line switches will be used in this Project.

2.23.3 Conductor Configuration

The proposed Project will utilize a 795 MCM conductor with a 3/8 extra high strength overhead shield wire using 300 foot ruling spans.

2.23.4 Proposed Transmission Site and Major Alternatives

Exhibit 1 shows the proposed route of the proposed transmission line. Exhibits 4 shows the Project alternative.

The transmission line route that is proposed in this Project is described in Section 2.7. Alternative routes are identified in Section 2.8.

2.23.5 Reliability and Safety

The proposed transmission line would be constructed in full compliance with all applicable National Electrical Safety Code, electrical performance and safety codes and, as a result, would not present significant impacts, such as safety or electrical hazards, to the general public.

2.23.6 Right-of-way or Condemnation Requirements

All easements or permits for the new transmission line have been obtained. Where private easements cannot be obtained the transmission line will be installed in the public ROW. No condemnations are anticipated.

2.23.7 Necessary Clearing Activities

Four large trees located on private property will have to be removed. The landowner, who has agreed, has been informed and understands the need for removal for safety and reliability reasons.

2.23.8 Configuration of Underground Facilities

No underground facilities would be required as part of the proposed Project. Existing overhead distribution lines will be placed underground to allow ROW clearance for the proposed line.

2.24 ADDITIONAL INFORMATION IN APPLICATION (SDAR 20:10:22:36)

SDCL 49-41B-38 requires East River to furnish an indemnity bond to the Counties and Townships the Project is constructed in. East River believes a \$5,000 indemnity bond for each county and township is an appropriate amount. We base this on a number of factors.

First, the equipment and vehicles necessary to build this 115 kV line will have a very small impact on roads. The equipment and vehicles will be the same as used on a regular basis by East River to build, operate, repair and maintain 69 kV and 115 kV lines. For facilities larger than 115 kV lines, bigger vehicles and equipment may be needed, and a larger bond amount may be appropriate. Second, as we do with our other projects, East River crews and contractor crews will make repairs to the roads as we are constructing the line thus lessening or eliminating any residual need for repairs. Third, we believe this proposed bond amount makes is appropriate as compared to other projects recently reviewed by the Commission when factoring into the equation the size of the line, necessary equipment and vehicles and type of roads impacted.

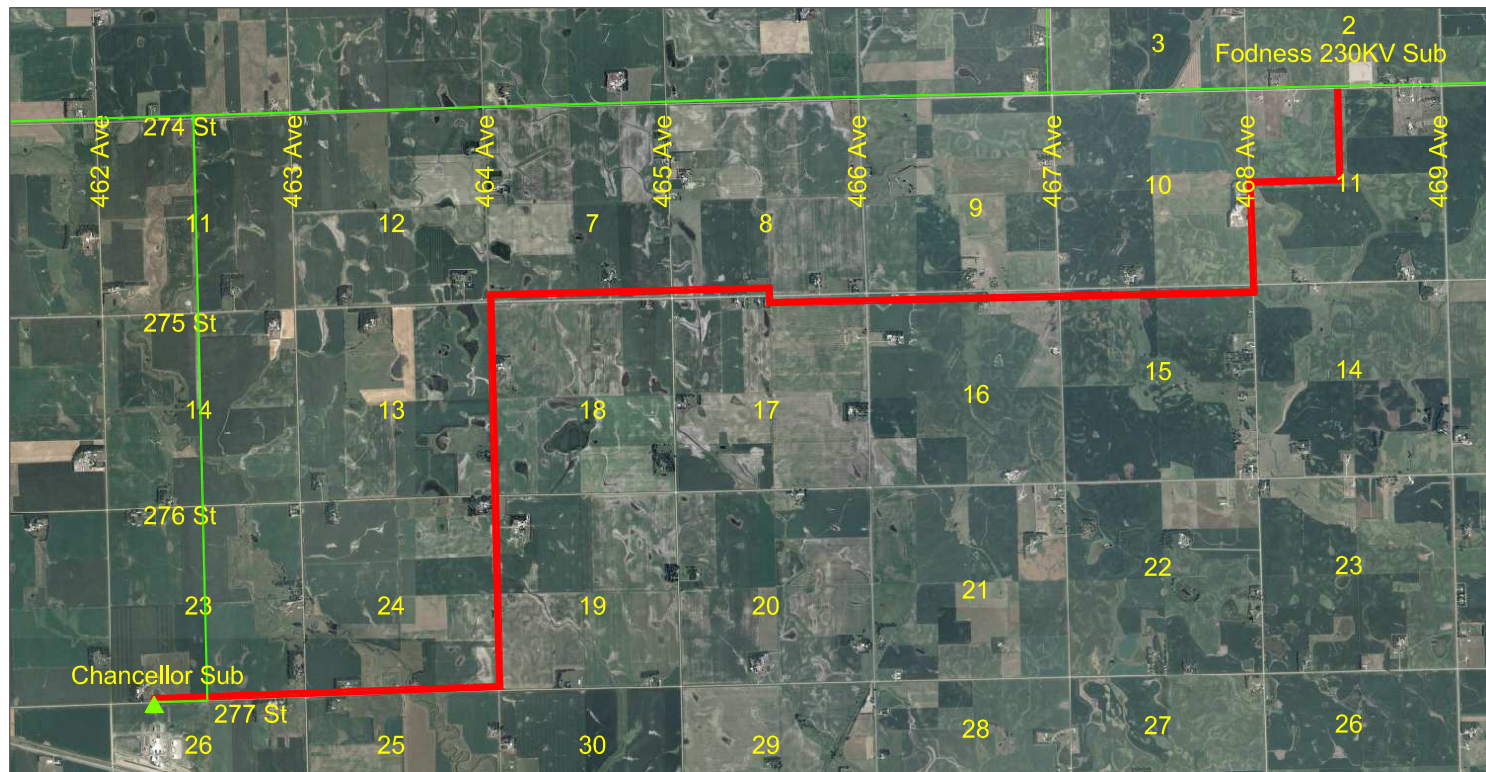
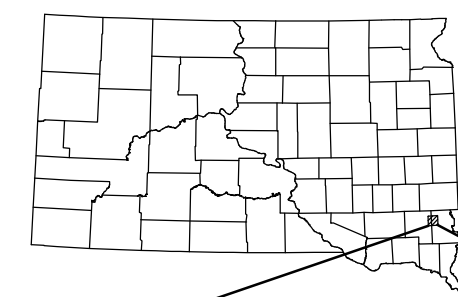
This application contains all information necessary for the PUC to assess the effects of the proposed facilities pursuant to SDCL 49-41B-7 and 49-41B-11. This application also contains all information necessary to meet the burden of proof specified in SDCL 49-41B-22.

2.25 TESTIMONY AND EXHIBITS (SDAR 20:10:22:39)

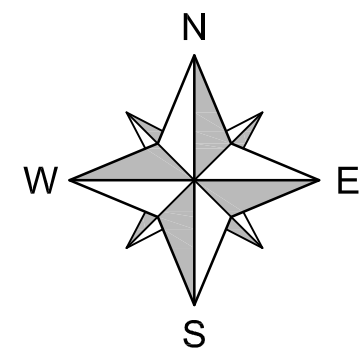
List of Preparers

Ken Booze, Planning/Design Engineer
Joyce Carman, Administrative Assistant
Todd Copeland, Engineering Assistant
Kurt Donelan, Land Agent
Jim Edwards, Assistant General Manager - Operations
Dean Feistner, Project Coordinator
Ron Golden, Supervisor Land Management
Dan Wall, Transmission/Engineering Services Manager
Michele Whitlock, Engineering Assistant

This document is intended to represent the entire application, including all narratives, analysis, and exhibits.



AERIAL PHOTO
SCALE: 1" = 1 Mile

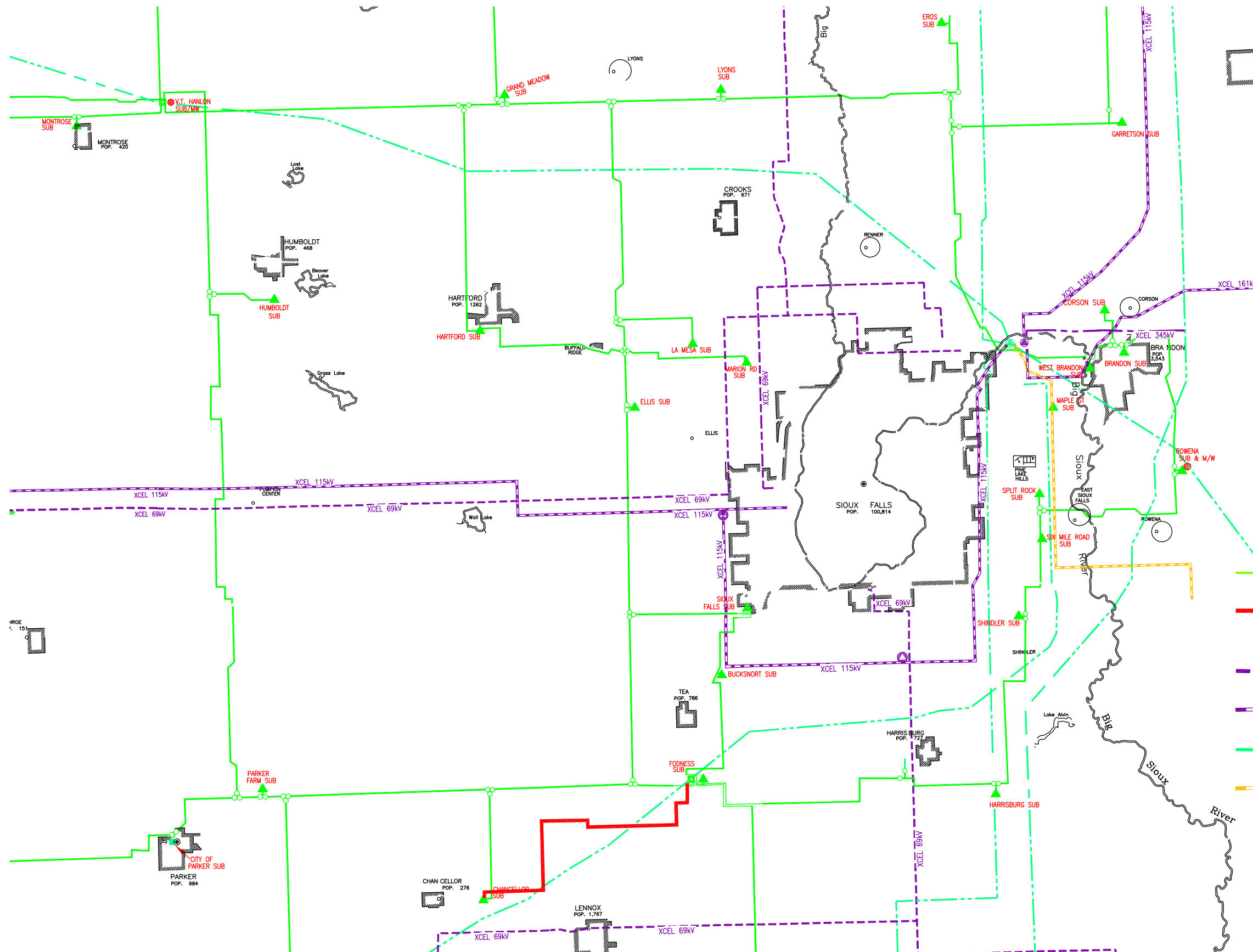
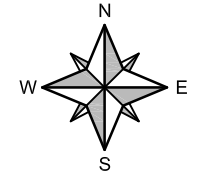


- LEGEND**
- EXISTING EAST RIVER 69KV LINE
 - PROPOSED EAST RIVER 115KV LINE
 - - - WAPA 230KV LINE

A Touchstone Energy® Cooperative					CHANCELLOR 115KV TAP SECTION 8 TAP 41 EXHIBIT 1	
PCP FILE: ERTYPLT		W.O. NO.		SCALE As Shown		REV. NO.:
DATE 11/6/07		SHEET	OF	PLOT SCALE: 1:1	DWG. NO.: PR0841Z2A	
DWN. BY TC						

EAST RIVER ELECTRIC POWER COOPERATIVES CHANCELLOR LINE TAP

EAST RIVER'S EXISTING ELECTRIC SYSTEM WEST SIDE OF SIOUX FALLS

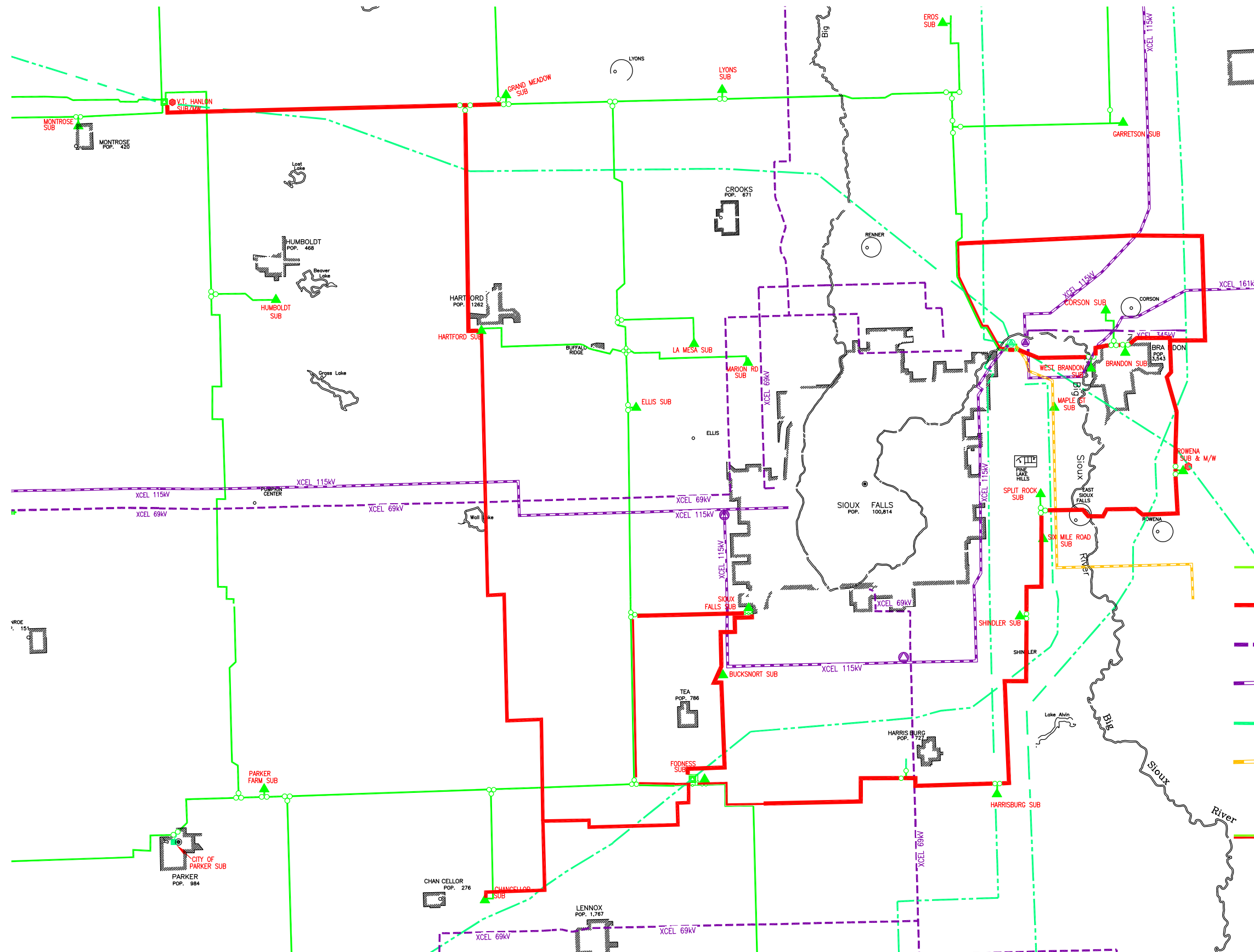
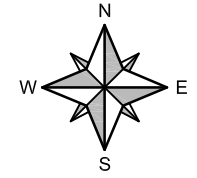


LEGEND

- EXISTING EAST RIVER 69KV LINES
- PROPOSED PROJECT EAST RIVER 115KV LINE
- - - XCEL 69KV LINES
- · - · XCEL 115KV LINES
- · - · WAPA LINES
- - - LO LINES
- ▲ EXISTING EAST RIVER 69KV SUBSTATIONS

EAST RIVER ELECTRIC POWER COOPERATIVES CHANCELLOR LINE TAP

EAST RIVER'S ELECTRIC SYSTEM WEST SIDE OF SIOUX FALLS - 2020

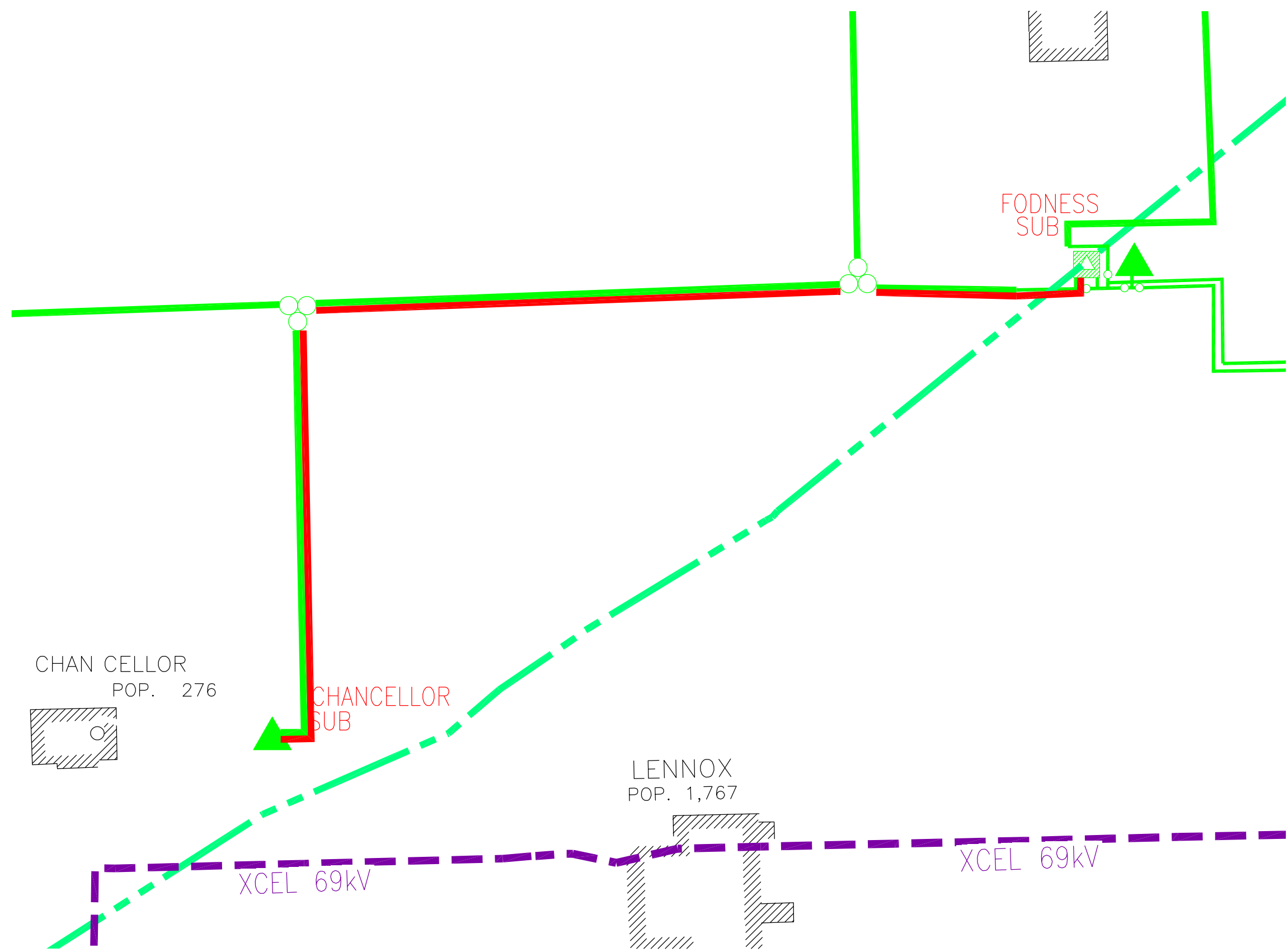
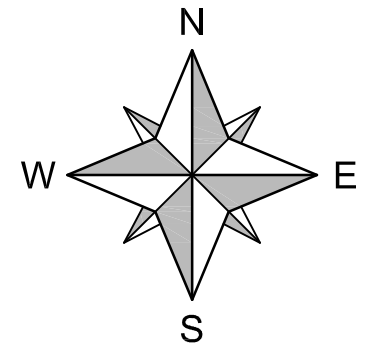


LEGEND

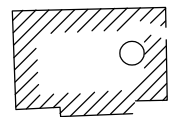
- EXISTING EAST RIVER 69KV LINES
- EAST RIVER 115KV LINE
- - - XCEL 69KV LINES
- - - XCEL 115KV LINES
- · - · - WAPA LINES
- · - · - LO LINES
- ▲ EXISTING EAST RIVER 69KV SUBSTATIONS
- EAST RIVER DOUBLE CIRCUIT LINE

EAST RIVER ELECTRIC POWER COOPERATIVES CHANCELLOR LINE TAP

ALTERNATIVE 1, DOUBLE CIRCUIT EXISTING 69KV TRANSMISSION LINE



CHAN CELLOR
POP. 276



CHANCELLOR
SUB

LENNOX
POP. 1,767

XCEL 69kV

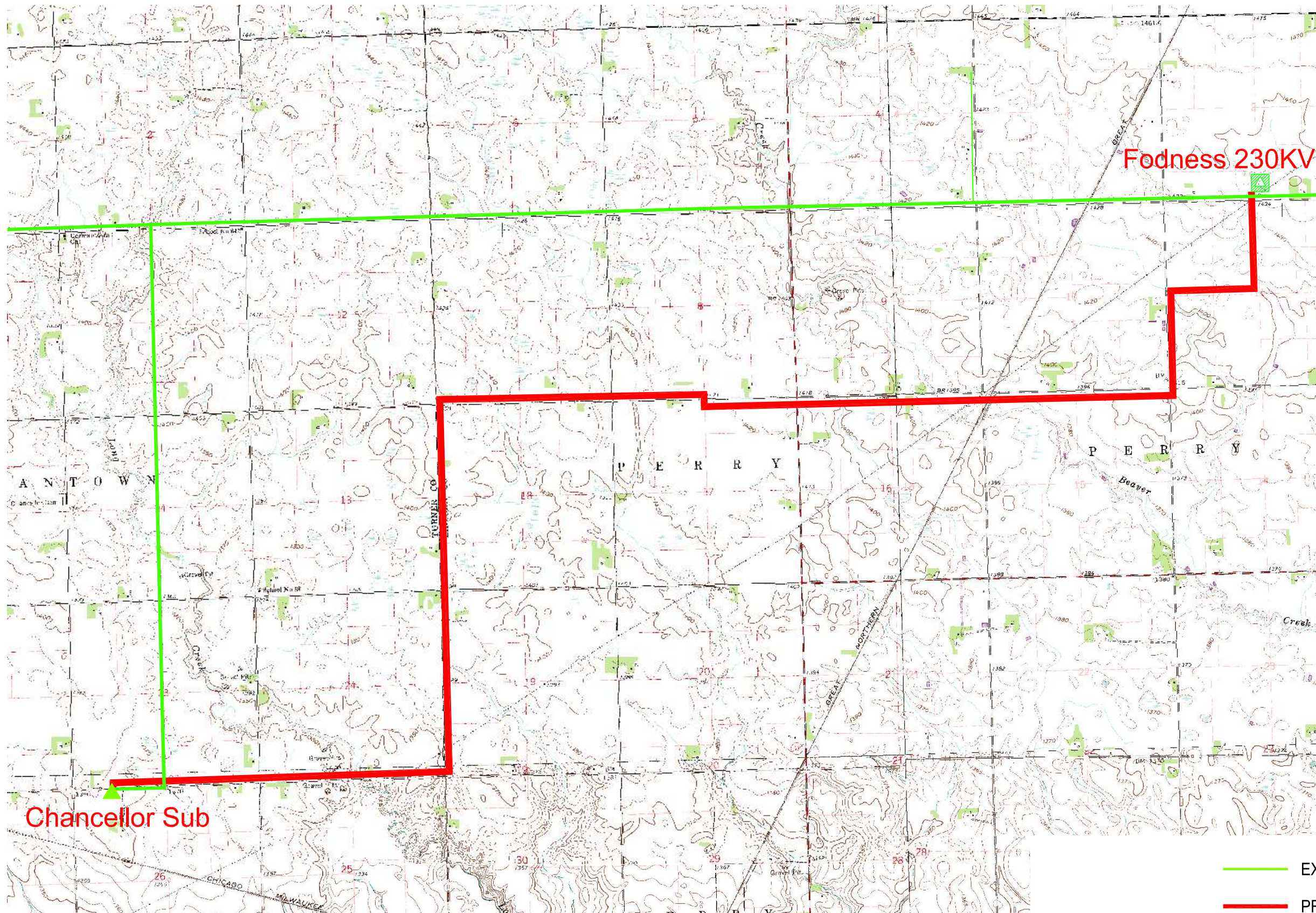
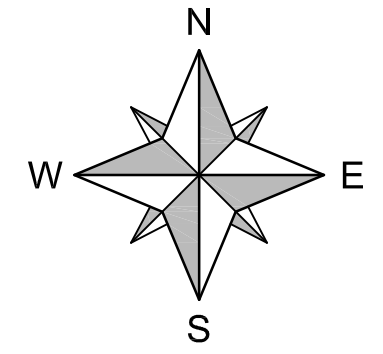
XCEL 69kV

ALTERNATIVE 1

DOUBLE CIRCUIT 69KV AND 115KV

EAST RIVER ELECTRIC POWER COOPERATIVES CHANCELLOR LINE TAP

TOPOGRAPHY MAP OF PROJECT AREA

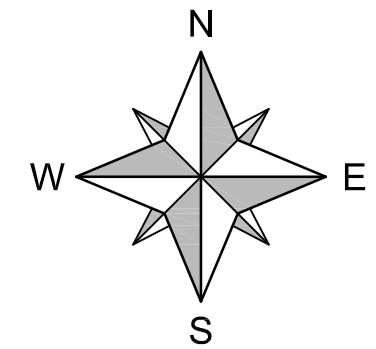
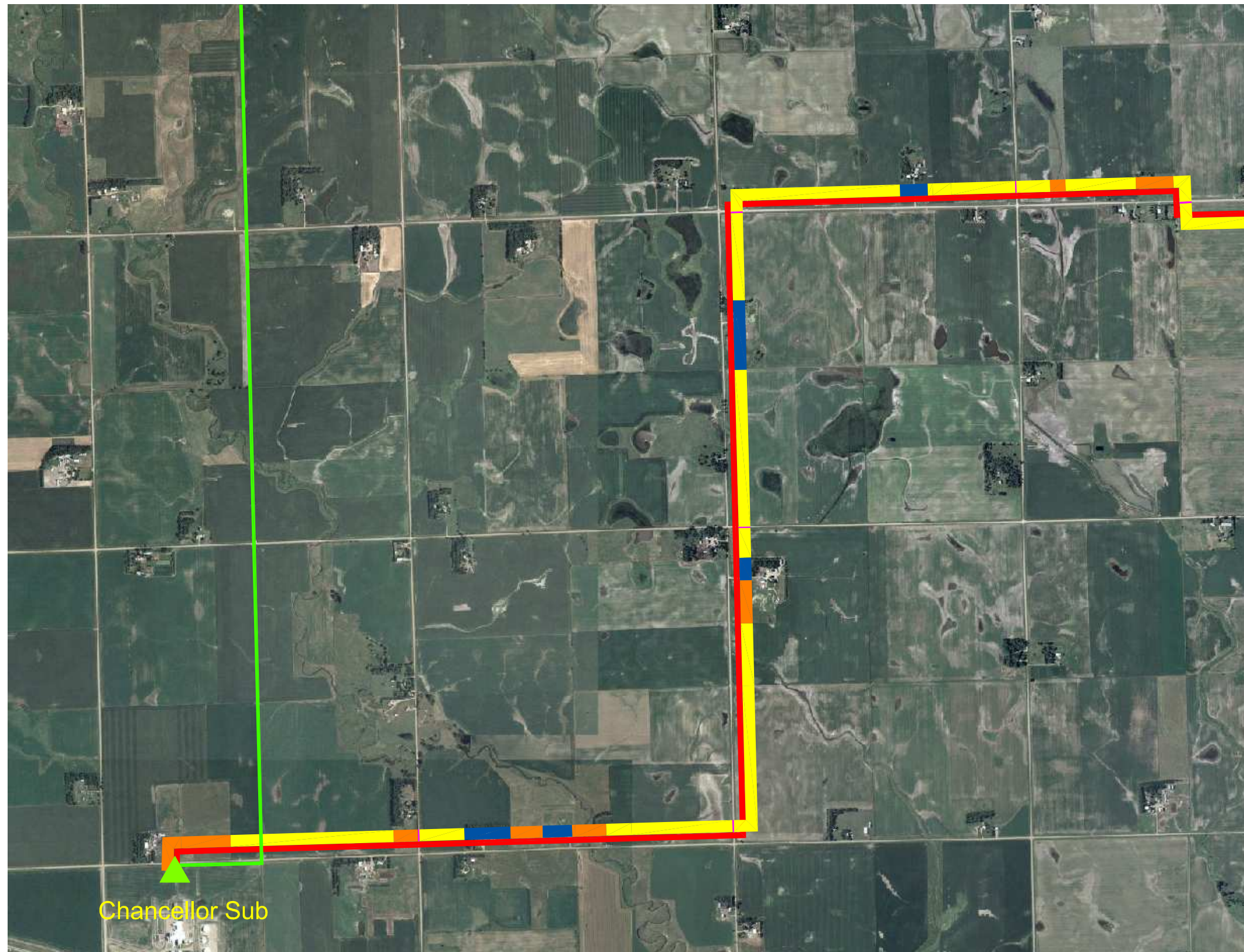


LEGEND

- EXISTING EAST RIVER 69KV LINE
- PROPOSED EAST RIVER 115KV LINE

EAST RIVER ELECTRIC POWER COOPERATIVES CHANCELLOR LINE TAP

LAND USE - WEST HALF OF PROJECT



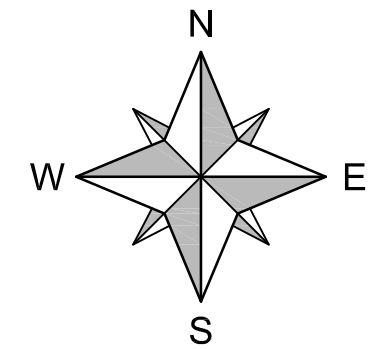
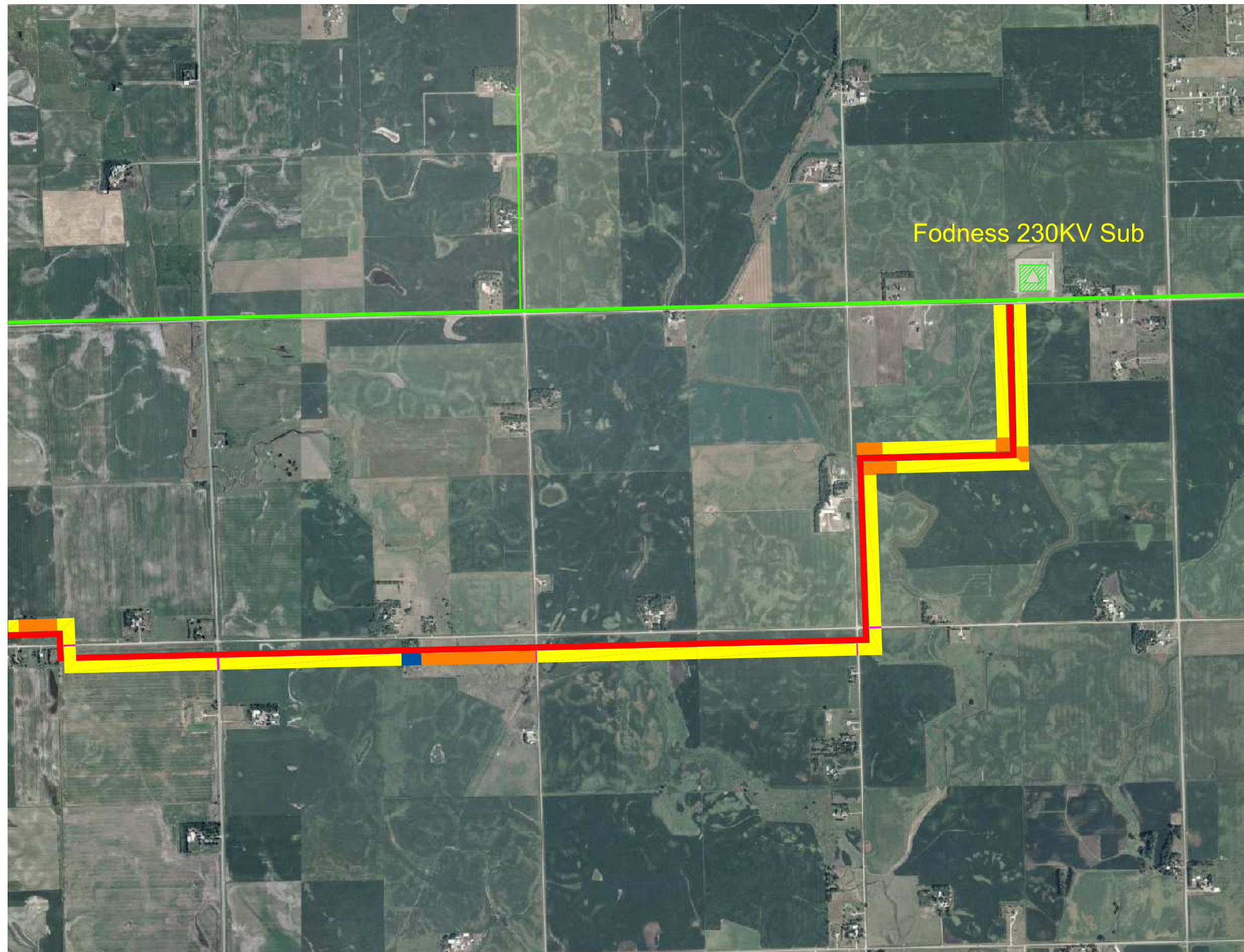
LEGEND

- EXISTING WESTERN AREA POWER ADMINISTRATION GROTON SUBSTATION
- EAST RIVERS CRANDALL SUBSTATION
- PROPOSED 115KV T-LINE
- EXISTING EAST RIVER 69KV T-LINE
- ACROP-RW AND NON-RW CROP
- PCI-PUBLIC, COMMERCIAL AND INSTITUTIONAL USE
- PR-PASTURELANDS AND RANGELANDS
- RRES-RURAL RESIDENTIAL

Chancellor Sub

EAST RIVER ELECTRIC POWER COOPERATIVES CHANCELLOR LINE TAP

LAND USE - EAST HALF OF PROJECT



LEGEND









-  EXISTING WESTERN AREA POWER ADMINISTRATION GROTON SUBSTATION
-  EAST RIVERS CRANDALL SUBSTATION
-  PROPOSED 115KV T-LINE
-  EXISTING EAST RIVER 69KV T-LINE
-  ACROP-ROW AND NON-ROW CROP
-  PCI-PUBLIC, COMMERCIAL AND INSTITUTIONAL USE
-  PR-PASTURELANDS AND RANGELANDS
-  RRES-RURAL RESIDENTIAL



EXHIBIT 8



EXHIBIT 9

6 February 2008

Mr. Kurt Donelan
East River Electric Power Coop, Inc.
PO Box 227
121 SE 1st St.
Madison, SD 57042

Re: Letter Report – archaeological survey conducted prior to construction of the proposed Chancellor 115kv Transmission Line project in Lincoln County, South Dakota.

Dear Mr. Donelan,

This letter report documents the results of a cultural resource inventory at the proposed installation of the Chancellor 115kv Transmission Line in Lincoln and Turner Counties in South Dakota. Workers from the preservation firm Cultural Heritage Consultants (CHC) conducted the survey in November 2007. The survey area(s) are within the S ½, S ½, sections 23 and 24, T99N-R52W. Additionally, the W ½, W ½, of sections 18 and 19, the S ½, S ½, sections 7 and 8, N ½, N ½, sections 15 and 16 and W ½, W ½, SW and NW portion of section 11. All are in T99N-R51W (see Figure 1).

The project scope-of-work (SOW) consists of conducting a Class III archaeological investigation of said locales as a precursor to the proposed installment of overhead power poles. In addition to several telephone conversations, you sent to me, via electronic mail (email), a message stating the project details, you noted the following:

This will be an overhead transmission line with single wood poles....
Due to the higher voltage of the line, the cost, and maintenance issues,
none of our transmission line is [will be] placed underground.

Highway Diggers and Bucket Trucks are used to install the line. A
Highway Digger drill a 30" hole into the ground 8' [Ft] to 12' [Ft]
deep. The poles are placed in the holes. Bucket Trucks are used to
string the conductor on the poles.

Pole placement in wetlands is avoided if possible. We usually try to
span over low areas. Span lengths are 240' to 300'. If poles are
place[d] in wet area[s], pea rock is used to secure the pole in the
ground.

Easements on private property have been obtained on half the project. In these areas, poles will be place[d] 2' on private property from the property line....In areas where easements were not obtained, the poles will be place[d] in the public ROW, usually the 31' line on a 33' ROW. (Pers. Comm. Kurt Donelan to Todd Kapler 11/6/07).

Given the project corridor(s) you provided, the total survey area is 145,860 square feet while the *actual* area(s) surveyed tally 25,518 square feet or 7,850 square meters or .60 acres along 4.83 miles (lineal) miles of ROW corridor(s). With a right-of-way (ROW) width of about 2 Ft (.60m), the corridor length far surpasses the width and therefore, the actual surveyed area is quite small (.60 acres).

Researchers conducted a visual examination (i.e., surface reconnaissance) of the entire project area and its margins for any evidence of cultural material or associated cultural debris. No cultural materials of any kind were observed or recorded. Workers conducted both surface reconnaissance and a series of auger tests placed at appropriate intervals excavated to a depth of 75 centimeters below surface (cmbs). Surveyors screened all the displaced soil thru ¼" wire mesh.

At my request, Ms. Jane Watts of the South Dakota State Archaeological Research Center (SARC) conducted background research of previous sites and surveys within the project area and the surrounding area as per state protocol. Ms. Watts reported a single site within the project area. This site (39LN2013) is rail lines associated with the Great Northern Railroad. The rail line scarcely traverses the project area and, further, the long linear rail line extends well beyond the project boundaries. Surveys within a 1-mile radius include ALN-0019, ALN-0037, ATU-0031, ESD-312, ALN-0122, ESD-0101, ESD-032, ALN-0077, ALN-0099, ALN-0101, ALN-0107, ESD-0326 AND ALN-0148.

The survey area is located within the Vermillion Basin and the extreme western margin of the Lower Big Sioux Study Region. In November 2007, I conducted an archaeological survey over the proposed project area. Prior to conducting the survey, I contacted the appropriate East River Electric Power Coop (ERE) officials who notified landowners of the approaching archaeological survey. With this solid background information, the field portion of this survey was relatively benign with CHC workers finding no surface or subsurface cultural debris.

Because I found no cultural materials within the project boundaries other than modern debris, this letter report recommends that a determination of No Historic Properties in the Area of Potential Effects be made regarding the construction activities and the project be granted Section 106 clearance to proceed. However, as no survey can possibly define all cultural resources within a region, should cultural materials be detected during any phase of this improvement project, state and possibly federal preservation officials must be contacted immediately so that the extent and significance of the discovery can be ascertained before construction work is continued. If human remains are found during any phase of this project, all work activities must be stopped and the Office of the State Archaeologist contacted immediately.

Finally, work described here, and the assessments provided, are subject to review by state and possibly federal cultural review and compliance personnel. Consequently, this letter report is advisory in nature and does not constitute authorization to proceed with the proposed undertaking. Should you have any additional questions, please do not hesitate to contact our office at your convenience.

Sincerely,

Todd Kapler

Todd Kapler, RPA
Principal Investigator
Cultural Heritage Consultants

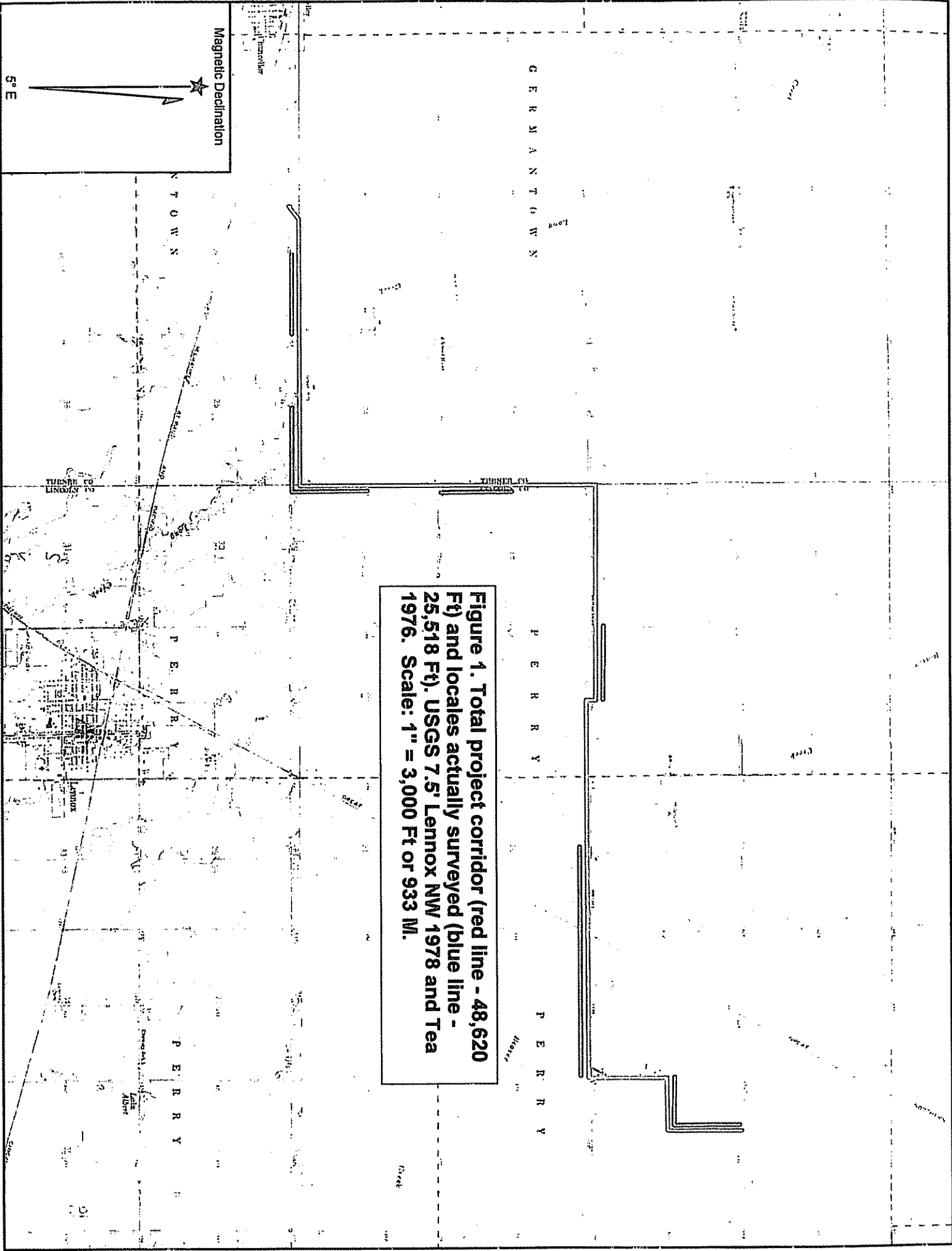


Figure 1. Total project corridor (red line - 48,620 Ft) and locales actually surveyed (blue line - 25,518 Ft). USGS 7.5' Lennox NW 1978 and Tea 1976. Scale: 1" = 3,000 Ft or 933 M.

Photolog 1

Fodness
Sub Station

Image 1 ↓

274th St.

Tilled Corn
10% Visibility

Tilled Corn
10% Visibility

468th Ave.

Image 4 →

Image 2 ↑

Image 3 ←

Image 5 ↓

Tilled Beans
50% Visibility

Tilled Beans
75% Visibility

Legend
— Project ROW

275th St.

Image 6 ↑

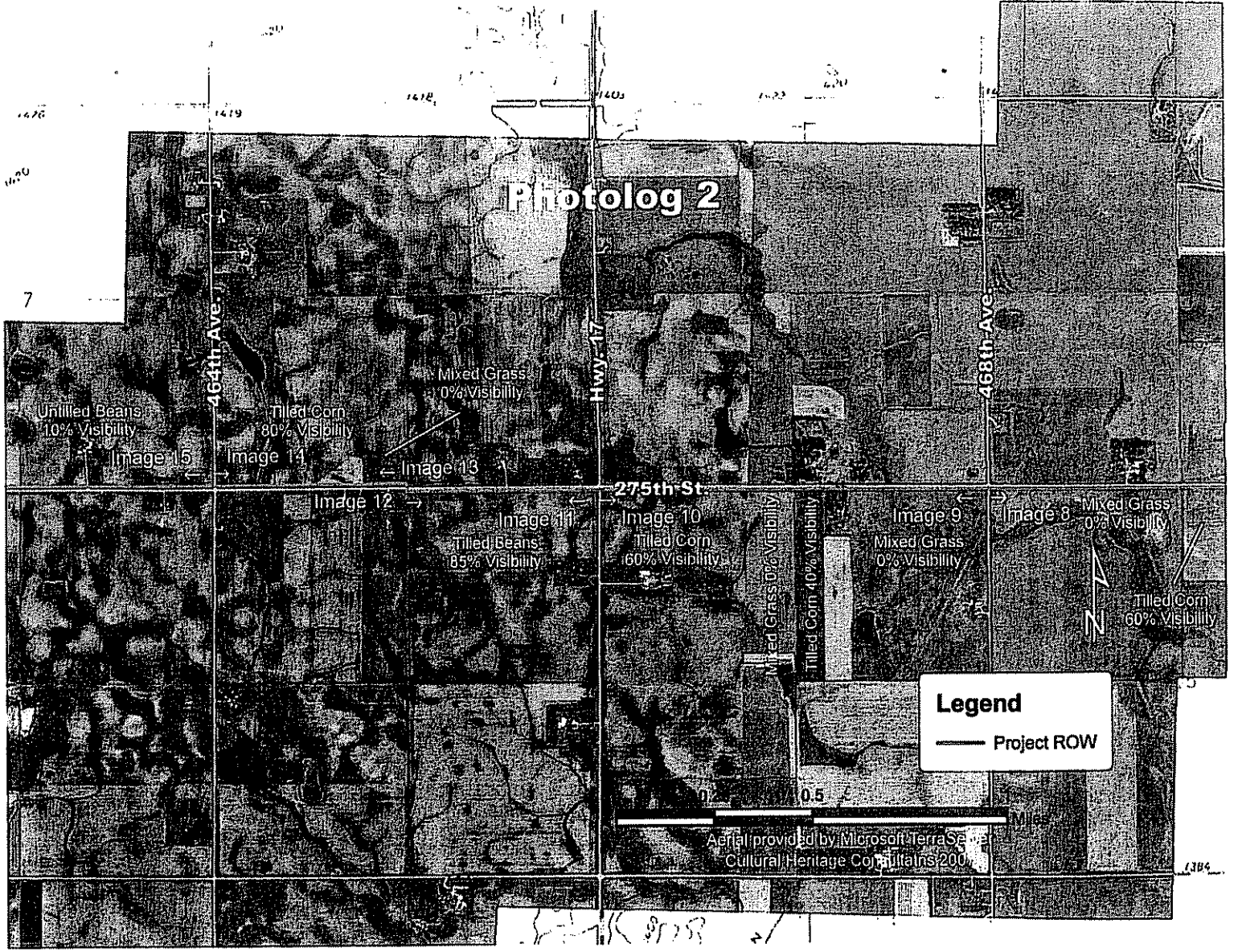
Tilled Corn
60% Visibility

Image 7 ←



Aerial provided by Microsoft TerraServer
Cultural Heritage Consultants 2007

Photolog 2



Legend

— Project ROW

Aerial provided by Microsoft TerraSe Cultural Heritage Co. Altans 200

S-11 K 0125 2/1

Photolog 3

Image 16 →

275th St

↓ Image 17

464th Ave

↑ Image 18

↓ Image 19

Legend

— Project ROW

Aerial provided by Microsoft TerraServer
© Cultural Heritage Consultants 2007

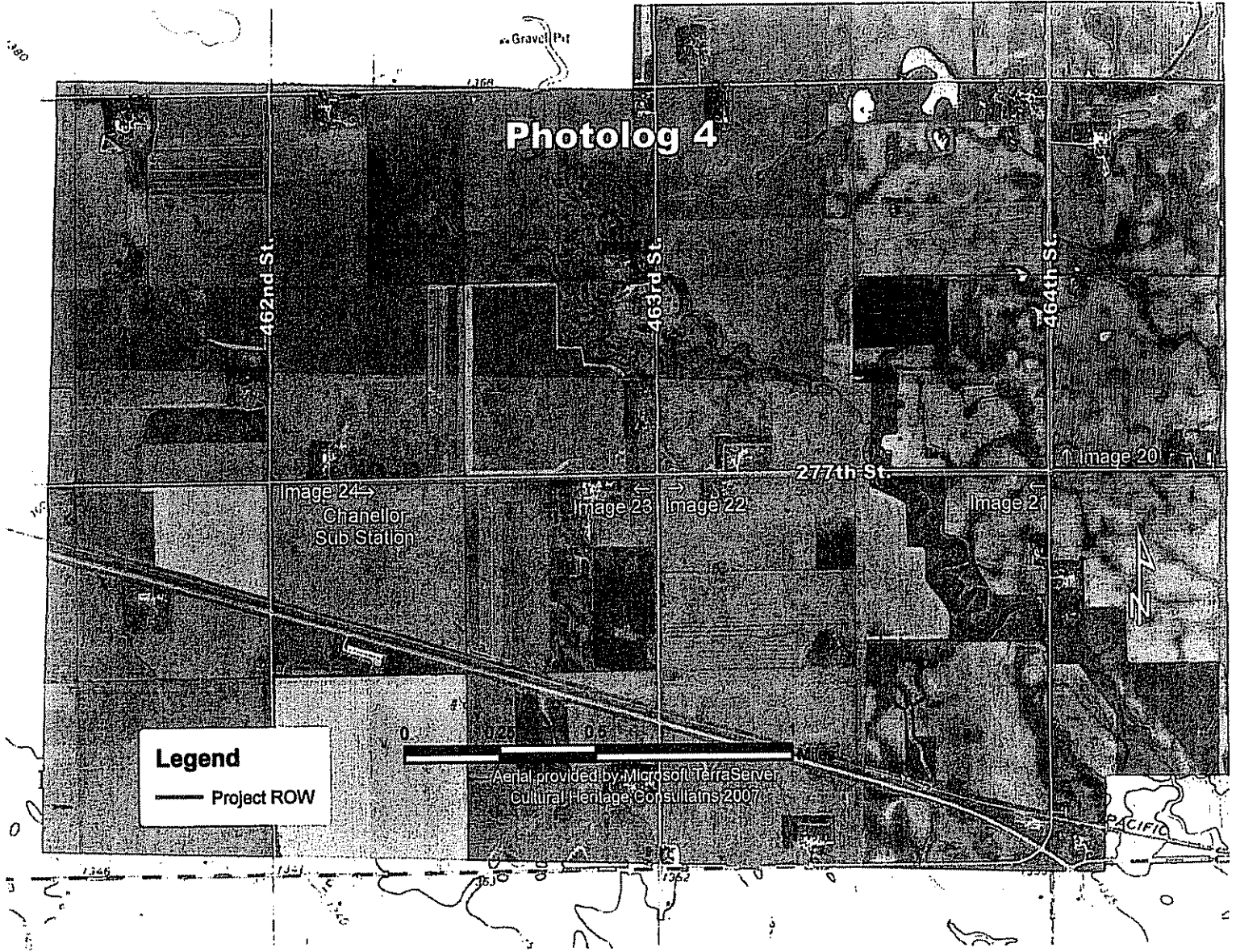
277th St

Image 21

↑ Image 20



Photolog 4



Legend

— Project ROW

Aerial provided by Microsoft TerraServer
Cultural Heritage Consultants 2007

PACIFIC

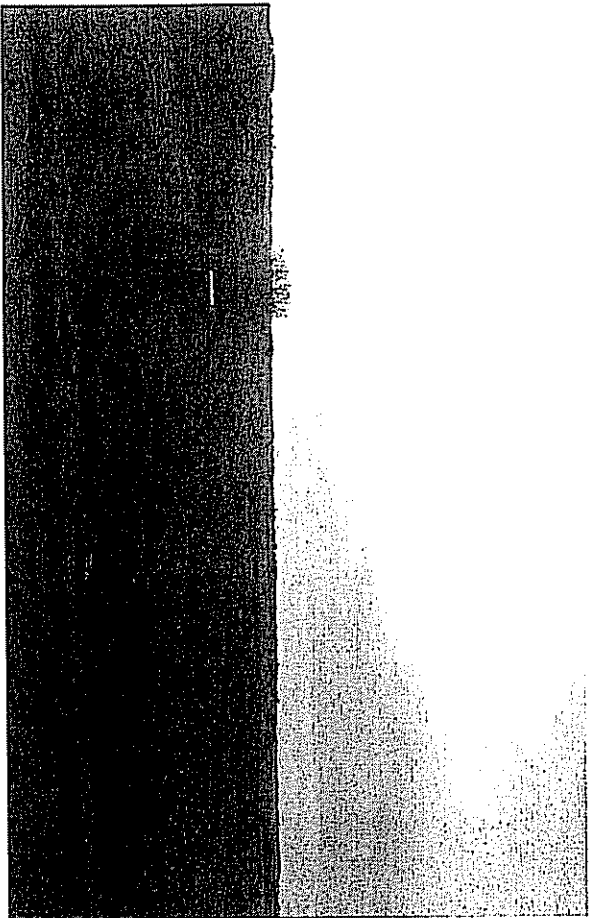


Plate 1. Image 1

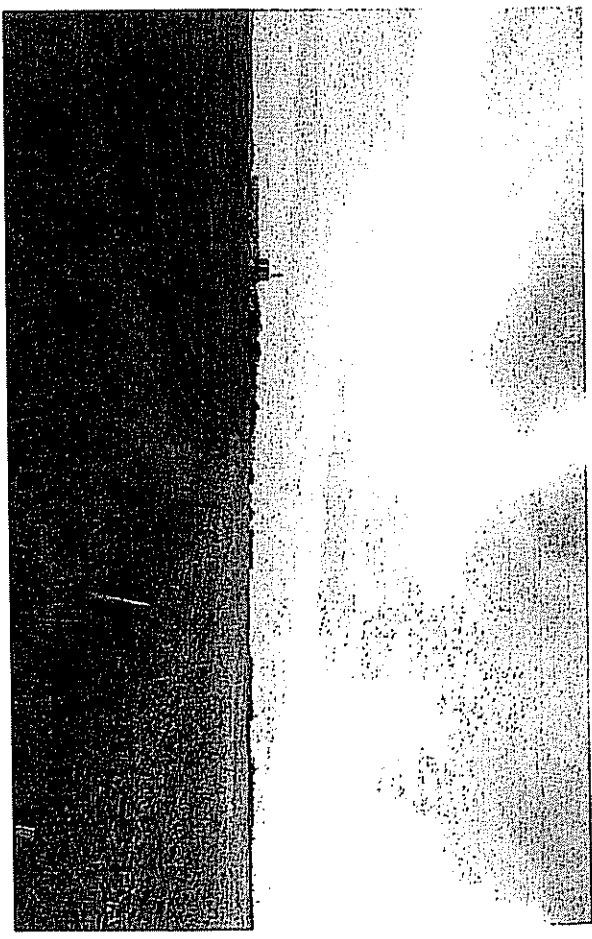


Plate 2. Image 3



Plate 3. Image 5

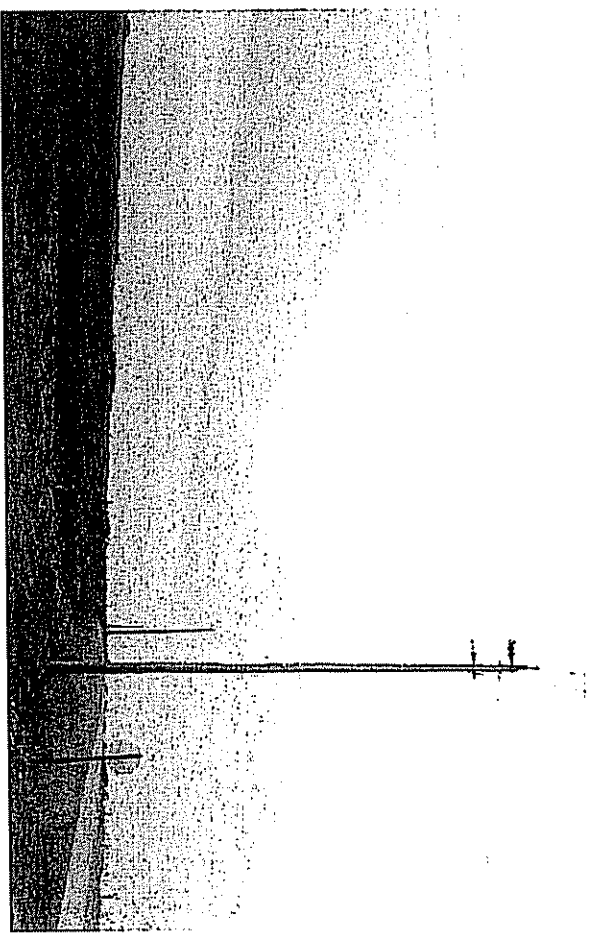


Plate 4. Image 7

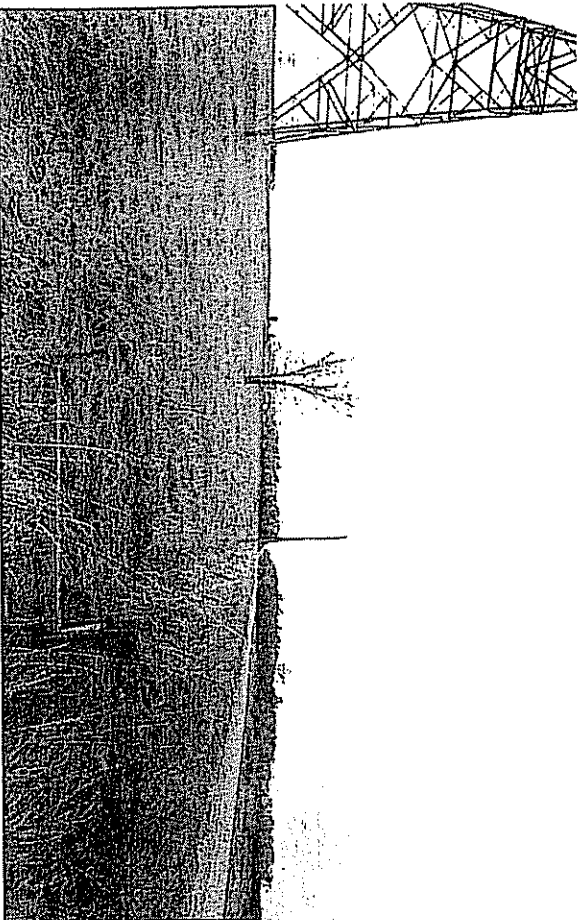


Plate 5. Image 9

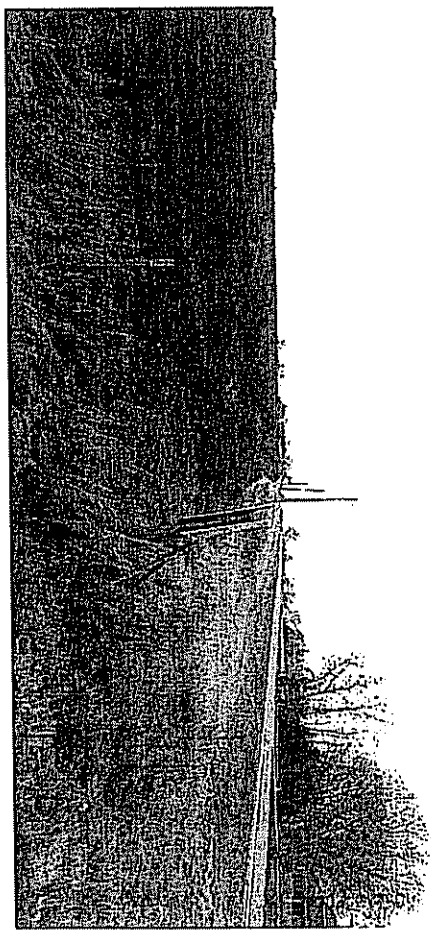


Plate 6. Image 11

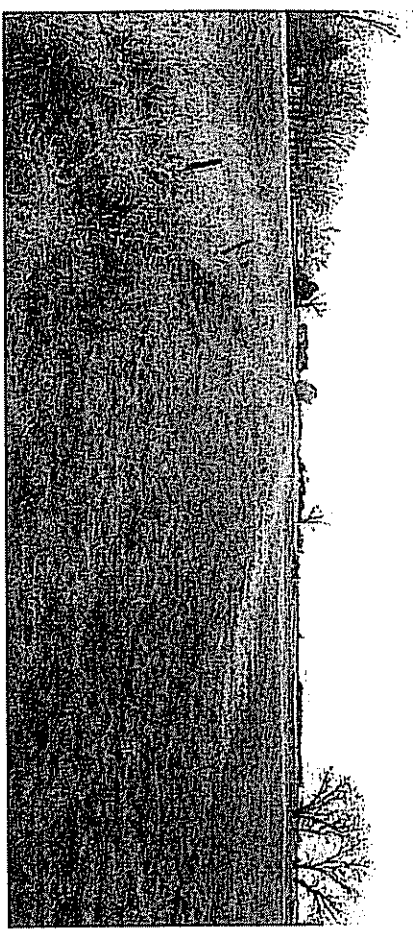


Plate 7. Image 13

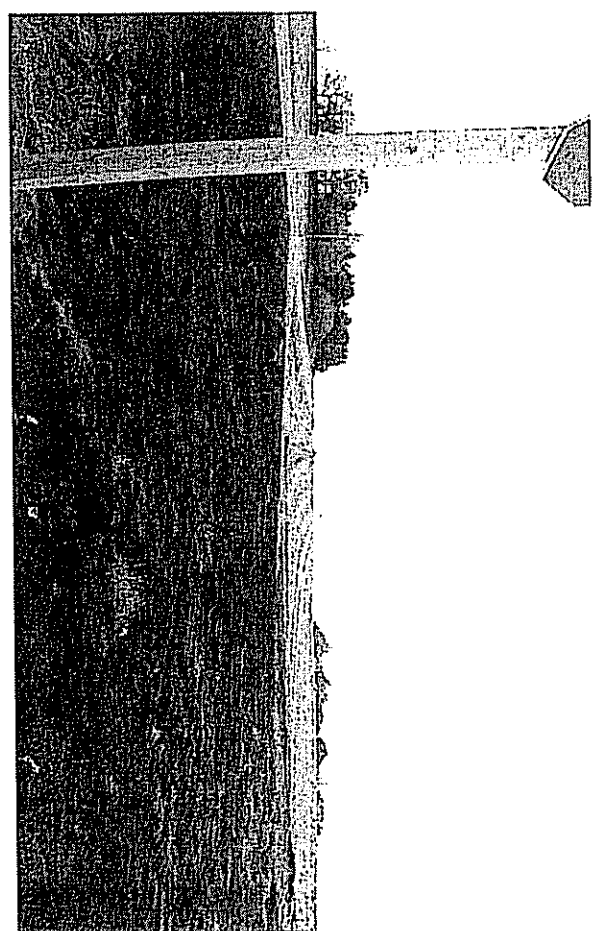


Plate 8. Image 15

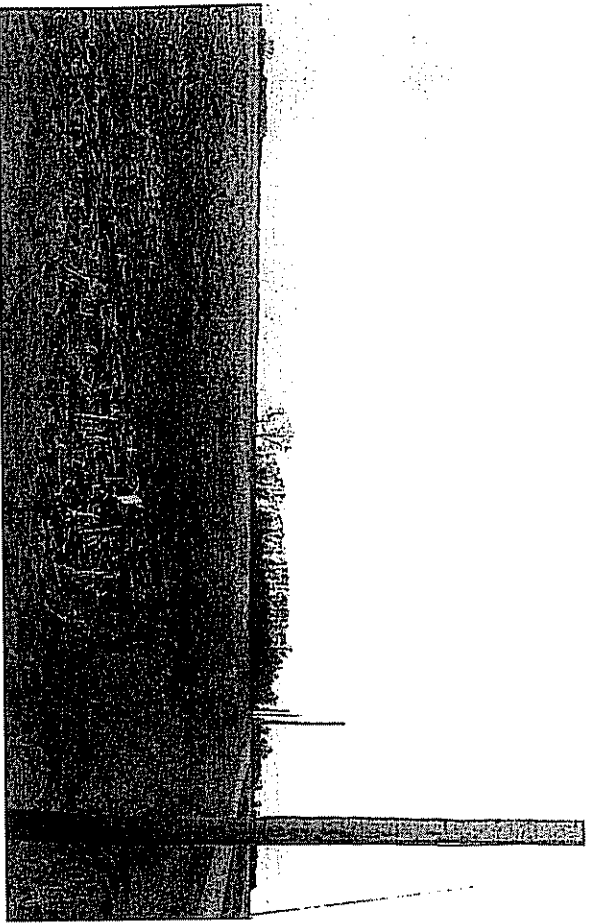


Plate 9. Image 17

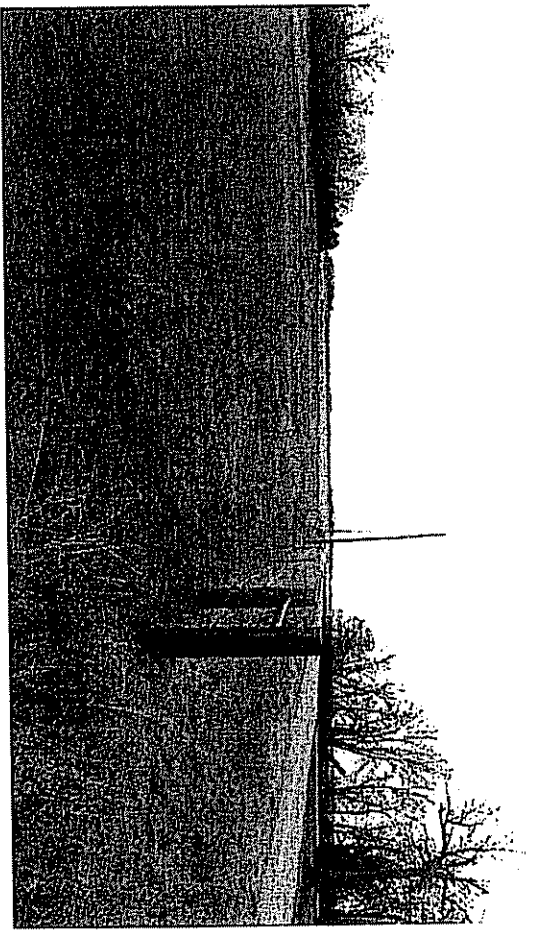


Plate 10. Image 19

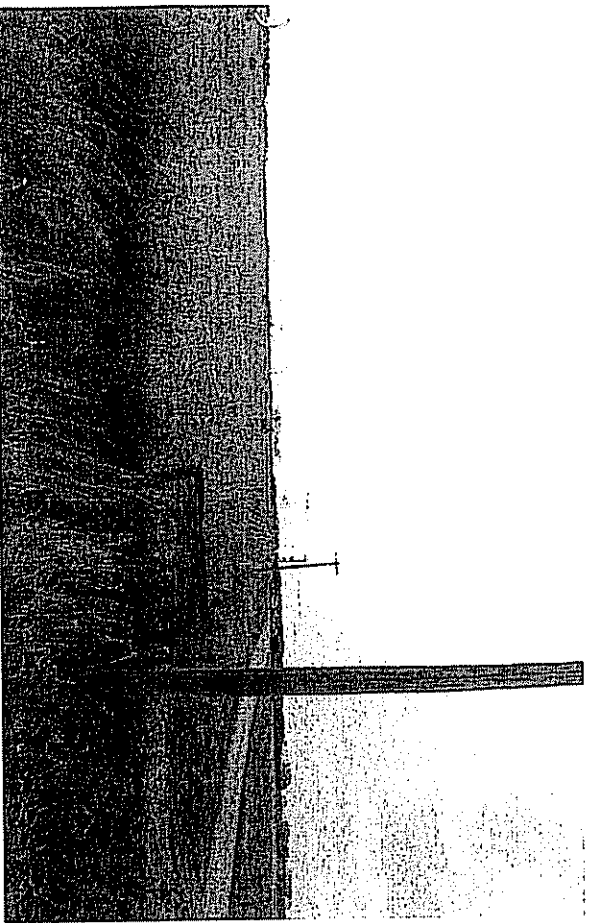


Plate 11. Image 21

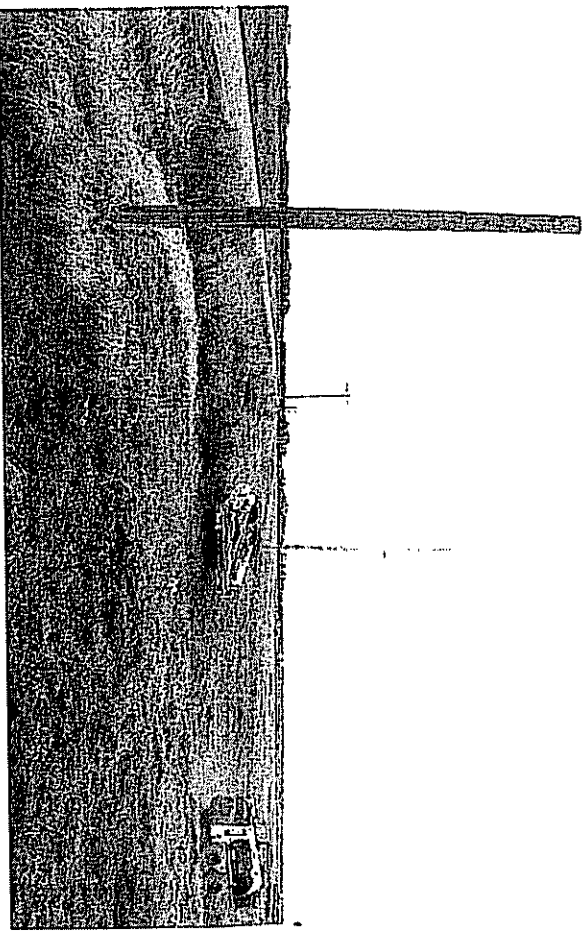


Plate 12. Image 24

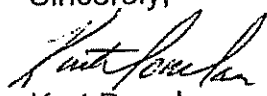
Wildlife in the area include, but are not limited to, deer, rabbit, coyote, badger, skunk, raccoon, mink, fox, gopher, and many species of birds.

Based on the findings of Cultural Heritage Consultants in Sioux City, Iowa, in a Letter Report - archaeological survey conducted prior to construction of the proposed Chancellor 115kv Transmission Line project in Lincoln, County, South Dakota, East River Electric Power Cooperative, Inc. concurs with the findings of "No Historic Properties in the Area of Potential Effects" and cultural resources clearance for the proposed project is recommended.

I would appreciate receiving your comments based on this information.

If any additional information is required, do not hesitate to contact me.

Sincerely,



Kurt Donelan
Land Agent

KD/jc

Enc. (original and one copy of the report)

cc: Jim Haug (with one copy of the report)

SECTION 106 DETERMINATION

Based upon the information provided to the South Dakota State Historic Preservation Office on 2/25/08 we concur with your agency's determination of "No Historic Properties Affected" for this undertaking.

Gay D. Vogt
State Historic Preservation Officer (SHPO)

By: Amy Ruben
2/23/08 Date 086275008F SHPO Project #

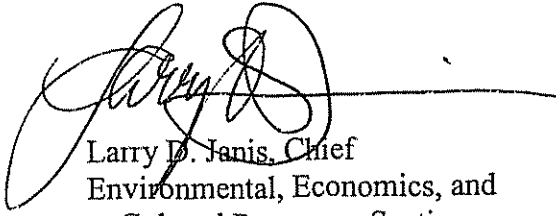
Pursuant to 36 CFR part 800.13, if historic properties are discovered or unanticipated effects on historic properties found after the agency official has completed the Section 106 process, the agency official shall avoid, minimize or mitigate the adverse effects to such properties and notify the SHPO/THPO, and Indian tribes that might attach religious and cultural significance to the affected property within 48 hours of the discovery.

SECTION 106 CONSULTATION
Concurrence of the State Historic Preservation Office does not relieve the federal agency official from consulting with other appropriate parties, as described in 36 CFR Part 800.2(c).

- 2 -

If you have any questions, please contact Mr. Dave Crane of my staff at (402) 221-4882.

Sincerely,

A handwritten signature in black ink, appearing to read "Larry D. Janis", is written over a horizontal line. The signature is stylized and cursive.

Larry D. Janis, Chief
Environmental, Economics, and
Cultural Resources Section
Planning Branch

Mr. Peter Gober

-2-

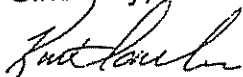
November 6, 2007

Wildlife in the area include, but are not limited to, deer, rabbit, coyote, badger, skunk, raccoon, mink, fox, gopher, and many species of birds.

I would appreciate receiving your environmental comments concerning wetlands and endangered species on the proposed project within thirty (30) days of the date of this letter.

If any additional information is required, feel free to contact me.

Sincerely,



Kurt Donelan
Land Agent

KD/jc

Enc.

EXHIBIT 14



EAST RIVER

ELECTRIC POWER COOPERATIVE
121 Southeast First St. P.O. Box 227
Madison, SD 57042 Telephone (605) 256-4536

November 6, 2007

Mr. John Kirk, Interagency Coordinator
South Dakota Department of Game, Fish & Parks
523 East Capitol Avenue
Pierre, SD 57501

S.D. DEPARTMENT OF GAME, FISH AND PARKS

Project as described will have no significant impact on fish and wildlife resources. If project design changes, please submit plans for review.

3-5-08

Date

John C. Kirk
Approver

RE: Chancellor 115 KV Transmission Line

Dear Mr. Kirk:

Enclosed you will find maps and supportive information concerning the proposed Chancellor 115 KV transmission line to be constructed by East River Electric Power Cooperative, Inc.

The proposed project is located in the southeastern region of South Dakota, near Chancellor, South Dakota. The elevation in which the proposed transmission line will be constructed is approximately 1350 feet to 1440 feet.

The proposed Chancellor 115 KV transmission line would be located along existing roads on private property and public right of way. The transmission line will initiate at the Virgil Fodness high voltage substation located in the southwest corner of the Southwest Quarter (SW1/4) of Section Two (2), Township Ninety-nine (99) North, Range Fifty-one (51) West of the 5th P.M. in Lincoln County. The line will be built above ground along the township and county roads. Some tree trimming or removal will need to be done to meet National Electrical Code. The typical structure used for this line will be a single wood pole with stand off insulators. The average height of the poles will be 65' and set into the ground 8.5'.

The line will terminate at the location of the Chancellor Substation located in the northeast corner of the Northwest Quarter (NW1/4) of Section Twenty-six (26), Township Ninety-nine (99) North, Range Fifty-one (51) West of the 5th P.M. in Turner County, South Dakota.

The proposed Chancellor 115 KV transmission line is required by our member, Southeastern Electric, to meet the demands of new electrical loads being added in this area.

Mr. Brad Schultz

-2-

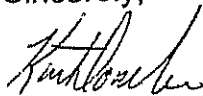
November 6, 2007

Wildlife in the area include, but are not limited to, deer, rabbit, coyote, badger, skunk, raccoon, mink, fox, gopher, and many species of birds.

I would appreciate receiving your comments on the environmental aspects of the proposed construction within thirty (30) days of the date of this letter.

If any additional information is required, feel free to contact me.

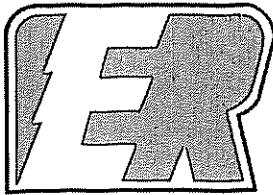
Sincerely,

A handwritten signature in cursive script, appearing to read "Kurt Donelan".

Kurt Donelan
Land Agent

KD/jc

Enc.



EAST RIVER
ELECTRIC POWER COOPERATIVE
121 Southeast First St. P.O. Box 227
Madison, SD 57042 Telephone (605) 256-4536

**Waste Management Determination
Hazardous Waste/Solid Waste/Asbestos**

It appears, based on the information provided, that this project will have little or no impact on the waste management in this area.

Approved By: Vonni Kallemeyn
Date: 11-15-07

**South Dakota Department of
Environment & Natural Resources**
Phone: (605) 773-3153 Fax: (605) 773-6035

November 6, 2007

Mrs. Vonni Kallemeyn
Department of Environment & Natural Resources
Administrator – Waste Management Program
523 East Capitol Avenue
Pierre, SD 57501

RE: Chancellor 115 KV Transmission Line

Dear Ms. Kallemeyn:



EAST RIVER	
NOV 13 2007	
FILE	
RECEIVED	
MADISON, SD	

Enclosed you will find maps and supportive information concerning the proposed Chancellor 115 KV transmission line to be constructed by East River Electric Power Cooperative, Inc.

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The proposed Chancellor 115 KV transmission line is required by our member, Southeastern Electric, to meet the demands of new electrical loads being added in this area.

Mrs. Vonni Kallemeyn

-2-

November 6, 2007

Wildlife in the area include, but are not limited to, deer, rabbit, coyote, badger, skunk, raccoon, mink, fox, gopher, and many species of birds.

I would appreciate receiving your environmental comments concerning wetlands and endangered species on the proposed project within thirty (30) days of the date of this letter.

If any additional information is required, feel free to contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Kurt Doenlan".

Kurt Doenlan
Land Agent

KD/jc

Enc.



COPY ORIGINAL FILED

DEPARTMENT of ENVIRONMENT and NATURAL RESOURCES

PMB 2020
JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182

www.state.sd.us/denr

EAST RIVER	
NOV 21 2007	
FILE	
RECEIVED	
MADISON, SD	

November 20, 2007

Kurt Donelan
East River Electric Power Cooperative
121 Southeast First St.
Madison, SD 57042

Re: EREPC Chancellor 115 KV Transmission Line, Lincoln & Turner Counties

Dear Mr. Donelan:

The Ground Water Quality Program of the South Dakota Department of Environment and Natural Resources has reviewed the above-referenced project location for potential impacts to ground water quality. Based on the information submitted in your letter dated November 06, 2007, to Sheldon Hamann, the department does not anticipate adverse impacts to ground water quality by this project.

There have been accidental petroleum and other chemical releases throughout the state. Of the accidental releases reported to the department, one abandoned tank removal action was identified in the vicinity of this project.

- An abandoned petroleum tank was removed from a location near 46320 277th Street (Section 24) and has abandoned tank case number 2001.694. This case has been closed.

However, the location information provided to us regarding releases is sometimes inaccurate or incomplete. Therefore, we have not conclusively identified all possible causes of contaminated material which this project may encounter. If you would like to do more research regarding these and other accidental releases, information on accidental releases reported in South Dakota may be obtained at the following website:

<http://www.state.sd.us/denr/DES/ground/dataspil.htm>. If contamination is encountered during construction activities, the East River Electric Power Cooperative or its designated representative must report the contamination to the department at (605) 773-3296. Any contaminated soil encountered must be temporarily stockpiled and sampled to determine disposal requirements, and the materials of construction through the contaminated area should be evaluated for chemical compatibility and adjusted accordingly.

If you have any questions regarding the information provided, please contact this office at (605) 773-3296. Thank you for providing the opportunity to comment on this project.

Sincerely,

John Foster, Hydrologist
Ground Water Quality Program



COPY ORIGINAL FILED

EXHIBIT 18

DEPARTMENT of ENVIRONMENT and NATURAL RESOURCES

PMB 2020
JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182

www.state.sd.us/denr

Stamp: EAST RIVER, FILE, RECEIVED MADISON, SD

November 28, 2007

Kurt Donelan
East River Electric Power Cooperative
121 Southeast First Street
P.O. Box 227
Madison, SD 57042

Dear Mr. Doneian:

The South Dakota Department of Environment and Natural Resources (DENR) reviewed the project proposed by the East River Electric Cooperative concerning the Chancellor 69 KV Transmission Line. The DENR finds that this construction, using conventional construction techniques, should not cause violation of any statutes or regulations administered by the DENR based on the following recommendations:

- 1. Best Management Practices (BMP) for sediment and erosion control should be incorporated into the planning, design, and construction of this project.
- 2. A Surface Water Discharge (SWD) permit may be required if any construction dewatering should occur as a result of this project. Please contact this office for more information.
- 3. Tributaries and wetlands may be impacted by this project. These water bodies are considered waters of the state and are protected under the South Dakota Surface Water Quality Standards. The discharge of pollutants from any source, including indiscriminate use of fill material, may not cause destruction or impairment except where authorized under Section 404 of the Federal Water Pollution Control Act. Please contact the U.S. Army Corps of Engineers concerning this permit.

If you have any questions concerning these comments, please contact me at (605) 773-3351.

Sincerely,

John Miller

John Miller
Environmental Program Scientist
Surface Water Quality Program