## **RECORD OF DECISION**

# South Dakota PrairieWinds Project Aurora, Brule, and Jerauld Counties, South Dakota

RURAL UTILITIES SERVICE U.S. Department of Agriculture

Basin Electric Power Cooperative North Dakota 45

Prepared by:
Engineering and Environmental Staff
Rural Utilities Service

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## I. Summary of Agency's Decision

The Rural Utilities Service (RUS) has received a request from Basin Electric Power Cooperative (Basin Electric) for financial assistance in constructing the proposed South Dakota PrairieWinds Project (Proposed Project). The Western Area Power Administration (Western) also has received requests from Basin Electric to provide interconnection services with Western's transmission system for the Proposed Project and South Dakota Wind Partners, LLC's (Wind Partners') proposed development. RUS and Western have prepared an Environmental Impact Statement (EIS) in response to these requests pursuant to the National Environmental Policy Act of 1969 (NEPA) (U.S.C. 4231 et seq.) and in accordance with the Council on Environmental Quality's (CEQ) regulations for implementing NEPA (40 CFR parts 1500-1508); RUS's NEPA implementing regulations, Environmental Policies and Procedures (7 CFR Part 1794); and U.S. Department of Energy NEPA implementing regulations (10 CFR Part 1021).

The Proposed Project includes a 151.5-megawatt (MW) nameplate capacity wind-powered energy generation facility that would feature 101 wind turbine generators; 6,000-square-foot operations and maintenance building and fence perimeter; 64 miles of underground communication system and electrical collector lines (within the same trench); 34.5-kilovolt (kV) to 230-kV collector substation and microwave tower; 11-milelong overhead 230-kV transmission line; temporary equipment/material storage or laydown areas; temporary batch plant; temporary crane walks; and 81 miles of new and/or upgraded service roads to access the facilities. Wind Partners' proposed development would include the installation of an additional seven turbines within the Crow Lake Alternative and use a portion of the other facilities described for the Proposed Project. Through an agreement between Basin Electric and Wind Partners, Basin Electric would construct, operate, and maintain the Wind Partners' proposed development.

Western and RUS published a Notice of Intent to prepare an EIS in the <u>Federal Register</u> on April 7, 2009. A receipt of the Draft EIS was published by the U. S Environmental

Protection Agency (USEPA) in the <u>Federal Register</u> on January 15, 2010, and the receipt of the Final EIS was published by USEPA on July 30, 2010.

RUS and Western were joint lead agencies in the preparation of the EIS. Because RUS and Western will be making separate and distinct decisions regarding their actions (*i.e.*, RUS's decision relates to whether or not to provide financial assistance and Western's decision relates to execution of an interconnection agreement), both agencies have decided to issue separate Records of Decision (RODs). RUS has considered Basin Electric's purpose and need and has evaluated reasonable alternatives to its Proposed Project, its potential impacts to the environment, financial and engineering constraints, and associated issues and finds that the EIS is consistent with federal regulations and meets the standard for an adequate statement.

#### II. Introduction

Basin Electric is a regional wholesale electric generation and transmission cooperative owned and controlled by its member cooperatives. Basin Electric serves approximately 2.8 million customers covering 540,000 square miles in portions of nine States. PrairieWinds SD1, Incorporated (PrairieWinds) is a wholly owned subsidiary of Basin Electric and proposes to construct, own, operate, and maintain the Proposed Project.

Public policy regarding the electric industry has increasingly focused on the carbon intensity of the resources commonly used to generate electricity. As a result, incentives and regulations to encourage or require the generation of power from renewable or low-environmental-impact resources are being actively considered and/or implemented within the Basin Electric member service areas. At the same time, a number of proposals for national Renewable Portfolio Standards (RPS) are pending in Congress. With members in nine States, Basin Electric recognizes the need for additional renewable energy capacity to service forecasted member load-growth demands and to meet State-mandated RPS. In addition, Basin Electric membership passed a resolution at their 2005 annual meeting that established a goal to, "obtain renewable or environmentally benign resources equal to 10 percent of the MW capacity needed to meet its member demand by 2010."

Basin Electric's 2007 Power Supply Analysis (PSA) provides an in depth look at Basin Electric's current operating system, future load growth and the framework for future expansion, including both supply-side and demand-side resource expansion. All future expansion portfolios include wind energy development. Basin Electric determined that a 151.5-MW wind farm would be the best available, least-cost renewable resource energy generation option to meet State mandated RPS and Renewable Energy Objectives (REOs), meet Basin Electric's renewable energy goal set forth in 2005, and serve forecasted member load growth demands. With the addition of 151.5 MW for the Proposed Project, Basin Electric will be able to meet the REO requirements for those States that currently have such requirements through the year 2016.

This document is RUS's ROD for the EIS prepared for the Proposed Project. The ROD states the decision, the rationale for the decision, and all alternatives considered in reaching the decision. It also includes a discussion of preferences among alternatives based on relevant factors and describes how those factors were balanced in reaching the decision.

## III. Background

To meet Basin Electric's load growth responsibility, RPSs, REOs, and renewable energy goals, Basin Electric has submitted an application to RUS for a loan guarantee for the construction of a wind-powered electricity generation source and related facilities.

Prior to scoping (per 7 CFR 1794.51[c]), Basin Electric prepared the *PrairieWind –SD 1 Alternative Evaluation Analysis and Site Selection Study* (PrairieWinds Study). The PrairieWinds Study was reviewed and approved by RUS. Its information and analyses were incorporated into the EIS and have been considered in the RUS decision.

## IV. Alternatives Development and Evaluation

This section contains the alternatives that were eliminated from detailed analysis in the EIS including the rationale for their elimination and those that were evaluated in the EIS.

#### A. Alternatives Dismissed from Detailed Consideration

Basin Electric evaluated alternative methods of renewable energy generation and alternative sites in their PrairieWinds Study. Site evaluation criteria included the ability to lease land, availability of nearby transmission and capacity, topography, proximity to the interstate highway system, proximity of nearby population centers, and land parcel sizes. RUS reviewed the PrairieWinds Study and agreed with the finding that these alternatives were determined not to be reasonable for the reason(s) stated.

## **Alternative Eliminated from Further Study**

| Generation Resource/Location | Rationale for Elimination   |
|------------------------------|---|
| Solar                        | Resources are limited in the region; costs are not competitive  |
| Geothermal                   | Cost effective in some cases but are restricted to limited or distant locations, available only in small quantities, or present other environmental concerns                      |
| Bio-based fuel               | Cost effective in some cases but are restricted to limited or distant locations, available only in small quantities, or present other environmental concerns                      |
| Highmore/Ree Heights Site    | Land was leased by other developers; not within proximity to interstate highway system  |
| Wessington Springs Site      | Proximate to multiple waterfowl production areas; poor topography; not within proximity to interstate highway system; not within proximity to population center; poor parcel size |

| Generation Resource/Location | Rationale for Elimination   |
|------------------------------|---|
| Reliance Site                | Land was leased by other developers; requires greater than 20 miles of new transmission; poor topography; not within proximity to population center   |
| Fox Ridge Site               | Weak regional transmission system results in too great of a risk for development; poor topography; not within proximity to interstate highway system; not within proximity to population center |

#### B. Alternatives Evaluated in Detail

Based on the need to conform with proposals in Congress for national RPS, meet Statemandated RPS and REOs, meet Basin Electric's renewable energy goal set forth in 2005, and add renewable energy capacity to serve forecasted member load growth demands, the proposed 151.5-MW wind project was determined to be the best available, least-cost renewable resource option. The EIS provided a detailed analysis of the following alternatives:

No Action Alternative

**Action Alternatives** 

Crow Lake Alternative

Winner Alternative

Under the No Action Alternative, RUS would not approve financing and Basin Electric would not likely construct the Proposed Project. Given that Basin Electric is a regulated utility with load growth responsibility and a need to meet RPSs, REOs, and renewable energy goals, it is reasonable to expect that it would construct a similar generation facility elsewhere in South Dakota. Such a facility may not interconnect to a Federal

transmission system, involve Federal financing, or have any other Federal nexus that would require a NEPA process.

Under the Action Alternatives (Crow Lake and Winner), Western would execute an interconnection agreement with Basin Electric, and RUS would consider financing the Proposed Project. Basin Electric would construct a 151.5-MW nameplate capacity wind-powered energy generation facility and associated appurtenances at one of two alternative sites in central South Dakota. The EIS analyzed the two alternative sites as the Crow Lake Alternative and the Winner Alternative.

The Crow Lake Alternative is located on approximately 36,000 acres approximately 15 miles north of the City of White Lake, South Dakota, within Brule, Aurora, and Jerauld counties, and would interconnect with Western's Wessington Springs Substation, located in Jerauld County, South Dakota. The Proposed Project includes a 151.5-MW nameplate capacity wind-powered energy generation facility that would feature 101 wind turbine generators; 6,000-square-foot operations and maintenance building and fence perimeter; 64 miles of underground communication system and electrical collector lines (within the same trench); 34.5-kV to 230-kV collector substation and microwave tower; 11-mile-long overhead 230-kV transmission line between the Collector Substation and the Wessington Springs Substation; equipment/material storage or laydown areas (temporary impact of 10 acres); crane walks (temporary impact of 254.6 acres); and 81 miles of new and/or upgraded service roads to access the facilities. Wind Partners' proposed development would include the installation of an additional seven turbines at the Crow Lake Alternative only. Through an agreement between Basin Electric and Wind Partners, Basin Electric would construct, operate, and maintain the Wind Partners' proposed development. No financial assistance has been requested from RUS for the Wind Partners' proposed development. In total, the Crow Lake Alternative would result in a temporary impact to 1,006 acres and permanent impact to 190 acres.

The Winner Alternative is located on an approximately 83,000-acre area entirely within Tripp County, approximately eight miles south of the City of Winner, South Dakota, and would interconnect with Western's Winner Substation, located in Tripp County, South

Dakota. The Proposed Project would be similar to that described for the Crow Lake Alternative with the following exceptions: it includes 108 miles of underground communication system and electrical collector lines (within the same trench); 34.5-kV to 115-kV collector substation and microwave tower; a 10 to 11-mile-long overhead 115-kV transmission line; equipment/material storage or lay-down areas (temporary impact of 40 acres); crane walks (temporary impact of 530 acres); and 117 miles of new and/or upgraded service roads to access the facilities. The Winner Alternative would result in a temporary impact to 3,187 acres and permanent impact to 261 acres. The Wind Partners' proposed development does not pertain to the Winner Alternative.

#### C. Alternatives Not Selected and RUS's Rationale

The No Action Alternative does not meet the Proposed Project's purpose and need. It would distribute and perhaps disperse environmental impacts associated with constructing a similar generation facility or facilities at other locations in South Dakota to meet the needs of Basin Electric's member cooperatives. The No Action Alternative would expose Basin Electric and its member cooperatives to higher prices by purchasing power on the open electric market.

The Action Alternative at Winner would encompass a much larger area in order to generate the same amount of electricity as the Crow Lake Alternative. As such, the Winner Alternative would result in more temporary and permanent impacts compared to the Crow Lake Alternative.

#### D. RUS's Preferred Alternative

RUS has reviewed the Proposed Project, alternatives and their anticipated impacts in relation to Basin Electric's renewable portfolio and prudent utility practices. Based on the analyses, the construction of wind generation at the Crow Lake Alternative would result in fewer environmental impacts than the Winner Alternative and would meet Basin Electric's purpose and need. Therefore, RUS's preferred alternative is the construction

of a wind farm at the Crow Lake Alternative. RUS does not have an action associated with the Wind Partners' proposed development.

## E. Environmentally Preferred Alternative

The identification of an environmentally preferred alternative is required by NEPA (40 CFR 1505.2[b]). The environmentally preferred alternative is that alternative which has the least impact on the physical and biological environment and which best protects, preserves, and enhances historic, cultural, and natural resources. The No Action Alternative best meets the definition of the environmentally preferred alternative. Under this alternative, RUS would not provide financing, and Basin Electric would not likely construct its Proposed Project. However, it is possible that adverse environmental effects could occur at other locations where facilities might need to be modified and/or constructed to supply the power that Basin Electric would need for its member cooperatives.

## V. Public Involvement

RUS and Western employed various methods to provide information to the public and solicit input. The Agencies invited Federal, State, local and tribal governments; Basin Electric; and other interested persons and groups to participate in defining the scope of the EIS and comment on the Draft and Final EIS.

#### A. Scoping

Western and RUS published a Notice of Intent (NOI) in the <u>Federal Register</u> on April 7, 2009 (74 FR 15718-15720). The NOI announced the intent to prepare an EIS on the Proposed Project, described the proposal, provided scoping meeting locations and dates, started a 30-day comment period, and provided contacts for further information about the Proposed Project and for submitting scoping comments. The public scoping meetings were held at Winner, South Dakota, on April 28, 2009, and at Plankinton, South Dakota, on April 29, 2009. RUS and Western held an interagency meeting in Pierre, South Dakota, on April 28, 2009. A total of 77 written comments from agencies

and individuals were received during the scoping period; these comments were addressed in the Draft EIS. Because the Proposed Project may involve action in floodplains or wetlands, the NOI also served as notice of proposed floodplain or wetland action consistent with Executive Orders 11988 and 11990.

#### **B. Draft EIS**

-Paid advertisements announcing the ihe information on the Proposed Project, the availability of the DEIS and the date of the public hearing were published in local papers. In addition, post cards were sent out to over 7,000 potentially interested persons including Federal, State and local agencies; elected officials; Native Americans and the public. A Notice of Availability of the Draft EIS was published by the EPA in the Federal Register on January 15, 2010 (75 FR 2540), and began a 45-day public comment period. RUS and Western held an interagency meeting in Pierre, South Dakota, on February 11, 2010. A public hearing to receive comments on the Draft EIS was held in Chamberlain, South Dakota, on February 11, 2010. Comments from three individuals were transcribed for the record during the public hearing and 30 written comments were received from agencies, tribes, and individuals during the public comment period, and have been addressed in the Final EIS.

#### C. Final EIS

Paid advertisements announcing the ihe information on the Proposed Project and the availability of the DEIS were published in local papers. The EPA published the Notice of Availability of the Final EIS on July 30, 2010. The 30-day review period ended on August 28, 2010.

### VI. Comments

Comments from three individuals were transcribed for the record during the Draft EIS public hearing and 33 written comments were received from agencies, tribes, and individuals during the Draft EIS public review period.

## A. Responses to Issues Raised On the DEIS

Substantive, factual, and editorial comments were incorporated and addressed in the Final EIS; other comments not affecting the substance of the document have been noted. A guide for comment and response location, the comment and response tracking table, copies of written comments and hearing transcripts are included in Appendix F of the Final EIS. The following is a general summary of the issues raised that resulted in changes to the EIS and how they were addressed in the Final EIS.

## 1. Biological Issues

USFWS, U.S. Department of the Interior, and South Dakota Game, Fish, and Parks provided technical corrections to the discussion of wildlife laws, listed species, and species distribution; as well as comments on the Applicants' Proposed Measures (APMs) and Best Management Practices (BMPs). USFWS requested clarification on the criteria used for determination of effects and additional rationale for determinations.

Final EIS sections 3.4 and 4.4, pertaining to Biological Resources, were revised to incorporate technical and editorial corrections provided by USFWS and South Dakota Game, Fish, and Parks. The impacts analysis section was revised to incorporate additional data from bird and bat use surveys for the Crow Lake Alternative, clarify rationale for effects determinations, and reflect additional analysis completed as part of the Biological Assessment (BA) and Section 7 of the Endangered Species Act consultation. Measures pertaining to biological resources were revised in tables 2.2 (BMPs) and 2.3 (APMs). Appendix G was added to the Final EIS to disclose the Potential Impact Index (PII) analysis, USFWS coordination, BA, and Operations and Monitoring Plan (OMP).

#### 2. Cultural Issues

U.S. Bureau of Indian Affairs, Native American tribes, and EPA provided comments to identify points of contact for NEPA and those for National Historic Preservation Act (NHPA) consultation, on responsibilities under NEPA and NHPA, to request data from cultural resource surveys, and on the APMs and BMPs.

Final EIS sections 3.5 and 4.5, pertaining to Cultural Resources for the Crow Lake Alternative, were revised to include a summary of Government-to-Government meetings and to present an overview of the findings from the Class III pedestrian survey, Traditional Cultural Property (TCP) Survey, and survey of historic architectural properties within the project viewshed. Measures pertaining to cultural resources were revised in tables 2.2 (BMPs) and 2.3 (APMs).

#### 3. Visual Issues

U.S. Department of Interior and National Park Service provided comments requesting additional information on visual simulation methods and additional analysis for impacts as viewed when actively travelling on the Lewis and Clark National Historic Trail auto tour route. Final EIS sections 3.8 and 4.8, pertaining to Visual Resources, were revised accordingly.

## 4. Wetland Issues

EPA requested additional information on wetland impacts. A wetland delineation for the Crow Lake Alternative was completed after publication of the Draft EIS and the information and results were incorporated into Final EIS sections 3.2 and 4.2, Water Resources. Additionally, measures pertaining to wetlands were revised in tables 2.2 (BMPs) and 2.3 (APMs).

#### 5. Cumulative Impact Issues

EPA, National Park Service, and USFWS requested additional past, present, and reasonably foreseeable actions be included in the cumulative impacts analysis. National Park Service requested expansion of the analysis area for the Lewis and Clark National Historic Trail auto route tour. USFWS requested expansion of the analysis area for whooping crane cumulative impacts.

Final EIS Section 5.2 Past and Present Actions and Section 5.3 Reasonably

Foreseeable Future Actions were revised to evaluate additional actions for inclusion in
the cumulative impact analysis. Final EIS Section 5.4 Cumulative Impact Analysis was

revised to include analysis for the expanded study areas for biological and visual resources.

## B. Responses To Comments Received On The FEIS

RUS received comments from the EPA in a letter dated August 26, 2010, and comments from the USFWS thru the U.S. Department of the Interior (DOI) in a letter dated August 27, 2010 (see attachments). Based on a review of these comments, RUS has determined that it is clear the comments do not present any significant new circumstances or information relevant to environmental concerns and bearing on the Proposed Project or Wind Partners' proposed development or associated impacts, and thus a Supplemental EIS is not required. The basis for this determination is summarized below.

EPA noted that the Final EIS addressed many of their concerns on the Draft EIS. including cumulative impacts and protection of wetlands. Additionally, EPA recommended that the ROD require that wetlands be avoided and describe how this will be implemented; outline how Basin Electric will comply with the State's construction stormwater permit and Storm Water Pollution Prevention Plan (SWPPP) requirements; and outline how roads and project features will be maintained to minimize or prevent erosion and/or stormwater runoff. Basin Electric has committed to avoiding wetlands and has modified the locations of Proposed Project components in accordance with this commitment (see above for wetland determination). The State of South Dakota issued Basin Electric a General Permit for Storm Water Discharges Associated with Construction Activities on July 30, 2010. Basin Electric will comply with this and all other State and Federal laws and regulations. Basin Electric has conducted geotechnical investigations and will consider compaction requirements for backfill, depth to the saturated zone, slope, erosion potential, and other similar factors in the engineering design of roadways and other project area features. Grading, drainage, roadway, and other project area feature designs will be engineered to manage runoff, and minimize/prevent erosion. Long-term stability of restored temporary disturbance areas and areas with permanent installations will be managed in accordance with the APMs and BMPs.

DOI's letter provided the following recommended corrections and offsetting measures: correct and clarify acres of affected habitat (wetland easements); prepare a voluntary Avian and Bat Protection Plan (ABPP) in coordination with USFWS; and include recurring costs of managing habitat offset lands. The following provides clarification on the potential impacts to USFWS wetland and grassland easements. The Final EIS correctly notes that the USFWS administers wetland easements within 15 parcels in the Crow Lake Alternative. Geospatial data for the locations of wetland easements was obtained from USFWS; per this data, the agencies included the entire area of the parcels in their assessment of wetland easement area estimates (2,718 acres within the project boundary or 2,836 acres including the full area for those parcels that are bisected by the project boundary). DOI's letter provided clarification that the wetland easements pertain only to the protected wetland basins within a portion of these parcels and portions of the parcels containing wetland easements are actually unprotected upland areas. Components of the Proposed Project and Wind Partners' proposed development located within parcels containing USFWS wetland easements would be located in the unprotected upland areas of these parcels. The correct impact estimate is that, while there would be a temporary impact of 120 acres and a permanent impact of 22 acres within the unprotected upland portions of parcels containing wetland easements, the Proposed Project and Wind Partners' proposed development would result in no temporary or permanent impacts to USFWS wetland easements. As stated in the Biological Opinion, "Refuges has worked with Basin and has determined that there are sites for project facilities that would have an acceptably minimal impact on the wildlife resources of the area." The correct impact estimate for habitat protected by the USFWS grassland easements is a temporary disturbance of 68 acres and permanent disturbance of 15 acres.

The DOI letter provided a recommendation that an ABPP be prepared in coordination with USFWS before project operations commence and that the ABPP provide a process whereby the results of the OMP, "will be used to identify and incorporate, to the extent practicable, measures to minimize bird and bat mortality." DOI also noted that an ABPP and Adaptive Management plan were identified during prior stages of EIS development,

but were excluded from the Final EIS. As stated in Appendix F of the Final EIS (Comment and Response), the term ABPP was used incorrectly in the Draft EIS and was replaced with the OMP, which is specific to the Proposed Project and Wind Partners' proposed development, in the Final EIS. Basin Electric is preparing an ABPP per the Avian Protection Plan Guidelines, developed in part by USFWS. The ABPP is a corporate level document that is not specific to the Proposed Project and is not yet complete. The OMP contains project-specific construction requirements, post-construction monitoring, and reporting requirements. Furthermore, Basin Electric has committed to identify potential effects of the Proposed Project and Wind Partners' proposed development on birds and bats and to use the results of their 3-year Bird and Bat Fatality Monitoring (OMP) to identify and incorporate, to the extent practicable, measures to minimize bird and bat mortality.

The DOI letter also provided a recommendation to ensure that all lands for both temporary and permanent habitat impacts are offset and include a source of funds for both acquisition and recurring management. The agencies and Basin Electric had discussions with USFWS on April 6, 2010, regarding compensatory mitigation and habitat offsets. Through a voluntary process, Basin Electric included conservation measures to offset indirect impacts to wetland and grassland habitat; the offsets included compensation for 76.7 acres of wetland habitat and 675 acres of grassland habitat and were developed in coordination with the USFWS.

## VII. Summary of Environmental Effects

The analysis documented in the Final EIS demonstrated that construction and operation of the Proposed Project at the Crow Lake Alternative would have no impacts or minimal impacts on geology and soils, water, land use (including farmland and recreation), transportation, visual resources, noise, socioeconomics, environmental justice, and health and safety. Expected effects on other environmental resources are discussed below.

## A. Air Quality and Climate Change

Carbon dioxide (CO<sub>2</sub>) is one of six greenhouse gases (GHGs) that contribute to climate change and represents approximately 84 percent of all GHG emissions in the U.S. Wind power generates electricity without air emissions, including CO<sub>2</sub>. Within South Dakota, CO<sub>2</sub> emissions resulting from fossil fuel combustion totaled 13.78 million tons in 2007; of these, activities related to the generation of electric power accounted for 2.96 million tons of CO<sub>2</sub>. Operation of the Proposed Project (including Wind Partners' proposed development) would avoid 726,600 metric tons of CO<sub>2</sub> emissions per year compared to the average emissions of fossil fueled generating stations employed in South Dakota; thus, contribute to the national and State efforts to minimize GHG emissions. This amount avoided is equal to the annual CO<sub>2</sub> emissions of approximately 130,000 average passenger cars.

## B. Biology

Avian mortality from collisions with turbines would likely occur. Data obtained through baseline avian use surveys and local habitat characterization suggest that avian mortality rates are likely to be similar to or lower than those experienced at other United States wind farms. Avian mortality would result in violation of the Migratory Bird Treaty Act (MBTA); however, based on the anticipated low level of mortality and incorporation of Best Management Practices (BMPs), Applicants' Proposed Measures (APMs), OMP, and voluntary conservation measures for habitat offsets, impacts to birds would be less than significant. This reasoning is based on the fact that all wind facilities result in bird fatalities and therefore violate the MBTA, but, fatality rates differ at all facilities and some are higher than others. Based on existing avian use data from the Crow Lake Alternative, bird fatalities are expected to be low compared with other wind facilities around the United States and are therefore not expected to affect the viability of local, regional, or national populations.

Bat mortality from collisions with turbines would likely occur. Some researchers have concluded that observed mortality rates do not have population-level effects, and no significant difference has been noted in mortality rates at lit and unlit turbines.

Preliminary data from bat call studies in 2009 indicate low bat activity in the Crow Lake Alternative; therefore, the frequency of collisions may be low based on recently collected bat data. Additionally, the incorporation of APMs, BMPs, OMP and voluntary conservation measures for habitat offsets would minimize impacts to bats. For these reasons, impacts would not affect the biological viability of a local, regional, or national population of bat species.

See section XIII.B.3 for discussion of consultation under Section 7 of the Endangered Species Act.

#### C. Cultural Resources

Potential impacts to cultural resources, including those defined as historic properties in Section 106 of the National Historic Preservation Act and its implementing regulations, "Protection of Historic Properties" (36 CFR Part 800) were identified in the results of the Class III Survey and Traditional Cultural Properties (TCPs) Survey that were completed for the Crow Lake Alternative. Agreements are being developed to ensure avoidance and/or mitigation of adverse effects to historic properties. These agreements are being developed among Western, RUS, South Dakota State Historic Preservation Office (SHPO), affected Federal agencies, Basin Electric, and all interested Native American Tribes. The preferred treatment of any potential TCPs and historic properties that are eligible for listing or remain unevaluated for the National Register of Historic Places (NRHP) is to avoid these properties. Avoidance and monitoring protocol during construction will be included in an agreement. Viewshed impacts may occur on historic architectural or structural properties. Such viewshed impacts will be mitigated through a Memorandum of Agreement (MOA) in accordance with 36 CFR 800.6. The South Dakota State Historic Preservation Officer concurred with the determination of No Adverse Effect to historic properties based on the stipulations outlined in the MOA (see section XIII.B.2 for compliance with Section 106 of the NHPA). The MOA was executed on August 20, 2010.

## VIII. RUS Decisions and Rationale for Decisions

RUS decisions must comply with all relevant federal and state environmental regulations. These regulations are listed in Table 1.1 of the Final EIS.

#### A. Decisions

This ROD documents findings specific to the proposed action, which is the construction and operation of the South Dakota PrairieWinds Project at the Crow Lake Alternative. The Proposed Project includes a 151.5-MW nameplate capacity wind-powered energy generation facility that would feature 101 wind turbine generators, operations and maintenance building and fence perimeter, underground communication system and electrical collector lines (within the same trench), collector substation and microwave tower, overhead transmission line, equipment/material storage or lay-down areas, crane walks, and new and/or upgraded service roads to access the facilities.

As described in Chapter 2 of the Final EIS, the Proposed Project and Wind Partners' proposed development include APMs, BMPs, OMP, and voluntary conservation measures for habitat offsets to minimize, monitor, and/or mitigate environmental impacts. Generally, the APMs and BMPs represent standard measures to minimize impacts associated with construction and operation. The OMP provides a framework for post-construction wildlife monitoring for whooping cranes, bird and bat mortality, grassland breeding birds, and avian use. Basin Electric included voluntary conservation measures to offset indirect impacts to wetland and grassland habitat; the offsets included compensation for 76.7 acres of wetland habitat and 675 acres of grassland habitat and were developed in coordination with the U.S. Fish and Wildlife Service (USFWS).

RUS has made the following decisions:

Based on an evaluation of the information and impact analyses presented in the Final EIS, including the evaluation of all alternatives, and in consideration of the agency's Environmental Policies and Procedures (7 CFR Part 1794), RUS finds that the overall impact analysis and evaluation of reasonable alternatives is consistent with NEPA. In

the Final EIS, RUS, in cooperation with Western, identified the Action Alternative at the Crow Lake Alternative, including certain conditions and requirements, as its preferred alternative. In this ROD, RUS identifies the Final EIS preferred alternative, including BMPs, APMs, OMP, and voluntary conservation measures for habitat offsets, as its selected alternative. This ROD, subject to conditions, concludes the RUS's environmental review process in accordance with its Environmental Policies and Procedures.

A review and analysis of the selected alternative's justification, associated engineering studies, and preliminary financial information has led to RUS's concurrence with the selected alternative's purpose and need.

RUS hereby agrees to the above and the consideration of Basin Electric's loan application may proceed. The following condition applies:

Basin Electric will implement the selected alternative as described in this ROD, with further details as described for the preferred alternative in the Final EIS. This includes, but is not limited to, those actions incorporated into the selected alternative to reduce or eliminate impacts and any mitigation measures that the Final EIS and this ROD state will be implemented.

## B. Rationale and Compliance with Legal and Policy Mandates

This section explains how the selected alternative, as defined in the Final EIS and in this ROD, satisfies RUS's statutory, regulatory, and policy mandates.

## 1. National Environmental Policy Act

In the Final EIS, RUS has fully considered all reasonable alternatives to the proposed action and concluded that the selected alternative (*i.e.*, construction and operation of the South Dakota PrairieWinds Project at the Crow Lake Alternative) best meets the purpose and need of the Proposed Project. The agency has met the requirements of NEPA and agency policies and procedures for public involvement. This has included responses to requests for information from concerned individuals, non-governmental organizations, tribes, and state and other federal agencies. The impacts, and mitigation

to reduce them, are provided in the Final EIS. Basin Electric will be responsible for implementation of these measures, with RUS and Western oversight.

#### 2. National Historic Preservation Act

Western was the lead agency for compliance with Section 106 of the NHPA, acting on behalf of RUS to fulfill collective responsibilities. The Areas of Potential Effect were surveyed for historic properties and TCPs, and Native American tribes participated in the surveys. Consulting parties, including Native American tribes, have reviewed the results of the surveys. By letter of June 30, 2010, the South Dakota State Historic Preservation Officer concurred with the determination of No Adverse Effect on historic properties based on the stipulations outlined in the MOA entitled "Memorandum of Understanding among Western Area Power Administration, Cheyenne River Sioux Tribe, Crow Creek Sioux Tribe, Flandreau Santee Sioux Tribe, Fort Peck Tribes, Lower Brule Sioux Tribe, Lower Sioux Indian Community, Oglala Sioux Tribe, Rosebud Sioux Tribe, Santee Sioux Tribe, Sisseton-Wahpeton Dakota Nation, Standing Rock Sioux Tribe, Spirit Lake Tribal Council, Three Affiliated Tribes, Upper Sioux Indian Community, Yankton Sioux Tribe, Wahpetkute Band of the Dakota, the South Dakota State Historic Preservation Officer, and Basin Electric Power Cooperative, regarding Treatment of Archaeological and TCP Historic Properties for the South Dakota Prairie Winds Project". The document was executed on August 20, 2010. The document did acknowledge that there is an adverse impact to the landscape as a whole even though there would be no impact to individual historic properties.

## 3. Endangered Species Act

RUS was the lead agency for compliance with Section 7 of the Endangered Species Act. On February 18, 2010, a BA was prepared and submitted to the USFWS with a determination that the Proposed Project and Wind Partners' proposed development would not likely affect the piping plover and is likely to adversely affect the whooping

crane. The USFWS concurred via a March 16, 2010, letter with RUS's determination of not likely to adversely affect the piping plover and likely to adversely affect the whooping crane. In the Biological Opinion dated July 13, 2010, the USFWS concluded that, "after reviewing the current status of the whooping crane, the environmental baseline for the action area, the effects of the proposed action, and the cumulative effects, it is the Service's biological opinion that the SDPW project is not likely to jeopardize the continued existence of the whooping crane. Critical habitat for the whooping crane has been designated in other areas within the species' range but not in the action area nor in South Dakota; therefore, destruction or adverse modification of critical habitat will not occur."

## 4. Executive Order 11988, Floodplain Management

The Federal Emergency Management Agency has not mapped flood hazards in the unincorporated areas of Brule and Jerauld counties. Aurora County has been mapped and is designated as Zone D (*i.e.*, areas with possible but undetermined flood hazards, no flood hazard analysis has been conducted). Impacts to floodplains would be negligible because components would not be located in the areas that are the most prone to flooding (*i.e.*, streams and wetlands [see below for wetland determination]), the impact area represents a small and dispersed footprint (*i.e.*, 190 acres spread across the 36,000 acre site), and engineering design and controls would minimize risk to and/or from flooding.

#### 5. Executive Order 11990, Protection of Wetlands

Field investigations were conducted to verify National Wetland Inventory (NWI) wetlands and map the actual location of wetlands within the Crow Lake Alternative. Wetlands that were field-verified (not NWI wetlands) were used in the impact analysis because 1) they were identified in the field as opposed to NWI wetlands that are identified on maps and not field-verified, and 2) field-verified wetlands accounted for a larger, more accurately determined, acreage than NWI wetlands. In addition, wetlands (including jurisdictional, non-jurisdictional and waters of the U.S., collectively termed "wetlands") were delineated for the Crow Lake Alternative. Basin Electric has committed

to a voluntary conservation measure to offset 76.7 acres of indirect impact (*i.e.*, species avoidance effects) to wetland habitat. As currently designed, the Proposed Project would have no temporary or permanent direct impacts to wetlands.

Some of the Proposed Project components have been adjusted based on engineering and resource issues since the original surveys were completed; therefore, additional wetland delineations will be completed within impact areas after final design with the intent that all wetlands will be identified and avoided. Upon final design, if wetlands cannot be avoided, further coordination will occur between Basin Electric and the U.S. Army Corps of Engineers (USACE). Basin Electric would obtain the necessary permit(s) under Section 404 of the Clean Water Act and mitigate for impacts prior to construction.

#### 6. RUS Loan Review

This ROD is not a decision on Basin Electric's loan application and therefore not an approval of the expenditure of federal funds. The ROD concludes the agency's environmental review process in accordance with NEPA and RUS's Environmental Policies and Procedures (7 CFR Part 1794). The ultimate decision as to loan approval depends upon the conclusion of this environmental review process plus financial and engineering analyses. Issuance of the ROD will allow these reviews to proceed.

## IX. Right to Administrative Review

This Record of Decision concludes the agency's environmental review process pursuant to the National Environmental Policy Act and the RUS's Environmental Policies and Procedures (7 CFR Part 1794). There are no provisions to appeal this decision. Legal challenges to the ROD may be filed in federal district court under the Administrative Procedures Act.

#### X. **Approval**

This Record of Decision is effective on signature.

Dated: 9/29/30

James R. Newby

JONATHAN ADELSTEIN

Administrator

**Rural Utilities Service** 

#### **Contact Person**

For additional information on this Record of Decision or the Final EIS, please contact Mr. Dennis Rankin, Environmental Protection Specialist, at USDA, Rural Utilities Service, 1400 Independence Avenue, SW., Stop 1571, Washington DC 20250-1571; telephone: (202) 720-1953; fax: (202) 690-0649; or e-mail: dennis.rankin@wdc.usda.gov.

ATTACHMENT: FEIS COMMENT LETTERS



# UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 8

1595 Wynkoop Street
DENVER, CO 80202-1129
Phone 800-227-8917
http://www.epa.gov/region08

AUG 2 6 2010

Ref: EPR-N

Western Area Power Administration Attention: Lana Reilly P.O. Box 281213 Lakewood, CO 80228-8213

RE: Prairie Winds Project Final Environmental

Impact Statement CEO#20100000

Dear Ms. Reilly:

The U.S. Environmental Protection Agency (EPA) Region 8 has reviewed the Final Environmental Impact Statement (FEIS) for the South Dakota Prairie Winds Project (Project) pursuant to our responsibilities and authority under National Environmental Policy Act (NEPA), 42 U.S.C. Section 4321, et seq., and Section 309 of the Clean Air Act, 42 U.S.C. Section 7609.

Our review found the FEIS addresses many of EPA's concerns noted with the Draft EIS. We appreciate the development of the discussion related to cumulative impacts associated with this project. These considerations, in connection with your consultation with the U.S. Fish and Wildlife Service, show a good effort to address these issues. In particular we commend your consideration toward protecting wetlands (both jurisdictional and non-jurisdictional) in the project area. Your commitment to avoid wetlands will ensure these areas are protected both during construction activities and long-term. We recommend the Record Of Decision (ROD) require the construction contractor to avoid all wetlands and sensitive areas during their work, including during crane walks, and that it also describe how such requirements will be overseen or enforced.

The FEIS states that the construction contractor will be required to have a Stormwater Pollution Prevention Plan (SWPPP) in place prior to construction. Please note that the SWPPP regulations as implemented by the State of South Dakota, require the owner of a facility to obtain the requisite permit authorization. The State also outlines requirements through which they will close permit coverage once "Final Stabilization" has been achieved. As such, we suggest the ROD include language outlining how the Applicant will comply with the State's construction stormwater permit and the SWPPP requirements. We also recommend the ROD outline how roads and other project area features will be maintained to minimize or prevent erosion and/or stormwater runoff throughout the life of the project.

If you have any further questions, please contact me at 303-312-6004 or you may contact the lead reviewer for this FEIS, Gina Cristiano, of my staff at 303-312-6688.

Sincerely.

Larry Svoboda

Director, NEPA Compliance and Review Program Ecosystems Protection and Remediation

cc: Dennis Rankin, Rural Utilities Service



## United States Department of the Interior

OFFICE OF THE SECRETARY Washington, D.C. 20240

IN REPLY REFER TO: 9043.1 PEP/NRM ER 10/57

AUG 2 7 2010

Ms. Liana Reilly Western Area Power Administration P.O. Box 281213 Lakewood, Colorado 80228-8213

Mr. Dennis Rankin Rural Utilities Service, Utilities Program 1400 Independence Avenue SW. Mail Stop 1571 Washington, D.C. 20250-1571

Dear Ms. Reilly and Mr. Rankin,

The Department of the Interior (Department) has reviewed the Western-Area Power Administration and Rural Utilities Service's Final Environmental Impact Statement (FEIS) for the South Dakota PrairieWinds project issued July 30, 2010. We offer these comments for your consideration in completing your requirements under the National Environmental Policy Act (NEPA), and for any Mitigation Action Plan that may be prepared.

The Department recognizes the importance of the development and transmission of renewable energy resources to the nation's economy, energy independence, and the environment, and it has a high interest to ensure that such resources are developed consistent with existing national laws for environmental protection. The U.S. Fish and Wildlife Service (USFWS) is a Cooperating Agency for the Environmental Impact Statement due to its statutory responsibilities, agency mission, and to its programs that would be affected.

The proposed project is located near the Prairie Potholes Region of the northern Great Plains. The USFWS' Lake Andes National Wildlife Refuge Complex and the Huron Wetland Management District each manage easements in the project area that protect wetlands and grasslands for migratory bird conservation as components of the National Wildlife Refuge System. These comments are submitted under the authorities of the Migratory Bird Treaty Act (MBTA) (16 U.S.C. 703 et seq.); Executive Order (EO) 13186; the Bald and Golden Eagle Protection Act (BGEPA) (16 U.S.C. 668-668d); the Endangered Species Act (ESA) (16 U.S.C. 1531 et. seq.); the National Wildlife Refuge System Improvement Act of 1997 (Public Law 105-

57); and, the National Environmental Policy Act (NEPA) (Pub. L. 91-190, 42 U.S.C. 4321-4347, January 1, 1970, et. seq.).

#### **COMMENTS**

In comments on the Draft Environmental Impact Statement (Draft EIS), the Department and the USFWS expressed concerns that provisions of Federal wildlife laws were incorrectly interpreted and applied, and that an Avian and Bat Protection Plan (ABPP) and adaptive management practices that were discussed in the Draft EIS as Project components were not available for our review. Although descriptions of the applicable laws and other portions of the analysis in the FEIS are improved in-part, we believe that important substantive provisions of the laws were not appropriately applied.

Our primary concern is the way in which the thresholds of "significant" impacts on wildlife resources were characterized and applied in the analysis. The FEIS describes effects from project construction and operation that will likely result in a variety of impacts, including reduced bird reproduction, habitat avoidance, habitat loss and fragmentation, and "take" of migratory birds from direct mortality by turbine strikes. Although Best Management Practices, Applicant Proposed Measures, and a proposal for offsetting habitat measures help to reduce these impacts, the FEIS determined that other Project impacts including "take" of migratory birds and violations of the MBTA, did not require further measures to minimize impacts (pp.158-159). The FEIS (p. 167) indicated an activity did not warrant mitigation unless these "significance thresholds" were met:

- An activity affected the biological viability of a local, regional or national population of wildlife species
- An activity violated Federal or state wildlife conservation policy or law and affected the biological viability of a local, regional or national population of wildlife species. For birds not federally-listed, the applicable policy is the MBTA or BGEPA

We believe that effects on biological viability of populations, as the standards used in the FEIS for identifying mitigation, conflict with national environmental policy. In addition, we believe that scientific principles necessary to accurately assess effects to population viability were not soundly applied.

The NEPA, the Council on Environmental Quality's (CEQ) regulations implementing NEPA, the MBTA, and EO 13186, firmly express anti-degradation, rather than population viability, as the goal of Federal environmental planning and project reviews:

<sup>&</sup>lt;sup>1</sup> Letters to Western Area Power Administration dated March 4, 2010, and March 18, 2010, respectively <sup>2</sup> The FEIS identifies certain types of post-construction monitoring but no longer incorporates an ABPP in the project description and is unclear whether adaptive management practices will be applied to migratory bird resources.

The defined purpose of NEPA is to "...promote efforts which will prevent or eliminate damage to the environment..." The NEPA objective is to advance national efforts "...to an end which attains the widest range of beneficial uses without degradation ... or other undesirable and unintended consequences..."

The CEQ's guidance for NEPA implementation states, "...mitigation measures discussed in an Environmental Impact Statement must cover the range of impacts of the proposal. ... Mitigation measures must be considered even for impacts that by themselves would not be considered 'significant.' Once the proposal itself is considered as a whole to have significant effects, all of its specific effects on the environment (whether or not 'significant') must be considered, and mitigation measures must be developed where it is feasible to do so.

"All relevant, reasonable mitigation measures that could improve the project are to be identified, even if they are outside the jurisdiction of the lead agency or the cooperating agencies, and thus would not be committed as part of the RODs of these agencies. ..." 5

Migratory Bird Treaty Act: The MBTA has no provision to allow unauthorized take of migratory birds. Thus, the issue of whether take of birds rises to the level of being significant to populations is irrelevant. Take is unlawful unless specifically authorized by the USFWS.

Executive Order 13186, Responsibilities of Federal Agencies to Protect Migratory Birds, directs Federal agencies to "...prevent detrimental alteration of the environment to the extent practicable...," promote conservation and avoid and minimize adverse impacts on migratory bird resources to the extent practical.

#### **Technical Concerns**

The discipline of conservation biology uses population viability to assess a population's ability to persist in the wild and withstand threats without intensive management. Assessing population viability is an intensive process that is typically applied to species at high risk of extinction. Determinations of effects on population viability involve substantial work and expense specific to a population of a given geographic area, and a projection of impacts of stressors on these demographic parameters. The determination includes detailed information and analysis of habitat conditions and dynamics, population-specific demographics and dynamics, assessments of biotic and abiotic threats, and other variables (often including the characterizations of confidence in these data), all applied to a defined population. Population viability assessments often require complex modeling.

For most locations (PrairieWinds project area included) the types of information necessary to draw valid conclusions about the viability of local, regional, or national populations is lacking. For example, the FEIS (p. 97-104) identifies 24 state or Federal "Species of Concern" observed to occur, or that may occur, in the PrairieWinds project area, and states that populations of many of these species are in decline. However, the FEIS does not provide the type of detailed

<sup>&</sup>lt;sup>3</sup> 42 USC § 4321

<sup>4 42</sup> USC § 4331

<sup>&</sup>lt;sup>5</sup> CEO Answers to 40 NEPA Questions

information on population parameters or associated habitats parameters for these species to indicate that Project effects on their population viability were examined. We found no analysis of the species populations in the FEIS to conclude that the adverse impacts of the proposed Prairic Winds project would not contribute to their further decline.

Chapter 4 of the FEIS also compares bird use and raptor numbers from pre-project monitoring studies to numbers of birds from other geographic regions of the United States and concludes that bird numbers observed in South Dakota were "low." Because observed avian use levels from pre-project monitoring were considered "low," the FEIS concluded that impacts to birds would be less than significant and are not expected to affect the viability of local, regional, or national populations. We do not believe this is a scientifically valid conclusion.

Differences between geographically separated areas in species, populations, habitat, and types and levels of stressors and threats (i.e., parameters discussed above) prevent simple comparisons from being an accurate or reliable indicator of population viability. Such comparisons often lead to false and misleading conclusions. Moreover, a general principle of population biology is that the viability of a small population is at greater risk from an adverse impact than a larger population, even though the actual number of mortalities may be lower.

The USFWS considers population viability to be a useful tool when it is applied within the appropriate context, but requires an intensive and detailed analysis that was not produced in this FEIS. Therefore, the characterizations and conclusions of effects on population viability were not adequately substantiated and are not appropriate.

## Recommended Corrections and Offsetting Measures<sup>6</sup>

As you complete your requirements for NEPA and any subsequent Mitigation Action Plan, we recommend the following corrections or additions be included in the measures to help offset Project impacts. The USFWS is willing to make staff available to assist with clarifications, or review or incorporate these measures into a Mitigation Action Plan or other project documents:

1. Correct and clarify the acres of affected habitat.

Rationale – The FEIS inaccurately portrays impacts to wetland easements. While there are 15 parcels of wetland easements within the project area, the provisions of the USFWS's wetland easements only apply to the protected wetland basins within those parcels, and not the total acreage of the parcels themselves. Multiple references in the FEIS to the total acres protected by USFWS wetland easements are inaccurate. Specifically, pages 75 and 126 indicate 2,836 acres (1,148 ha) are protected by wetland easements and page 178 suggests 2,718 acres (1,100 ha) are protected. These acre figures likely refer to the sum total of the tract sizes, and do not represent the area that is protected by the easements. It is unknown why there are two different acre figures listed; however, neither accurately represents the USFWS's interests.

<sup>&</sup>lt;sup>6</sup> In Chapter 2, the FEIS describes the Operations and Monitoring Plan (West 2010) and Plank 2010 documents as products collaboratively developed with USFWS. To clarify, FWS submitted invited comments on a draft version of each of these, but did not have review or approval of either of the final products.

It would be more appropriate to describe the number of wetland basins protected by these easements. According to wetland maps prepared by the USFWS, 151 individual wetland basins exist within the 15 parcels of land in the project area, which range in size from less than an acre to several acres. The provisions of the wetland easements (which restrict draining, filling burning, and leveling) only apply to the basins themselves, not to the adjacent uplands. The sentence on page 75 which suggests that wetland easements include both habitat types (mixed-grass prairies and wetlands) is also confounding.

Page 168 of the EIS described impacts to the vegetation caused by the construction of project components of the Crow Lake Alternative. This section states "No wetlands would be temporarily or permanently disturbed." Later in this section, a temporary disturbance of 120 acres (49 ha) and permanent disturbance of 22 acres (9 ha) within USFWS wetland easements is indicated. This later reference to disturbed acres within wetland easements should be stricken, as it refers to unprotected upland acres, not protected wetland basins. In summary, the Crow Lake Alternative would result in the temporary disturbance of 68 acres (28 ha) and the permanent disturbance of 15 acres (6 ha) of habitat protected by USFWS grassland easements. No temporary or permanent disturbance to wetlands would occur; and, therefore, there would be no impact to a USFWS wetland easement.

2. We recommend a voluntary Avian and Bat Protection Plan (ABPP) be prepared before project operations commence, in coordination with USFWS. The goal of the ABPP should be to identify potential effects of the action on birds and bats, and to provide a process whereby results of the 3-year Bird and Bat Fatality Monitoring (in FEIS, West Inc., 2010, Operations and Monitoring Plan, FEIS attachment) (OMP)) will be used to identify and incorporate, to the extent practicable, measures to minimize bird and bat mortality. An ABPP and Adaptive Management practices were identified earlier during EIS development to be part of the project description, but the FEIS appears to exclude these measures.

Rationale - The Migratory Bird Treaty Act prohibits the taking, killing, possession, and transportation, (among other actions) of migratory birds, their eggs, parts, and nests, except when specifically permitted by regulations. While the Act has no provision for allowing unauthorized take, the USFWS realizes that some birds may be killed by the Project even if all known reasonable and effective measures to protect birds are used. The USFWS's Office of Law Enforcement carries out its mission to protect migratory birds through investigations and enforcement, as well as by fostering relationships with individuals, companies, and industries that have taken effective steps to avoid take of migratory birds, and by encouraging others to implement measures to avoid take of migratory birds. It is not possible to absolve individuals, companies, or agencies from liability even if they implement bird mortality avoidance or other similar protective measures. However, the Office of Law Enforcement focuses its resources on investigating and prosecuting individuals and companies that take migratory birds without identifying and implementing all reasonable. prudent and effective measures to avoid that take. Companies are encouraged to work closely with USFWS biologists to identify available protective measures when developing project plans and/or avian protection plans, and to implement those measures prior to/during construction, operation, or similar activities.

The ABPP should address a wide variety of methods to avoid and minimize bird and bat mortalities. Turbine feathering, electronically pitching the blades parallel to the wind, and a range of other operational measures should be discussed and evaluated. The potential exists that a portion of the projects impacts on bird and bat mortality can be avoided by including appropriate measures, sometimes for individual problem turbines.

3. Ensure that all lands for both temporary and permanent habitat impacts are offset, and provide for a source of funds to offset the initial costs of acquiring the mitigation lands (i.e., acreages identified in Plank 2010 offsetting measures) and subsequent recurring costs of managing such lands.

Rationale – The Plank document identifies the amount of habitat permanently impacted by the project that would be offset, and estimates per acre costs of offsetting land by acquisition. Additional administration and management costs for these lands were not included in the Plank computations. Possible initial management costs include fencing, signing, boundary surveys, recording, and professional services for realty transaction(s). Types of recurring management costs that may include taxes or payments to counties in lieu of taxes, administrative overhead, vegetation management such as burning and weed control, and possible management of grazing or haying or other site uses.

We appreciate the opportunity to provide comments. If you have questions or seek further assistance, please contact Mr. Scott Larson, Supervisor of the USFWS' South Dakota, Ecological Services Field Office, at (605) 224-8693, or Mr. Dave Carlson, Environmental Review Coordinator in the USFWS's Denver Regional Office at (303) 236-4254.

Sincerely.

Willie R. Taylor

Director, Office of Environmental

Policy and Compliance