

**UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION**

**PETITION OF SC PSC FOR CREATION OF
JOINT FEDERAL-STATE BOARD
TO STUDY ELECTRIC RELIABILITY** * * * **DOCKET NO. EL11-62-000**

**NOTICE OF INTERVENTION
OF THE
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION**

Pursuant to Rule 214(a)(2) of the Federal Energy Regulatory Commission ("Commission"), 18 C.F.R. 385.214(a)(2), the South Dakota Public Utilities Commission ("SDPUC"), files notice of its intervention in the above-captioned proceeding.

I. COMMUNICATIONS

All correspondence and communication concerning this proceeding should be directed to:

John J. Smith, General Counsel
South Dakota Public Utilities Commission
500 E. Capitol Ave.
Pierre, SD 57501-5070
Ph.: (605) 773-3201
Email: john.j.smith@state.sd.us

II. INTERVENING PARTY

The SDPUC is a three-member elected regulatory body created by SDCL 49-1-8 and statutorily charged with the duty to regulate electric and natural gas utility rates, charges and service in South Dakota. The SDPUC is a "State Commission" as defined in 18 CFR 1.101(k). The location of the SDPUC's principal place of business is: South Dakota Public Utilities Commission, State Capitol Building, 500 East Capitol Avenue, Pierre, SD 57501-5070.

III. TIMELINESS

Pursuant to Rule 214(a)(2), any State Commission is a party to any proceeding upon filing a notice of intervention in that proceeding, if the notice is filed within the period

established under Rule 210(b). Based on the docket file for Docket ELO11-62 on the Commission's eLibrary, no notice of this proceeding has been given by the Commission under Rule 210(b) as of this point, and this Notice of Intervention is accordingly filed within the prescribed period.

IV. INTEREST

A very significant portion of the generation that supplies power to our constituents in South Dakota is from coal-fired generation facilities. As we state in greater detail in our Comments filed together with this Notice, the SDPUC has serious and legitimate concerns that the numerous proposed EPA regulations that will become effective over a very compressed time frame have the potential to cause the premature retirement of a number of generating facilities in our region and that serious reliability and economic consequences could result for our consumers in South Dakota, both in the regulated and public power sectors.

WHEREFORE, the SDPUC respectfully notifies the Commission of its intervention in the above-captioned proceeding.

Dated this 28th day of September, 2011.

**SOUTH DAKOTA PUBLIC UTILITIES
COMMISSION**

[/s/ John J. Smith](#)

John J. Smith, General Counsel
South Dakota Public Utilities Commission
500 E. Capitol Ave.
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Attorney for SDPUC

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused to be served copies of the foregoing document electrically upon each person designated on the official service list compiled by the Secretary in this proceeding.

Florence Belser
General Counsel
South Carolina Office of Regulatory Staff
1401 Main Street, Ste 900
Columbia, South Carolina 29201
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Joseph Melchers
General Counsel
South Carolina Public Service Commission
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210
joseph.melchers@psc.sc.gov

Dated at Pierre, SD, this 28th day of September, 2011.

[/s/ John J. Smith](#)

John J. Smith, General Counsel
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Attorney for SDPUC



Gary Hanson, Chair
Chris Nelson, Vice Chair
Kristie Fiegen, Commissioner

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

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Consumer Hotline
1-800-332-1782

September 28, 2011

The Honorable Kimberly Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: Docket No. EL11-62-000; Comments of South Dakota Public Utilities Commission in Support of Petition to Establish Joint Board of the South Carolina Public Service Commission; Request to Establish Joint Board for South Dakota and the Upper Midwest Region – Notice of Intervention

On September 1, 2011, the South Carolina Public Service Commission filed a Petition with the Federal Energy Regulatory Commission (FERC) asking for the establishment of one or more joint boards under Section 209 of the Federal Power Act to study the impact of the many power sector regulations of the Environmental Protection Agency (EPA) on the reliability and affordability of electricity. Because FERC has not issued public notice of the petition, the South Dakota Public Utilities Commission (SDPUC) only recently became aware of it. We have reviewed the Petition and believe that it sets forth persuasive reasons for establishing one or more joint boards. Accordingly, the SDPUC urges FERC to grant the petition. In addition, pursuant to Section 209, we request that FERC establish such a board for South Dakota and the Upper Midwest region. The SDPUC will fully cooperate with and participate in the work of such a board.

We have watched EPA's multiple power sector rulemakings with growing concern. We do not believe that EPA has the expertise or the incentive to conduct a proper assessment of the overall effect of its regulations on reliable operation of the grid or on electric rates to consumers. Indeed, EPA's refusal to conduct a cumulative impact assessment of all its regulations together undermines EPA's contention that those regulations will have minimal impact. We understand from the material that FERC provided to Senator Murkowski on August 1, 2011 that FERC staff recommended to EPA that such a cumulative impact assessment should be done, and indeed told EPA that a proper reliability assessment could not be conducted on a rule-by-rule basis but that a cumulative analysis was needed instead. But EPA has not performed such a study.

Studying the effects of EPA's regulations is a shared responsibility of FERC and state public utility commissions. States cannot conduct this analysis alone because the impacts of EPA's regulations are experienced regionally and nationally. We need to work with FERC and

take advantage of its considerable resources and national and regional level expertise. In the end, FERC's Office of Electric Reliability can and must be intimately involved in performing its function of ensuring reliable operation of the grid in light of the significant changes to the power industry that will result from EPA's regulations.

We are sure you agree that avoiding electric service interruptions is a key government function, one that is directly tied to ensuring public safety and welfare. It is bad enough when the lights go out because of a natural disaster; in our area of the country, if this happens in the winter, catastrophic consequences can ensue for those who use electricity for heating. We try to prepare for these occurrences as best we can and to respond as quickly as possible. But there is no excuse if the lights go out because of poor government decision-making that could have been avoided if the responsible areas of government had properly coordinated with each other.

In sum, for the reasons set forth in the South Carolina petition, we respectfully request that such petition be granted, and we request that a joint board be established for South Dakota and the Upper Midwest. We also join in the request for availability of information and request that we be granted intervention status in the South Carolina docket in accordance with the Notice of Intervention filed together with these comments and requests.

We appreciate your attention to this matter.

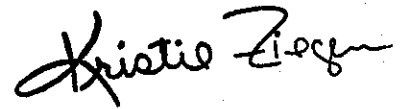
Sincerely,



Gary Hanson
Commissioner



Chris Nelson
Commissioner



Kristie Fiegen
Commissioner